



# PPS PROFIT-SHARE CROSS-HOLDINGS BOOSTER

Loyal PPS members who have products from PPS subsidiaries and affiliates, (in addition to qualifying life insurance products) now qualify for an additional Profit-Share allocation.

The PPS Profit-Share Cross-Holdings Booster is awarded over and above the existing allocation and is based on how many qualifying products they hold across all PPS subsidiaries and affiliates. The more products a member holds across all PPS subsidiaries and affiliates, the more their Profit-Share allocation will be.



FOR PROFESSIONALS  
SINCE 1941

## PPS SUBSIDIARIES AND AFFILIATES PRODUCTS:

	<b>QUALIFYING PRODUCTS</b>	<b>BASIS OF ALLOCATION PER CALENDAR YEAR</b>
<b>PPS INSURANCE</b> <b>(Life-Risk products/Provider Policy Products)</b>	Sickness and Permanent Incapacity Benefits  Professional Life Provider* Professional Disability Provider* Critical Illness Cover Accidental Death Product Education Cover*	Blended level premiums - cent/unit of benefit (incl Admission Rider Benefit)** Differentiated premiums - percentage of premiums**  Percentage of premiums paid for the core/basic, accelerated/optional and rider benefits **
<b>PPS INVESTMENTS</b>	PPS Investment Account PPS Tax-Free Investment Account PPS Endowment Plan  PPS Preservation Funds PPS Personal Pension PPS Retirement Annuity  PPS Living Annuity PPS Vested Profit-Share Account	Profit allocation is based on the weighted average size of the PPS Member's and their linked clients' qualifying assets during the financial year relative to the total weighted average size of qualifying assets of all PPS Members and their linked clients. Members can apply to link assets of a child, spouse, life partner and/or parent which will then be included in the member's assets for the profit allocation calculation.
<b>PPS HEALTHCARE ADMINISTRATORS</b>	Profmed medical aid benefits	Rand per R100 Profmed contributions paid
<b>PPS SHORT-TERM INSURANCE</b>	Personal Line Products including Pro-Insure Value Added Services (VAPS)	Percentage of premiums paid for the Core/Basic Benefit

\* with premiums differentiated by gender and smoking status

\*\* Allocations exclude loadings

# HOW DOES IT WORK?

A member who holds a Provider Policy plus a product from PPS subsidiaries and affiliates, (PPS Short-Term Insurance, Profmed, PPS Investments) will be placed into a cross-holdings tier based on the number of PPS subsidiaries and affiliates products held. The member will receive a specific percentage based on the Profit-Share Cross-Holdings Booster Tier, which will apply to what has already been allocated from the Provider Policy as well as across the various PPS subsidiaries and affiliates.

Members will receive allocations to their Profit-Share Account based on the number of product holdings the member has across all PPS subsidiaries and affiliates. The booster allocations will be applied on a monthly basis and declared annually. A member must hold the products at the end of the calendar year to qualify for the booster allocation.

## The booster allocation calculation:

PPS will multiply the Apportionment Account allocation the member receives from PPS subsidiaries and affiliates (expressed as a monthly amount) by the booster percentage that the member qualifies for.



## FOR EXAMPLE: THE PROFIT-SHARE CROSS-HOLDINGS TIERS

PROFIT-SHARE CROSS-HOLDINGS BOOSTER TIERS	BOOSTER %
PPS Provider Policy Product	0%
Plus <b>ONE</b> other subsidiary or affiliate product	15%
Plus <b>TWO</b> other subsidiary or affiliate products	22.5%
Plus <b>THREE</b> other subsidiary or affiliate products	27.5%

Percentages will be determined once PPS has declared Profit-Share. These percentages may differ each year and will be declared each year with Profit-Share declarations.

# TO AID THE ILLUSTRATION OF HOW ALLOCATIONS ARE MADE TO INDIVIDUAL MEMBERS OF THE PROFIT-SHARE CROSS-HOLDING BOOSTER ALLOCATION, CONSIDER THE FOLLOWING:

## MEET PETER

- He has Provider Policies with Life Insurance right through the year (January to December) = R3 000 monthly premium. **(Translates into an Apportionment Account allocation of R4 995.00)**
- He has a PPS investment product = R1 000 monthly investment amount. The recurring investment was in-force from April to December. **(Translates into an Apportionment Account allocation of R141.74)**
- He is also a member of Profmed. Peter joined Profmed in May = R5 000 monthly premium. **(Translates into an Apportionment Account allocation of R1 480.00)**
- In July PPS Short-Term Insurance issued him with a Personal Line Policy with a monthly premium of R1 500 and this policy was in-force until December. **(Translates into an Apportionment Account allocation of R166.50)**

Peter will receive a total amount of **R8 356.66 (R6 783.24 + R1 573.42)** Profit-Share paid into his Apportionment Account.

With Profit-Share Cross-Holdings Booster Peter will receive a further **23.20% booster allocation (R1 573.42)\*** on top of his normal Apportionment Account allocation which is effectively a weighting of his contribution sizes to each PPS subsidiary and affiliate and the time for which he held these products.

\*Made up of the following:

- Life Insurance booster allocation of R1 158.75
- PPS Investments allocation of R36.17
- Profmed booster allocation of R335.00
- PPS Short-Term Insurance booster allocation of R43.50

## THE MORE PRODUCTS A PPS MEMBER HOLDS ACROSS THE PPS GROUP FOR A LONGER PERIOD, THE MORE PROFIT-SHARE THEY WILL RECEIVE

### BENEFITS FOR YOU AS AN ADVISER:

- Helping you to protect your members and their policies with PPS
- Increase the profitability of your members while creating value for them
- The convenience of having a single provider offering a full suite of financial products
- PPS is helping you to unlock cross-selling opportunities across the PPS Group

PPS is a Licensed Insurer and Financial Services Provider.

#### About PPS:

PPS boasts in excess of 150 000 members who enjoy access to a comprehensive suite of financial and healthcare products that are specifically tailored to meet the needs of graduate professionals. PPS is the largest South African company of its kind, exclusively for graduate professionals, that still embraces an ethos of mutuality, which means that it exists solely for the benefit of its members. Thus, PPS members with qualifying products from PPS Insurance, PPS Investments, Profmed and PPS Short-Term Insurance share in the profits of PPS Insurance, PPS Investments, PPS Healthcare Administrators and PPS Short-Term Insurance via annual allocations to the unique PPS Profit-Share Account. PPS membership provides access to the following tried, tested and trusted products and services: PPS Life Insurance, PPS Short-Term Insurance, PPS Financial Advisory, PPS Investments and Profmed Medical Scheme. Visit [www.pps.co.za](http://www.pps.co.za) for more information.



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