



THE POWER OF MUTUALITY

THERE IS MORE FOR YOU... WITH MUTUALITY

THE SPIRIT OF MUTUALITY

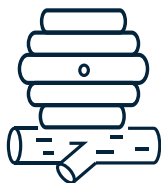
PPS was founded by a group of dentists in 1941. Not only did they want to create a product that will protect their earnings ability for when they suffer from illness, they also wanted PPS to function under the ethos of mutuality. The concept of mutuality is intrinsically African as there is “unity in mutuality”. As professionals, we are a community looking after each other.

What does that mean for your member? PPS exists to pay all valid claims, providing certainty when your members need it the most.

By being a PPS member, your member will also come to share in PPS’s profits by holding a qualifying life-risk product!

WHAT IS THE DIFFERENCE BETWEEN

OPERATING UNDER THE ETHOS OF MUTUALITY **VS** BEING OWNED BY SHAREHOLDERS



ETHOS OF MUTUALITY



**POLICYHOLDER
VOTING RIGHTS**
Yes



PROFITS
Paid to policyholders’
PPS Profit-Share Account™

Profits are reinvested and
accessible via the Vested PPS
Profit-Share Account™ from age
60 or earlier death



PURPOSE
Protect money for policyholders

Decisions are based on what is
best for the member



BENEFIT
The benefit to members shapes
all decisions

Long-term focus — safety,
security and return to
policyholders



SHAREHOLDER ORGANISATION



**POLICYHOLDER
VOTING RIGHTS**
No



DIVIDENDS
Paid to shareholders



PURPOSE
Make money for
shareholders

Decisions are based on
what is best for the
shareholders

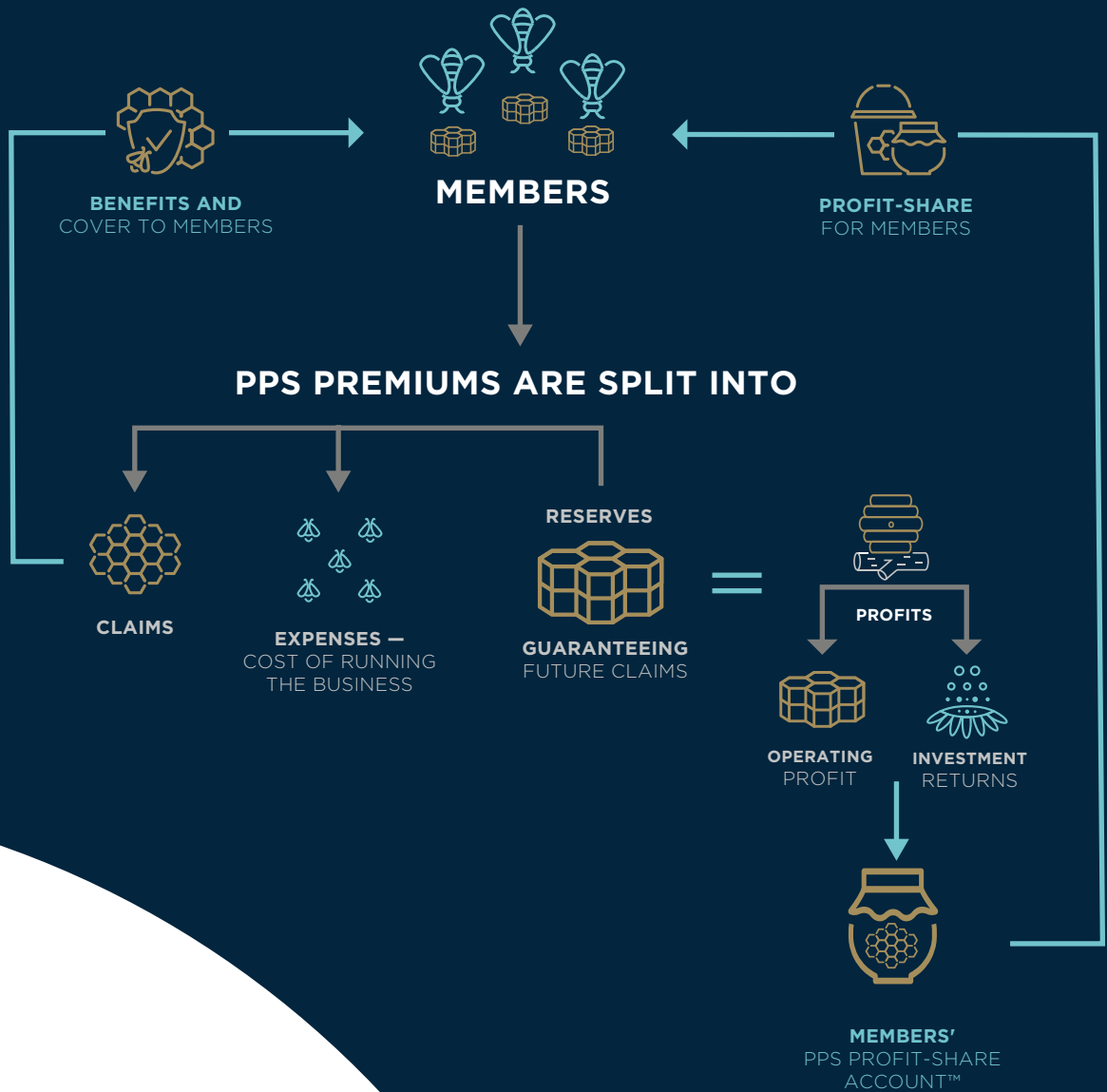


BENEFIT
Decisions are made to increase
dividends for shareholders

Short-term focus — therefore
likely to take greater risks

VS.

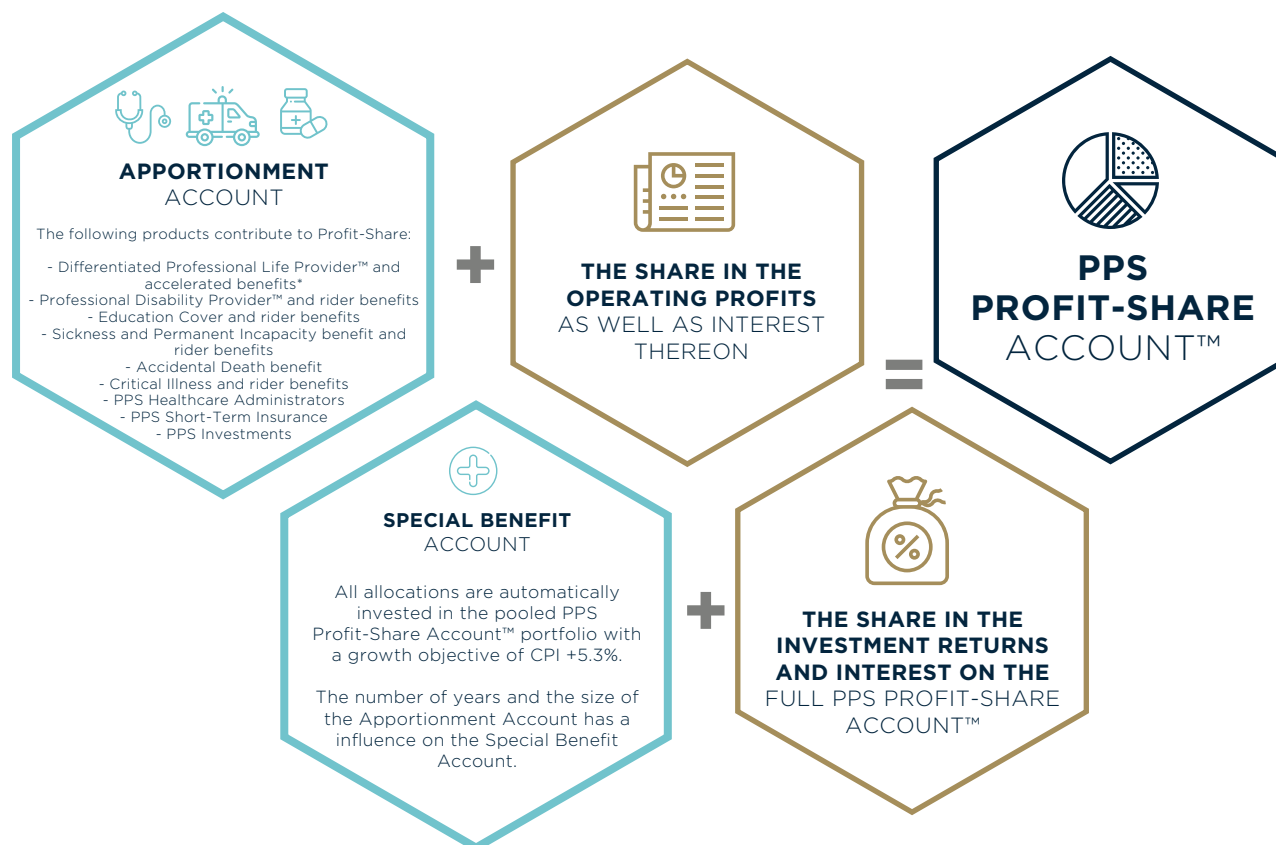
WHAT IS THE MUTUAL DIFFERENCE AND THE POWER OF IT?



THE PPS PROFIT-SHARE ACCOUNT™

PPS exists first and foremost to pay all valid claims. Thereafter, because your member is a policyholder of PPS, they share in 100% of operating profits and investment returns. This is allocated to your member's PPS Profit-Share Account™ when holding qualifying life-risk products.

How does the PPS Profit-Share Account™ work?



Past performance is not necessarily indicative of future performance. The PPS Profit-Share Account™ is a notional account and vests at age 60.

EXAMPLES



MEET DR MOLEFE (AGE 36)

Dr Molefe became a PPS member in 2023.

PPS life-risk products held:

Professional Life Provider™
Critical Illness Cover

Profit-Share projections without the booster allocation:

@ age 55 = R110 289
@ age 64 = R423 778

No PPS Profit-Share Cross-Holdings
Booster allocations.

Dr Molefe's estimated PPS
Profit-Share Account™ at age 64 will
be R423 778.



MEET ELIZA (AGE 36)

Eliza became a PPS member in 2023.

PPS life-risk products held:

Sickness and Permanent Incapacity
Professional Life Provider™
Critical Illness Cover
Occupational Disability Provider™
Functional Disability Provider™

PPS subsidiaries and affiliates:

Profmed Medical Scheme

Profit-Share projections without the booster allocation:

@ age 55 = R318 441
@ age 64 = R1 154 419

Profit-Share projections with the Booster allocation:

Because Eliza has PPS life-risk
products plus one other subsidiary
product, she falls in tier two of the
PPS Profit-Share Cross-Holdings
Booster.

Eliza's estimated PPS Profit-Share
Account™ at age 64 will be R1 551 217.



MEET JOHN (AGE 41)

John became a PPS member in 2023.

PPS life-risk products held:

Professional Life Provider™
Functional Disability Provider™

PPS subsidiaries and affiliates:

PPS Investments
Profmed Medical Scheme

Profit-Share projections without the booster allocation:

@ age 55 = R21 020
@ age 64 = R91 706

Profit-Share projections with the booster allocation:

Because John has PPS life-risk
products plus two other
subsidiary products, he falls in tier
three of the PPS Profit-Share
Cross-Holdings Booster.

John's estimated PPS Profit-Share
Account™ at age 64 will be
R326 318.



MEET XOLANI (AGE 30)

Xolani became a PPS member in 2023.

PPS life-risk products held:

Professional Life Provider™
Sickness and Permanent Incapacity
Critical Illness Cover

PPS subsidiaries and affiliates:

PPS Investments
PPS Short-Term Insurance
Profmed Medical Scheme

Profit-Share projections without the booster allocation:

@ age 55 = R577 927
@ age 64 = R1 915 307

Profit-Share projections with the booster allocation:

Because Xolani has PPS life-risk
products plus three other subsidiary
products, he falls in tier four of the
PPS Profit-Share Cross-Holdings
Booster.

Xolani's estimated PPS Profit-Share
Account™ at age 64 will be R3 022 394.

**WHEN USING THE PROFIT-SHARE PROJECTION
TOOL ON PRO-FIT, ONE CAN SEE THE ESTIMATED AMOUNT
THAT WILL BE AVAILABLE WHEN THESE
MEMBERS REACH A CERTAIN AGE.**

The Profit-Share projection tool gives our members an indication of what their PPS Profit-Share Account™ balance could be at certain ages. Although some examples may reflect members' actual benefits every individual's scenario is dependent on various factors and assumptions. The values and examples are for illustrative purposes only and are based on certain assumptions (a list of disclaimers and assumptions is available on PRO-FIT on the Profit-Share Projection tool document). Past performance is not necessarily indicative of future performance. The PPS Profit-Share Account™ is a notional account and vests at age 60.

THE POWER OF THE PPS PROFIT-SHARE ACCOUNT™



No premiums are paid for the PPS Profit-Share Account™.



Operational profits and return on investments are distributed to members holding qualifying life-risk products.



The PPS Profit-Share Account™ will become accessible through the Vested PPS Profit-Share Account™ as a lump-sum benefit from the age of 60 after tax has been taken care of within the fund.



No penalty when claiming. Any insurance claims that a member makes over the lifetime of their membership will not affect what is allocated to their PPS Profit-Share Account™.

THE PPS PROFIT-SHARE ACCOUNT™ CAN BE USED:

- To supplement retirement savings.
- For ad-hoc expenses, for example holidays or asset purchases.
- To pay for some monthly expenses, e.g., medical aid or car insurance after retirement.
- If your member invests their PPS Profit-Share Account™ with PPS Investments, they will continue to share in PPS's profits.
- Members who vested their PPS Profit-Share Account™ with PPS Investments will be allowed to select that their monthly premiums for PPS Insurance, Profmed and PPS Short-Term Insurance be paid from the Vested PPS Profit-Share Account™.

BEFORE AGE 55

Accumulation and growth of a member's PPS Profit-Share Account™.

FROM AGE 55

Members can elect to align the investment strategy of their PPS Profit-Share Account™ to their overall financial and retirement plan.

FROM AGE 60

The PPS Profit-Share Account™ will vest and become accessible to members through the Vested PPS Profit-Share Account™ (as per the policy rules).

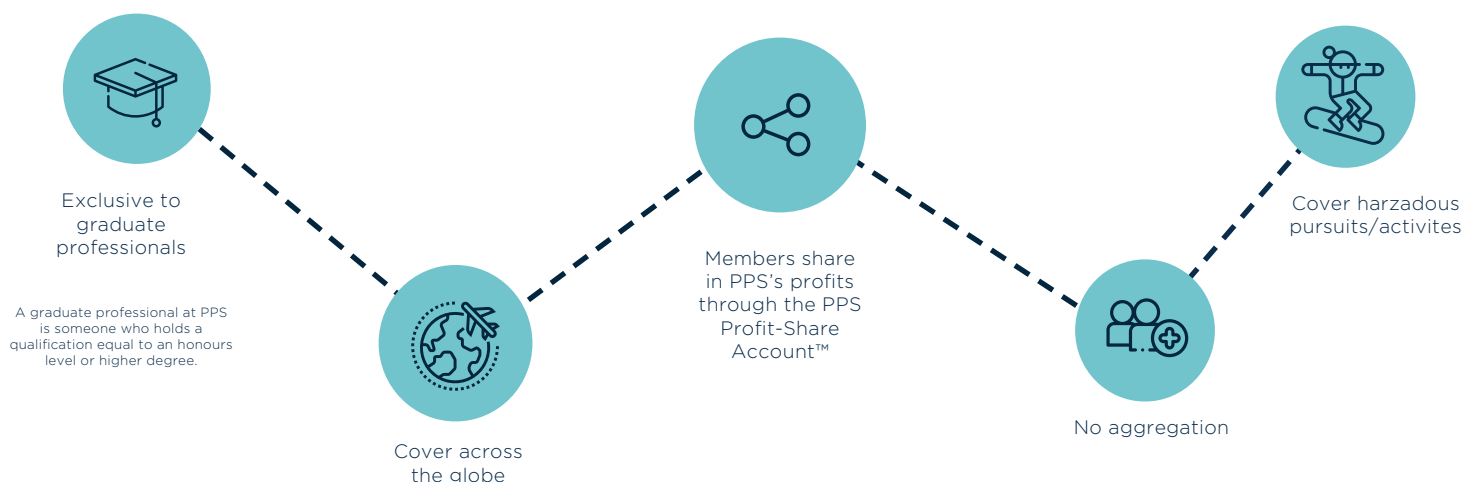
THE POWER OF THE PPS PROFIT-SHARE ACCOUNT™

EXAMPLES OF ACTUAL MEMBERS' PPS PROFIT-SHARE ACCOUNT™ BALANCES AS AT DEC 2022*

ACTIVE POLICIES				
AGE	YEARS OF MEMBERSHIP	TOTAL PREMIUMS PAID	TOTAL CLAIMS PAID	PPS PROFIT-SHARE ACCOUNT™ BALANCE
46	22	R970 433	R261 842	R1 074 953
48	25	R865 846	R0	R1 099 689
50	25	R190 490	R0	R1 230 566
60	20	R777 015	R1 282 320	R1 018 328
70	32	R642 982	R698 359	R1 288 735

* Risk profile dependent. In most instances members receive more in their profit allocations than what they pay in premiums.

REMEMBER PPS FOR THE FOLLOWING FIVE REASONS





**OUR PURPOSE IS TO HELP OUR
PROFESSIONAL MEMBERS AND THEIR FAMILIES
TO PROTECT THEIR DREAMS
AND LIVE THE LIVES THEY WANT TO LIVE
NOW AND IN THE FUTURE.**

Professional Provident Society Insurance Company Limited is a licensed insurer conducting life insurance business, a licensed controlling company and an authorised financial services provider.

PPS Short-Term Insurance Company Limited. Reg. No. 2005/005531/06 is an insurer licensed to conduct non-life insurance business and an authorised FSP. Licence No.46274.

PPS Investments is an authorised FSP.

Members holding qualifying life-risk products share in the profit and the loss of PPS through the notional PPS Profit-Share Account™ and past performance is not necessarily indicative of future performance. The PPS Profit-Share Cross-Holdings Booster is tiered according to the number of products a member holds across subsidiaries and affiliates. If they hold a PPS Life-Risk product and they take up a qualifying product(s) from a PPS subsidiary/affiliate (PPS Short-Term insurance, PPS Health Professions Indemnity, Profmed and/or PPS Investments) it will increase their allocations. The Booster allocations are not fixed and can differ each year. Allocations take place annually and will be declared with Profit-Share. The amounts are dependent on the profitability of PPS and its subsidiary/affiliates products. PPS reserves the right to discontinue this offering at its own discretion.

PPS Health Professions Indemnity is a division of PPS Short-Term Insurance Company Limited Reg. No. 2005/005531/06, an insurer licensed to conduct non-life insurance business and an authorised FSP. Licence No.46274. Profmed: All benefits are subject to the availability of funds, Scheme rules and protocols.

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2023 V1.

For more information, visit us at www.pps.co.za

