

The PPS Investments *Family Network*

*Invest in yourself.
Invest with each other.
Build your family's wealth*



1. What is a Family Network?

The Family Network enables you to connect your family members' investments on our platform to **ensure that all family members can benefit from a reduced administration fee.**

Each family member's investments are connected to determine the total family market value that will be applied to our administration fee scale. This establishes the family administration fee that will apply to each family member.

2. Who is eligible to join a Family Network?

As the **Core investor**, you have the option to connect:

- A **spouse**, with whom you have a civil marriage* or customary marriage** or civil union*** at the time when you connect your spouse to the Family Network.

*Civil marriage concluded and duly registered in terms of the Marriage Act of 1961.

**Customary marriage concluded and duly registered in terms of the Customary Marriages Act of 1998

*** A Civil Union, in the form of either a marriage or civil partnership, concluded and duly registered in terms of the Civil Union Act of 2006; and for which a valid marriage certificate can be produced.

- Your **parents** (including your parents-in-law, provided your spouse is part of the network), and
- Your or your spouse's **children** of all ages

All family members must be investors with PPS Investments to connect. Please note this includes all OPN investors. You and your family members can only belong to one Family Network at a time.

3. What are the benefits of creating a Family Network?

It immediately **reduces administration fees** for members connected to the Family Network, where the Family Market Value is above R1.5 million. All connected family members benefit from consolidating assets onto the PPS Investments platform to access reduced fees.

4. How many family members can connect?

There is **no limit** on the total number **of eligible family connections** in the Family Network.

5. What documentation will be required for family members to connect to the Family Network?

The following proof of relationship will be required:

- **Spouse or Life partner** - marriage certificate or domestic or cohabitation agreement
- **Children**- birth certificate of child
- **Parents**- birth certificate of core investor/spouse

6. How is the reduced platform administration fee determined?

Each family member's investments are connected to determine the total family market value that will be applied to our administration fee scale. This establishes the family administration fee that will apply to each family member.

We recently introduced an additional tier to our annual platform administration fees applicable to the Select Range of funds, effective since 1 May 2019. Clients will have access to this improved admin fee scale via the PPS Investments Family Network, as shown in the table below:

Value of total investments with PPS Investments	Applicable administration fees (excl. Vat)
The first R1,5 million	0,50%
The next R3,5 million	0,20%
Amounts above R5 million	0,10%

Investments in the PPS Enhanced Yield Fund and Allan Gray Money Market Fund are excluded from the investment amount when applying the above sliding scale. An annual platform administration charge of 0.40% (excluding VAT) is charged on investments in the PPS Enhanced Yield Fund and Allan Gray Money Market Fund

For example: A client has assets with a market value of R1,8 million with PPS Investments and pays 0,45% (excl. VAT) annual administration fee. If she is connected to a Family Network with a family market value of R3,5 million, the family network administration fee is 0,33% (excl. VAT). Her fee will then be reduced by 0,12% (from 0,45% to 0,33%).

7. What happens to my family administration fee when I withdraw funds from my investment?

The Family Network market value will be reduced, which **could result in a change in the family administration fee**. The impact will be dependent on the value of the withdrawal.

8. Will my investments be combined with my family's?

No. Each family member's investments will remain separate and will not be merged into one investment. The value of each family member's investments will be grouped to determine the total Family Network market value, which will be used to establish the family admin fee.

9. What if my family members are not PPS Investments clients?

A Family Network is **exclusively for PPS Investments clients**. They will have to become a client of PPS Investments to be connected to a Family Network.

10. My family members are not PPS members, can they still join my Family Network?

Yes, you do not need to be a PPS member to qualify for Family Network, but you will need to be a PPS Investments client. Those who do not have PPS Membership can invest in our OPN range.

11. Will it be easy for my family members to become a PPS Investment client?

Yes, joining PPS Investments is easy. Contact your financial adviser for assistance with transferring or investing with us. Alternatively, contact our call centre on 0860 468 777 or clientservices@ppsinvestments.co.za

Notes:

- If you would like to transfer your investment account, you can do a unit transfer and there will be no CGT impact.
- If you would like to transfer your retirement annuity to PPS Investments, you will need to do a Section 14 transfer.
- If you would like to transfer your living annuity to PPS Investments, you will need to do a Section 37 transfers.

12. What happens if I want to change the family members connected to my Family Network?

The **Core investor can make changes** to the Family Network, such as add or remove family connections, via the Family Network activation zone. Family connections will be notified accordingly. **Your financial adviser can also assist you** with this process.

13. When will I start paying a reduced fee?

You will start paying a reduced fee **when your family members' assets are part of the Family Network**, if they aren't PPS Investments clients, they will need to transfer their investments or apply for a new investment.

Contact your financial adviser for assistance with transferring or investing with us. Alternatively, contact us on 0860 468 777 or clientservices@ppsinvestments.co.za

14. Are there any fees or penalties associated with dissolving my Family Network?

There are **no** fees or penalties associated.

15. What happens in the event of death?

There are three scenarios:

- If the **Core investor** dies, the family network will stay in place for 6 months from the date of notification. After 6 months, the family network will be dissolved, and a new family network will need to be created.
- If the **spouse** dies, the family network will stay in place for 6 months from the date of notification. After 6 months, the spouse will be removed from the Family Network as well their parents and their children.
- If a Family Network **connection** passes away, the connection will be removed when we are notified. The Family Network fee will be determined using the new family market value.

16. Can my financial adviser help me to create my Family Network?

Your financial adviser can create a Family Network on your behalf. You will need to provide your adviser with your family members' email addresses, and their relationship with you, as the Core investor.

If you have already received an invitation to connect to a Family Network, your financial adviser can accept the connection on your behalf. Simply send the family key (as stated on the email invitation) to your financial adviser. You will be notified if, and when, any changes are made to your Family Network.

17. How will I know if my Family Network is active?

As the Core investor, once you have created a Family Network, **you'll receive a notification via email**. Every connection that you invite to your Family Network will be notified as well. You can manage your activated Family Network on the PPS Investments Secure Site.

18. Can family members see my market value?

The Core investor and other family members can see the total family market value and corresponding family admin fees but, **individual actual market values will not be disclosed**.

19. How do I know what the family admin fee is?

The **family admin fee is reflected in the** Family Network available on the **PPS Investments Secure Site**. It will automatically be applied to your investment when your Family Network is active and the family member's investments are on the PPS Investments platform. The fee will reflect on your statement, which you can access on the PPS Investments Secure Site.

20. How do I check the status of my Family Network activations?

You can **review the status** of all the family connections in the **Family Network** on the **PPS Investments Secure Site**.

There are 5 statuses:

Invite Sent	An invitation, to join your Family Network, was sent to your family member.
Pending Acceptance	Your family member has yet to connect to your Family Network.
Pending Validation	Your family member has uploaded their supporting documentation and validation is in process.
Active	Your family member has successfully been connected and validated and is now connected to your Family Network.
In Force	Your family member's investment market value, with PPS Investments, will be connected to your family network and you will then start benefiting from paying a reduced family admin fee.

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