



The PPS Investments **Family Network**

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



Help your clients to invest in themselves and build their family's wealth.

1. What is a Family Network?

A Family Network enables your clients to connect their 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?

The **Core investor**, has the option to connect:

- A **spouse**, with whom they have a civil marriage* or customary marriage** or civil union*** at the time when they connect their spouse to a 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.

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

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

3. How many family members can connect?

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

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

It immediately **reduces administration fees** for family members connected to a 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.

5. What documentation will be required for family members to connect to a 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 the family administration fee when a family member withdraws funds from their investments connected to a Family Network?

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 client's investments be combined with their 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 client's 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 client's family members are not PPS members, can they still join a Family Network?

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

11. How can family members become a PPS Investment client?

Contact your Investment Specialist 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.
- If they would like to do an Intra-Fund Conversion from the old generation PPS RA, they will need to get an Intra-Fund Quote from Sanlam.

12. What happens if your client wants to change the family members connected to a Family Network?

The **Core investor can make changes** to a 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. Family connections will be notified accordingly. The core investor's financial adviser will also be able to add/remove family members from a Family Network.

13. When will my client start paying a reduced fee?

They will start paying a reduced fee **when their 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.

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

There are **no** fees or penalties associated with dissolving a Family Network.

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 PPS Investments are notified. The Family Network fee will be determined using the new Family Market Value.

16. Can I help my client to create their Family Network?

You can assist your client with creating a Family Network. They will need to provide you with their family member's email address and how they are related to them.

If your client has already received an invitation and would like your assistance to connect them to an existing Family Network, they can send the Family Key (as per the email invitation) to you in order to connect them to a specific Family Network.

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

Both you and the Core investor will receive an email confirmation once a Family Network is created. Every connection that was invited to a Family Network will be notified as well.

18. Can family members see each other's 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 on the [Secure Site](#). It will automatically be applied to your client's investment when their Family Network is active and the family member's investments are on the PPS Investments platform. The fee will reflect on their statement, which they can access on the PPS Investments Secure Site.

20. How do I check the status of a Family Network activation?

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 a Family Network, was sent to your client's family member. |
| Pending Acceptance | Your client's family member has yet to connect to their Family Network. |
| Pending Validation | Your client's family member has uploaded their supporting documentation and validation is in process. |
| Active | The family member has successfully been connected and validated and is now connected to your client's Family Network. |
| In Force | The family member's market value has been taken into the account in determining the actual family market value and family admin fee %. |

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