

# PRODUCT TERMS, CONDITIONS AND DECLARATIONS FOR THE PPS/OPN INVESTMENT ACCOUNT



PROFESSIONAL PROVIDENT SOCIETY INVESTMENTS PROPRIETARY LIMITED ("PPS INVESTMENTS")  
CLIENT SERVICE CENTRE CONTACT DETAILS

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## GLOSSARY

<b>Administrator</b>	PPS Investment Administrators Proprietary Limited (Reg. no. 2014/260001/07), a licensed financial services provider (FSP licence no. 45924), the current administrator of the PPS Investment Account and who is authorised to render intermediary services for the following products and subcategories: Long-term Insurance (sub-categories B1, B1-A and C), Retail Pension Benefits and Participatory Interests in Collective Investments Schemes (Including Hedge Funds) and Intembeko Proprietary Limited a Financial Services Provider (FSP licence no. 49186), the current administrator of the OPN Investment Account and who is authorised to render intermediary services for the following product subcategories: Long-term Insurance (sub-category C), Pension Fund Benefits (including Retail), Shares and Participatory Interest in Collective Investments Schemes (including Hedge Funds).
<b>Capital Gains Tax (CGT)</b>	A tax which may be paid on profits realised when selling an asset.
<b>Cession</b>	Surrendering your right to the funds in your investment and assigning these to another person or entity either permanently or temporarily.
<b>Collective Investment Schemes Control Act (CISCA)</b>	This Act regulates and controls the establishment and administration of collective investment schemes.
<b>Collective Investment Scheme (CIS)</b>	An investment vehicle that pools the money of many investors for an asset manager to invest on their behalf. The combined portfolio is divided into equal portions called "units", which are divided among participating investors based on the value of the contributions they've made to the overall portfolio (also known as a "unit trust" or "fund").
<b>Common Reporting Standard (CRS)</b>	Calls on tax jurisdictions (other than the United States of America) to obtain information from financial institutions and automatically exchange that information with other tax jurisdictions on an annual basis in order to reduce potential tax evasion.
<b>Discretionary Fund Manager</b>	A Discretionary Fund Manager is a FAIS CAT II investment manager that invests on behalf of their clients through a variety of investment options.
<b>Dividend Withholding Tax (DWT)</b>	A tax on shareholders (beneficial owners) when dividends are paid to them, and, under normal circumstances, is withheld from their dividend payment by a withholding agent (either the company paying the dividend or, where a regulated intermediary is involved, such as a collective investment scheme, by the latter) and paid to the South African Revenue Services.
<b>E-Signature</b>	An electronic signature as defined in terms of the Electronic Communications and Transactions Act 25 of 2002.
<b>Financial Advisory and Intermediary Services Act (FAIS Act)</b>	This Act applies to any advice given in relation to your investment. It also governs any forms of intermediary services between you, PPS Investments and PPS Insurance .
<b>Financial Intelligence Centre Act (FICA)</b>	The Financial Intelligence Centre Act of 2008. This act requires PPS Investments to obtain certain information from you in order for us to verify who you are before we process your investment.
<b>Financial Sector Conduct Authority (FSCA)</b>	The regulatory body responsible for the non-banking financial services industry in South Africa.
<b>Foreign Accounts Tax Compliance Act ("FATCA")</b>	A United States (US) legislation aimed at reducing the potential for offshore tax evasion. FATCA requires that financial institutions outside the US provide the Inland Revenue Service (IRS) with financial account information they hold on US citizens .
<b>FSP Licence</b>	A licence that allows an entity to provide a financial product other than a financial instrument, or which gives advice or offers an intermediary service as a regular part of its business.
<b>Impression</b>	Impression Signatures (Pty) Ltd is a secure digital document delivery and E-Signature business solution.
<b>Income Distributions</b>	The income that is generated by the securities in a unit trust and is then paid to investors. This income is added to each investor's portfolio in proportion to the number of units they hold in the unit trust.
<b>Investment Options</b>	Unit trusts, Managed Share Portfolio or wrap funds managed by a Discretionary Fund Manager.
<b>Income Tax</b>	A tax levied by the South African government on personal income (or on business income) according to prescribed rates.
<b>Income Tax Act (ITA)</b>	This Act regulates the payment of taxation in South Africa.
<b>Interest Withholding Tax (IWT)</b>	IWT is a tax charged on interest paid (on or after 1 March 2015) by any person to or for the benefit of a foreign person (which includes individuals, companies, etc.) from a source within South Africa.
<b>Market Value</b>	The current value of your investment (usually the unit price x the number of units).

<b>Minimum Disclosure Document (MDD)</b>	A fact sheet disclosing key information about Investment Option(s).
<b>Multi-Managed Investment Options</b>	Investment Options which are managed by several unrelated investment managers.
<b>Net Investment Value</b>	The Rand amount invested by you in your Tax Free Investment Account minus the applicable fees and charges.
<b>Nominee Company</b>	This is the independent company approved by the FSCA that holds the assets. The current nominee is PPS Nominees and may change from time to time.
<b>OTP</b>	A one-time password. It provide a mechanism for logging on to a network or service using a unique password that can only be used once, as the name suggests.
<b>Phase-in</b>	The process by which an investment is split into several different portions for to be gradually invested into the selected Investment Options (as opposed to a once-off transaction). Investors who phase-in their investment seek to reduce the impact that an unexpected market decline may have on their capital. Thus, a decline shortly after investing would only affect a portion of the total investment capital, as opposed to impacting the overall lump sum.
<b>PPS Group</b>	PPS, its subsidiaries and Strategic Partners, collectively referred to as 'The PPS Group' includes but is not limited to: PPS Holdings Trust, PPS Insurance Company Limited, PPS Wealth Advisory (Pty) Ltd, PPS Short-Term Insurance Company Limited, Financial Solutions 4 Professionals (Pty) Ltd, PPS Investments (Pty) Ltd, PPS Investments Management (Pty) Ltd, PPS Investments Long-Term Incentive Scheme Trust, PPS Healthcare Administrators (Pty) Ltd, PPS Insurance Company (Namibia) Limited, PPS Property Fund Trust, Plexus Properties (Pty) Ltd, Six Anerley Road (Pty) Ltd, PPS Foundation Trust, PPS Retirement Annuity Fund, PPS Preservation Provident Fund, PPS Preservation Pension Fund, PPS Personal Pension Retirement Annuity Fund or their successor in title.
<b>PPS Investments (PPSI)</b>	Professional Provident Society Investments Propriety Limited (2005/029098/07), a licensed financial services provider (licence no. 39270).
<b>PPS QuicklySign</b>	A web application used by the PPS Group that allows you to send documents for signature online.
<b>PPSI Secure Online Services</b>	An online portal that allows clients and financial advisers to transact online from anywhere, and at any time ( <a href="http://www.ppsisecure.co.za">www.ppsisecure.co.za</a> ).
<b>PPS Investments Website</b>	An online portal that offers additional information about the PPS Investments range of investment products and funds ( <a href="http://www.ppsinvestments.co.za">www.ppsinvestments.co.za</a> ).
<b>SARS</b>	The South African Revenue Service.
<b>Single-Manager Investment Options</b>	Refers to Investment Options which are managed by a single investment manager.
<b>Total Expense Ratio (TER)</b>	A measure of the total costs associated with managing and operating a unit trust. Total costs are expressed as a percentage of the total assets under management. The higher the TER percentage, the greater the overall cost to the investor.
<b>Transaction Cost (TC)</b>	The total cost incurred in buying and selling the underlying assets of your Investment Option(s).
<b>Units</b>	Unit trust funds are split into equal portions called units that are allocated to you according to the amount of money you invest and the price of the units on the day you buy them.
<b>USSD</b>	An "Unstructured Supplementary Service Data" a communications protocol used by GSM cellular telephones to communicate with the mobile network operator's computers.
<b>Please note:</b>	In this document, the term "we" or "us" or "PPS Investments" could refer to PPS Investments, the Administrator, product providers and suppliers, and/or employees and officers. "You" refers to the investor.

## PRODUCT SUITABILITY

**The Investment Account is suited to investors who are saving towards lifestyle goals and tend to opt for flexibility. The PPS/OPN Investment Account forms part of the comprehensive PPS Investments product suite.**

It may be suitable if you have a marginal tax rate of less than 30%, require access to your savings within five years and do not require insolvency protection or imposed investment discipline.

You may construct your personalised portfolio by investing directly in a premium selection of Investment Options. You make your selection of Investment Options, decide how much you'd like to invest on a one-off or recurring basis and remain invested for as long as you prefer.

You are also free to amend your investment as needed. You can increase, lower or stop debit order contributions and make changes to your Investment Option selection without incurring transaction fees. In addition, you remain free to withdraw your money whenever you want to.

## 1 THE INVESTMENT ACCOUNT

### 1.1 What is an Investment Account?

The Investment Account is an efficient platform, enabling you to invest across a wide range of Investment Options offered by various asset managers. You have one relationship and one point of contact. The administrative burden of buying Investment Options across different asset managers is taken away from you.

- 1.2 What do I need to open an Investment Account?**  
Submit an application form in the prescribed format with the required supporting documentation to the Administrator for approval. In addition, you must make payment to the Investment Account bank account.
- 1.3 When does my Investment Account close?**  
When the total value of your investment is paid out (after fees) the account will be closed. This may occur on withdrawal, death or transfer to an other investment platform.
- 1.4 Who administers the Investment Account?**  
The Investment Account is administered by the Administrator, who is licensed by the FSCA in terms of the FAIS Act as a Category III Administrative Financial Services Provider.
- 1.5 What is the value of my investment?**  
The value is equivalent to the market value of your Investment Option(s) less any fees and charges. The value of your investment will increase or decrease as the market values of the underlying securities in your chosen Investment Option(s) fluctuate. The Administrator does not provide any guarantees in relation to any investment performance.
- 1.6 Who owns my investment?**  
You own the investment. However, all assets are registered in the name of the Nominee Company appointed by the Administrator. The Nominee Company is an independent company approved by the FSCA.
- 1.7 Is my Investment Account protected against creditors?**  
No, the Investment Account is not protected against creditors.

## 2 CONTRIBUTIONS

- 2.1 What are the minimum investment amounts?**  
Contributions can be made via an initial or ad hoc lump sum, regular debit orders or a unit transfer from another investment platform.
- Lump sum: R2 000
  - Recurring: R500 per month\*
  - Ad hoc: R1 000
- \*The minimum recurring debit order amount if you are under the age of 30 is R200 per month, which should be escalated to the normal minimum of R500 per month after your 30<sup>th</sup> birthday. The minimum amount that can be invested in an Investment Option is R200.
- 2.2 What is the minimum investment period?**  
There is no minimum investment period applicable as you choose your own investment period.
- 2.3 Can I phase in a lump sum?**  
Yes. Lump sum investments can be phased in over a period of time. You may phase in your lump sum investment over 3, 6 or 12 months. If you choose to phase in a lump sum, the full lump sum will initially be invested into the PPS Enhanced Yield Fund and will be phased into your selected Investment Option(s).
- 2.4 When I deposit monies, will I receive interest before it is invested?**  
Interest on deposits will be applied if it takes longer than one day to process your contribution after the deposit has been paid into the product's bank account.
- 2.5 When will my monies be collected if I choose to invest using the electronic collection method?**  
Electronic collection is restricted to a maximum Rand value per day as determined by the banks. An amount greater than this will require the Administrator to make multiple debits over multiple days, which may result in additional transaction costs. The investment will be processed one (1) business day after the last debit is received.

## 3 INVESTMENT OPTIONS

- 3.1 What are the available Investment Options?**  
You have access to a premium selection of PPS Multi Managed Investment Options and a refined list of Single-Manager Investment Options. You may access this Investment Option information via our website. These Investment Options may change from time to time.

## 4 SWITCHES

- 4.1 Can I switch between Investment Options, and how?**  
You can switch between Investment Options as often as you choose without incurring a transaction fee. However, should the asset manager of your chosen Investment Option charge an initial fee for investing into its Investment Options, this fee would be applied to your investment. In other words, you can switch between available Investment Options, subject to the requirements and conditions that the Administrator or asset manager of the relevant Investment Options may apply.  
To make a switch you must complete a Switch Form (available on our website) and submit it with any required supporting documentation to the Administrator.
- 4.2 Can I switch between Original and Select Fund Ranges?**  
PPS Investments currently offers two ranges of Investment Option(s) namely the Original Fund Range (available prior to 1 October 2014) and the Select Fund Range (available post 1 October 2014). Existing investors in the Original Fund Range can continue to access the Investment Option(s) listed in the Original Fund Range Investment Option schedule. This range is, however, closed to all new investments. New investments can only be made into the Select Fund Range. The Investment Option(s) are set out in the Select Fund Range Investment Option schedule. You will not be allowed to combine Investment Option(s) from the Select and the Original Fund Ranges.

## 5 WITHDRAWALS

### 5.1 Can I withdraw funds from the Investment Account?

Yes. There are no restrictions on withdrawals from your Investment Account. You have the flexibility to set up regular withdrawal payments or make full or partial withdrawal at any time. If the Rand value of your withdrawal is 95% or more of the value of your investments, we will withdraw 100% of your investment. Payment will only be made to the bank account in the name of the investor or their estate. *Foreign payments made between Eswantini, Lesotho, Namibia and South Africa will be subject to additional requirements.*

**Kindly note that units bought with a recurring or once off collection can only be sold 28 business days after the investment date.**

5.2 Please note that all payments will be made electronically, and that PPS Investments will not make payments to credit cards, loan accounts, market-linked accounts, or third-party bank accounts. Payment will only be made to a transactional bank account in the name of the policy holder.

## 6 CESSIONS, COOLING OFF, LOANS AND TRANSFERS

### 6.1 Are cessions allowed?

Ownership of your Investment Account can be transferred to another person by way of a cession or ceded as security. Capital gains tax may be applicable should you transfer ownership.

### 6.2 Is there a cooling-off period, should I change my mind about the Investment Account?

Cooling off is not applicable. You may not ask for a refund or cancel your investment. You may, however, sell the units in your Investment Account at the current market value.

### 6.3 Can I take a loan from the Investment Account?

You may not borrow from your Investment Account.

### 6.4 Can I transfer my Investment Account to another investment platform?

Yes, unit transfers are allowed for the Investment Account. No capital gains tax or transaction costs will be incurred upon transfer.

## 7 TIMELINES AND ADMINISTRATION

### 7.1 How long will it take for my transaction to be processed?

Subject to the receipt of a valid instruction and supporting documents before the daily cut-off time of **14:00**:

#### 7.1.1 New business/additional contributions

**Note:** An electronic collection is restricted to a maximum Rand value per day as determined by the banks. An amount greater than this will require the Administrator to make multiple debits over multiple days, which may result in additional transaction costs. The investment will be processed one (1) business day after the last debit is received.

Cut off	Process instruction	Units are purchased	Transaction finalised	Reflects on statement
Day 1 (Before 14:00)	Day 1	Day 2	Day 3 at price of Day 2	Day 4

#### 7.1.2 Internal Switch (switch within the same Management Company)

Cut off	Process instruction	Units are sold	Units are bought	Transaction finalised	Reflects on statement
Day 1 (Before 14:00)	Day 1	Day 2	Day 2	Day 3 at price of day 2	Day 4

#### 7.1.3 External Switch (switch between different Management Companies (A&B))

Cut off	Process instruction	A sells the units	Sale of units finalised	Money paid to B	B purchases units	Transaction finalised	Reflects on statement
Day 1 (Before 14:00)	Day 1	Day 2	Day 3 at price of day 2	Day 4	Day 4	Day 5 at price of day 4	Day 6

#### 7.1.4 Withdrawals

Cut off	Process instruction	Units are sold	Transaction finalised	Reflects on statement	Money available in bank account
Day 1 (Before 14:00)	Day 1	Day 2	Day 3 at price of Day 2	Day 4	Day 5

Please note that certain switches and withdrawals cannot be processed during the period when fees or regular withdrawal payments are being processed. This is to ensure those payments are made timeously. Please contact the Administrator for further information.

**Kindly note that units bought with a recurring or once off collection can only be sold 28 business days after the investment date.**

### 7.2 Delays in processing instructions

Whilst the Administrator endeavors to adhere to the timelines outlined above, it does not accept responsibility for delays in processing instructions as a result of extraordinary events which are beyond the control of the Administrator.

### 7.3 How are income distributions dealt with?

All income distributions are reinvested automatically.

## 8 REPORTING AND ONLINE ACCESS

### 8.1 Can I transact and view my investments online?

Yes. PPS Investments' Secure Online Services allows you to transact online for certain transactions. You may also access information about your investment, instructions we have received for your investment, your investment performance and your investment asset class exposure, among others. Should you not have a Secure Online Services account you may complete the online self-registration process on our website and an online account will be activated for you. You can also use the PPS mobile App to manage your investment, view balances, transact and download tax certificates.

### 8.2 Will I receive confirmation of my transaction?

Confirmation of your transaction will be sent to you once your investment has been processed. Statements will be sent to you at regular intervals, not exceeding three months. Copies of statements are available to you on request from the PPS Investments Client Service Centre on 0860 468 777 (0860 INV PPS). Alternatively, you can register to view them on PPS Investments' Secure Online Services, accessible from our website.

### 8.3 Will my financial adviser receive confirmation of my transaction?

If you have appointed a financial adviser, the Administrator will send your investment confirmation document to the financial adviser listed in the financial adviser details section of the Investment Account application form. All documentation in relation to your Investment Account will be made available to your appointed financial adviser on their request.

## 9 TAX AND MY INVESTMENT ACCOUNT

### 9.1 What tax will I pay on my Investment Account?

There are generally three taxes applicable to the Investment Account for South African tax residents. Non South African tax residents and certain legal entities may qualify for a reduced rate or exemption:

**Interest income:** For South African residents this income is taxed according to your applicable income tax rate (after any tax exemptions are exhausted). For non-residents, Interest Withholding Tax (IWT) is levied at a rate of 15% and is withheld from the interest payment. It is paid to the South African Revenue Service (SARS) on behalf of the investor.

**Dividend income:** Dividend Withholding Tax (DWT) is levied at a rate of 20% on local dividends declared and paid by companies. DWT will be withheld from the dividend payment and paid to the South African Revenue Service (SARS) on your behalf.

**South African tax residents:** Dividends declared by a Real Estate Investment Trust (REIT) are regarded as taxable income and are subject to tax at the applicable rate, such dividends will however be exempt from dividend tax.

**Non-South African tax residents:** Dividends declared by a Real Estate Investment Trust (REIT) are exempt from South African Income Tax but will be subject to DWT. A reduced DWT rate may apply if there is a Double Taxation Agreement (DTA) in place between South Africa and your country of residence. By declaring a country of residence for tax purposes other than South Africa, you declare you are not a South African resident and that the reduced rate and article number as contained in the Withholding Tax Annexure (available on [www.pps.co.za/invest](http://www.pps.co.za/invest)) applies to your investment.

**Capital growth:** Capital gains tax falls under the Eighth Schedule of the Income Tax Act and may be applicable to any capital growth on your investments. Any losses may be offset against future gains. A capital gains tax (CGT) event is triggered whenever an investor sells units. Therefore, you decide when to become liable for CGT. For example, units are sold when fees are deducted or you make a switch or a withdrawal.

## 10 FEES

### 10.1 What fees are applicable to my investment?

There are typically three fee categories:

- **Financial advice fees:** If you have appointed a financial adviser you may have agreed to initial and/or annual fees (as indicated on the application form or amendment form). Initial fees are deducted from the investment amount prior to investment. Annual fees are deducted through the sale of units in your Investment Option(s) and paid to your adviser monthly in arrears. The fee is calculated and accrued daily.

- **Administration fees:** These are payable for administration services provided by the Administrator. No initial administration or transaction fees are charged. Annual fees are deducted through the sale of units in your Investment Option(s) and paid monthly in arrears. The PPS Investments client-based charging model reduces ongoing administration fees based on the total amount of assets you have invested with them (across all the products you have invested in).

- **Asset management fees:** Initial and annual asset management fees on the underlying Investment Option(s) selected will be charged by each management company. There are also other allowable expenses associated with an Investment Option. These fees and charges are deducted within the Investment Options and are therefore not deducted in units, and are instead accounted for in the published performance of the Investment Option. These fees are indicated on the relevant Minimum Disclosure Document (MDD) available on the PPS Investments website.

All fees are paid by a proportional disinvestment from each Investment Option or a specific Investment Option, depending on the instruction you have given on your application or transaction form. Fees and charges may change from time to time and you will be notified of such a change.

### 10.2 What is the maximum annual administration fee if I am invested in the Original Fund Range?

The maximum annual administrative fee is 0.70% per annum (excluding VAT).

### 10.3 How is my annual administration fee calculated, if I am invested in the Original Fund Range?

The PPS Investments client-based charging model reduces ongoing administration fees based on the total amount of assets you have invested with them (across all the products you have invested in). It is calculated on the daily market value of the investment portfolio and will be charged and paid monthly in arrears. This fee will be charged at the level of your Investment Option(s) and will be reduced in accordance with the sliding scale below:

Investments in the PPS Enhanced Yield Fund and Coronation 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 0.47% (excluding VAT) is charged on investments in the Coronation Money Market Fund.

Please refer to the Original Fund Range Investment Option schedule available on our website for more information.

Value of total investments	Administration Fees (excluding VAT)
Up to the first R500 000	0.70%
From R500 001 to R1 500 000	0.50%
From R1 500 001 to R2 500 000	0.45%
From R2 500 001	0.40%

### 10.4 What is the maximum annual administration fee if I am invested in the Select Fund Range?

The maximum annual administrative fee is 0.50% per annum (excluding VAT).

### 10.5 How is my annual administration fee calculated if I am invested in the Select Fund Range?

It is calculated on the daily market value of the investment portfolio and will be charged and paid monthly in arrears.

This fee will be charged at the level of your Investment Option(s) and will be reduced according to the sliding scale below:

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.

Value of total investments	Administration Fees (excluding VAT)
Up to the first R1 500 000	0.50%
From R1 500 001 to R5 000 000	0.20%
From R5 000 001	0.10%

Please refer to the Select Fund Range Investment Option schedule available on our website in order to find out more.

### 10.6 What fees are applicable should I select the PPS Discretionary Fund Management Investment Option?

A Discretionary Fund Management Fee applies to selected Investment Options. The fee charged is in-line with the discretionary mandate signed.

## 11 DEATH CLAIMS

### 11.1 What happens to the proceeds of my Investment Account in the event of my death?

The amount available in your Investment Account (after all fees and charges have been deducted) will be paid to your estate once all processing requirements have been met and handled by the executor in terms of the laws governing testate or intestate succession.

The Administrator must be notified of your death as soon as possible and the following documentation must be submitted:

- Death certificate
- Letter of executorship

## 12 UNCLAIMED BENEFITS

### 12.1 What happens to unclaimed benefits?

If the Administrator is unsuccessful in its efforts to make a payment that is due to an investor or their estate for whatever reason, such benefits will become unclaimed benefits and will be dealt with in accordance with the Association of Savings and Investment South Africa (ASISA) Standard on Unclaimed Assets.

The Administrator may use all personal and contact information in its possession in order to facilitate tracing directly or via a third party in respect of any unclaimed benefits.

Any direct administrative, tracing and management costs incurred by the Administrator after a period of six months from the date on which the benefits first became due will be charged against the remaining value of the unclaimed benefits once successfully traced.

The Administrator will cease all attempts to trace the investor if the remaining value of the unclaimed benefits is less than the minimum value prescribed by ASISA from time to time (R1,000.00 as at 1 June 2013) or the costs of tracing exceed the benefits of tracing.



## 13 YOUR ROLE

Notwithstanding the information shared above, there are some additional rights and responsibilities to take note of:

### 13.1 We recommend that you seek financial advice

We always recommend seeking financial advice when making investment decisions. A financial adviser should be able to help you make investment choices that are suited to your needs and circumstances. They should also help you ensure that you are fully informed of all fees you need to pay. If you do not have a financial adviser, the responsibility lies with you, as the investor, to make sure all fees payable are understood.

The financial adviser is responsible for ensuring that you receive an appropriate needs analysis, advice, product and fee information, including changes in administrative processes of the Administrator and fully understand these. Where you have appointed a financial adviser, it is the responsibility of your financial adviser to act within the conditions of the relevant FSP licence. We cannot be held responsible or liable for any loss or damage you may incur as a result of the financial adviser acting outside the licence conditions.

### 13.2 The risk and responsibility to choose an appropriate investment lie with you

We have indicated who the product is best suited to in the suitability section of this document. The information provided to you by PPS Investments, whether written, oral or implied, does not constitute advice or a recommendation to enter into any of the PPS Investments products.

All information and explanations relating to these Product Terms, Conditions and Declarations are not to be considered advice or a recommendation to enter into any transaction. Information that we share about our offerings is not an endorsement and the risk and responsibility for the selection of your Investment Options lie with you.

We do not provide any guarantees in relation to any investment performance. The value of the investment portfolio will fluctuate relative to the market values of the underlying securities comprising the selected investment portfolio. Investment Options are generally medium-to long-term investments. The value of the units may go down as well as up and past performance is not necessarily a guide to future performance.

### 13.3 Any risks associated with the communication method you choose to submit instructions lie with you

We will accept your instruction by facsimile or email. We will not accept any loss incurred as a result of us receiving and/or acting upon such communication. You waive any claim that you may have against us as you hold the risk of the communication method you have selected. We will not be liable if we do not receive a communication whether due to the failure, malfunction or delay of any networks or electronic or mechanical device or otherwise.

### 13.4 You are entitled to the information a collective investment scheme is legally obliged to disclose

As the investor, you are entitled to any information that the law requires a collective investment scheme to disclose. We are obliged to obtain and transmit such information if the investor requests it.

### 13.5 Reporting of errors

You have **14 days** after receipt of investment confirmation or any statement to report any errors to the Administrator. The Administrator will not accept any responsibility for any loss, damages or inconvenience you incur, howsoever caused after this time.

### 13.6 You are responsible to ensure your personal information on our system is correct

As an investor, it is your responsibility to ensure that your personal and contact particulars, as reflected on the latest Investment Summary issued by the Administrator, are correct. If this is not the case, or in the event that your personal and/or contact particulars change, it is your responsibility to inform us timeously in writing of the new details. We will not accept any responsibility for any loss, damages or inconvenience you incur, howsoever caused, as a direct or an indirect result of incorrect personal and/ or contact particulars.

## 14 THE ROLE OF THE ADMINISTRATOR

### 14.1 We are authorised to invest your net investment amount and reinvest all income distributions

You hereby authorise us to invest your net investment amount into your chosen Investment Option(s) from time to time. All income arising from the Investment Option(s) from time to time (which will be regarded as forming part of your selected products) will be reinvested.

### 14.2 Investments are made subject to the provisions of CISCA (where applicable)

Investments in the selected Investment Option(s) are made and will be administered subject to the provisions of CISCA, in accordance with the deeds of such a collective investment scheme and subject to each management company's fee structure as amended from time to time.

### 14.3 We are authorised to verify your information

You hereby consent to us making enquiries of any nature, if necessary, to verify the information disclosed in the application form. You also consent to us obtaining any other information concerning you from any source whatsoever to process your application.

### 14.4 We will not be held liable to investors or third parties for losses sustained

Provided that we exercise reasonable care and diligence in the management and administration of your Investment Option(s), we will not be liable to you or a third party for any loss you may have sustained in terms of your Investment Option(s). Specifically, we cannot be held responsible for any acts or errors of commission or omission by third parties, or the timing standards, practices or procedures of third parties.

### 14.5 We may amend terms and conditions from time to time

We may amend the terms and conditions of any of our products provided that those changes don't negatively affect any associated right or benefit that you may have accrued. We will give appropriate and reasonable notice of the proposed changes.

### 14.6 We may change relevant Investment Options

We are entitled to change, at our discretion and with appropriate notice, any of the relevant Investment Options offered from time to time. You will be asked for switch instructions should an Investment Option be removed from the PPS Investments offering. In the absence of any instruction from you within the required time period, we will effect a switch to a similar fund, where available.

## 14.7 Statements

The Administrator will provide you with quarterly statements and tax certificates, via a link to the Secure Site. Additional statements are available from our PPSI Secure Online Services at [www.ppsisecure.co.za](http://www.ppsisecure.co.za) or the Administrator. Where you have appointed a financial adviser, and you have authorised us to do so, we will provide the financial adviser with electronic access to such statements and tax certificates furnished to you. You may contact us or your financial adviser to request this information or other information you may require about your investment. It is important to note that investment statements will be made available via the online platform and will only be distributed via e-mail upon your request.

## 15 THE AGREEMENT

By signing the application form, you acknowledge and confirm the following:

- 15.1** I have read and understood the Product Terms, Conditions and Declarations.
- 15.2** I have read and understood the Minimum Disclosure Documents (MDDs) and the unit trust brochure(s) and/or any other disclosure documentation of the applicable fund(s). This includes, but is not limited to, the Total Expense Ratio (TER) and the Transaction Cost (TC) applicable to my investment. Please refer to the MDDs which are available on the PPS Investments website or contact the PPS Investments call centre on 0860 468 777 (0860 INV PPS) or [clientservices@ppsinvestments.co.za](mailto:clientservices@ppsinvestments.co.za) for more information.
- 15.3** I am the beneficial owner of the contribution(s) made to the Investment Account. I am duly and validly authorised to invest the contribution amount with PPS Investments and confirm that all monies deposited into the applicable bank account in respect of my Investment Account were obtained from legitimate sources.
- 15.4** In making and maintaining such investment, I have complied and will continue to comply with all relevant legislation, including, but not limited to, FICA, the Income Tax Act and Foreign Account Tax Compliance Act (FATCA), the Organisation for Economic Co-operation and Development ("OECD") and Common Reporting Standards ("CRS"). I confirm that, in the event that I am acting on behalf of a policyholder, I am duly authorised to conclude this transaction on behalf of the investor.
- 15.5** I also certify that the information provided in terms of FATCA, OECD and CRS are correct and that unless stated otherwise, I am not a tax resident of the United States of America.
- 15.6** I agree that PPS Investments may, upon receipt of my application form, request me to submit such further documents and information as PPS Investments may, in its sole discretion, require in order to meet their obligations in terms of the Financial Intelligence Centre Act. This will include, but may not necessarily be limited to, source of funds or source of wealth.
- 15.7** All the statements given in the application form and in all documents which have been or will be signed by me in connection with the application, whether in my handwriting or not, are true and correct. These statements will form the basis of the investment with PPS Investments.
- 15.8** I authorise PPS Investments and its assignees to disclose any information within PPS Investments, the product provider or supplier's holding companies, subsidiaries, affiliates, Profmed or other persons, provided that such disclosure is deemed necessary to properly manage or service my investment.
- 15.9** I understand and agree to be bound by the provisions of the application form. If on the date of signature of the application form an updated application form exists and fees and Product Terms, Conditions and Declarations differ, the updated application form, fees and Product Terms, Conditions and Declarations will apply.
- 15.10** I understand and agree that the application, together with my investment confirmation and Product Terms, Conditions and Declarations as well as any other related documents provided by me and accepted by PPS Investments, will govern the legal relationship between myself and PPS Investments.
- 15.11** I understand that PPS Group, PPS Investments, its subsidiaries and affiliates collect and processes my personal information, as defined in the Protection of Personal Information Act of 2013 ('POPI'), for purposes of opening and administering my financial products. I hereby consent to PPS Group, PPS Investments, its subsidiaries and affiliates processing my personal information which may include sharing such information within the PPS Group, its subsidiaries and contracted service providers for the purposes of assessing and improving products and services, obtaining and maintaining any record relating to my PPS membership as well as efficient client servicing.
- 15.12** I understand that PPS Group may also process my personal information in order to protect or pursue my, the PPS Group's, or a third party's legitimate interests, including offering solutions and products that best meet my needs.
- 15.13** I agree that my personal information may be verified for security purposes and consent to PPS Group, PPS Investments its subsidiaries and affiliates sharing my personal information with such third-party service providers for the purposes of storing and maintaining my personal information as may be required.
- 15.14** I acknowledge that all payment instructions issued by PPS Investments shall be treated by my Bank as if the instructions have been issued by me personally.
- 15.15** Where applicable I authorise PPS Investments to deduct such investment amounts from my bank account. I further agree that although the debit authority and mandate given to PPS Investments may have been cancelled by me, such cancellation will not cancel the agreement between myself and PPS Investments or any of the product providers in relation to any products. I shall not be entitled to any amounts which PPS Investments have withdrawn while this authority was in force if such amounts were legally owing to them. PPS Investments or its agents shall not be liable in respect of any amounts deducted from my bank account while the debit order authority was in force.



- 15.16** I acknowledge that this authority may be ceded or assigned to a third party if the agreement is also ceded or assigned to that third party, but in the absence of such assignment of the agreement this authority and mandate cannot be assigned to any third party.
- 15.17** I understand that my debit authority and mandate will continue indefinitely until terminated by me by giving PPS Investments **2 business days'** notice to cancel the debit order instruction.
- 15.18** In the event that the payment day falls on a weekend, or a recognised South African public holiday, the payment day will automatically be the preceding ordinary business day.
- 15.19** PPS Group shall accept electronic data attached to, incorporated in, or logically associated with other data, which is intended by me to serve as my original signature and acceptance in accordance with the provisions of Electronic Communications and Transactions Act of 2002 ('ECTA').
- 15.20** PPS Group maintains a list of its approved electronic signature methods as detailed in the PPS Group Electronic Transactions Standard, which includes the use of OTP, USSD, Impression or PPS QuicklySign.
- 15.21** I understand and acknowledge that the use of any other electronic signature(s) methods other than those approved by the PPS Group will be subject to additional controls or scrutiny.

## 16 DETAILS OF THE PPS / OPN INVESTMENT ACCOUNT

### Compliance department

PPS Investments  
PPS House  
Boundary Terraces  
1 Mariendahl Lane  
Newlands  
7700

Tel: 0860 468 777 (0860 INV PPS)  
Fax: 021 680 3680  
Website: [www.pps.co.za/invest](http://www.pps.co.za/invest)  
Email: [compliance@ppsinvestments.co.za](mailto:compliance@ppsinvestments.co.za)

Please do not hesitate to contact us if you are not satisfied with this investment or the services from PPS Investments. A complaint must be submitted to the Compliance Officer. The contact address of the Compliance Officer is the same as the address above. PPS Investments will acknowledge the complaint in writing and will inform you of the contact details of the person addressing your complaint.

### The Ombud for Financial Services Providers

If you are not satisfied with the response from PPS Investments or the Administrator or if you have a complaint about the advice given by your financial adviser, you have the right to address your complaint in writing to the Ombud for Financial Services Providers.

The Ombud for Financial Services  
Kasteelpark, Orange Building,  
2nd Floor  
546 Jochemus Street,  
Erasmuskloof,  
Pretoria  
0010

PO Box 41  
Menlyn Park  
0063

Telephone: +27 12 762 5000 / +27 12 492 9711 / 0860 066 3274  
Facsimile: +27 86 546 5694 / +27 12 348 3447  
E-mail: [info@faisombud.co.za](mailto:info@faisombud.co.za)  
Website: [www.faisombud.co.za](http://www.faisombud.co.za)

The Ombud is legally empowered to investigate and adjudicate complaints in a procedurally fair, economical and expeditious manner.

PPS Investments (Pty) Ltd, PPS Multi-Managers (Pty) Ltd, PPS Investment Administrators (Pty) Ltd and PPS Insurance Company Ltd are licensed financial services providers. PPS Management Company (Pty) Ltd (RF) is a licensed collective investment scheme manager.

PPS House, Boundary Terraces, 1 Mariendahl Lane, Newlands 7700  
Website: [www.pps.co.za/invest](http://www.pps.co.za/invest) Email: [clientservices@ppsinvestments.co.za](mailto:clientservices@ppsinvestments.co.za)