

KEY INFORMATION DOCUMENT

PSG WEALTH

PRESERVATION FUNDS





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This document is a summary of key information about the PSG Wealth Preservation Funds. It will help you to understand the product and make an informed decision. This is only a summary. It is not a legal and binding document, nor should it be considered as advice. Before deciding to invest in this product we suggest that you read the whole document together with the terms and conditions of the investment contract.

ABOUT THIS PRODUCT



What are the PSG Wealth Preservation Funds?

The PSG Wealth Preservation Funds preserve and grow your retirement savings in a tax-efficient way if you change jobs, are retrenched or if your employer's pension or provident fund is closed.



Who provides it to me?

The PSG Wealth Preservation Funds are underwritten by PSG Life Ltd (FSP 22557) and administered by PSG Invest (Pty) Ltd (FSP 563). Both of these entities form part of PSG Wealth, the brand under which these products are marketed. If you invest in a PSG Wealth Preservation Fund, your investment contract will be with PSG Life Ltd.

KEY FEATURES OF THE PSG WEALTH PRESERVATION FUNDS



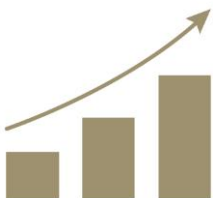
Who are these products most suitable for?

- Individuals who want to preserve their current retirement savings.
- Individuals who would like flexibility in selecting their underlying investment instruments.
- Individuals who wish to have the proceeds of their investment paid to their beneficiaries upon death.



Who are these products less suitable for?

- Individuals who may need to access their retirement savings more than once before retirement.



Contributions

- You can transfer your retirement savings from another retirement fund.
- The minimum initial investment amount is R20 000.
- If the contribution is from a **provident** fund, you will become a member of the **PSG Wealth Provident Preservation Fund**. If the contribution is from a **pension** fund, you will become a member of the **PSG Wealth Pension Preservation Fund**.



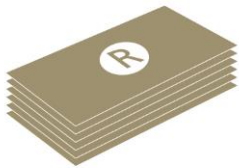
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Investment options

- You can invest in a range of unit trusts, personal share portfolios and life portfolios available on the PSG Wealth investment platform.
- Regulation 28 of the Pension Funds Act restricts the amount of money that you can invest in certain asset classes.
- You can switch between these underlying investment instruments at any time.

TAX



Tax considerations

- No taxes are payable on interest, dividends or capital gains earned from the underlying instruments of the investment.
- Income tax is payable on any lump sum benefits taken at retirement.

ACCESS TO YOUR INVESTMENT

- Before retirement you are allowed one withdrawal (full or partial), subject to tax.
- You can retire from the fund at any time after age 55.
- You may retire from a preservation fund even if you are still employed.
- You do not need to retire from a preservation fund if you retire from employment.
- On retirement from the Preservation **Provident** Fund, the entire investment value may be taken as a lump sum or invested in a compulsory annuity.
- On retirement from the Preservation **Pension** Fund, a maximum of a third of the investment value may be taken as a lump sum. The balance must be invested in a compulsory annuity.
- If the investment value at retirement is less than R247 500, the full amount can be taken as a lump sum.

Can I use the product as security for a loan?

- No.

Is it protected against my creditors?

- Yes.

Can I transfer my PSG Wealth Preservation Fund to another product provider?

- Yes.

What happens if I die before retirement?

- Payment to beneficiaries will be determined by the trustees of the Preservation Fund in terms of Section 37C of the Pension Funds Act of 1956.
- Proceeds paid from a Preservation Fund to beneficiaries are free of estate duty.



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COOLING-OFF PERIOD

- You can cancel your investment in the first 30 days after you receive your investment confirmation from PSG Wealth. We will refund the amount you invested subject to market movement, less any fees you paid.
- If you transact during the cooling-off period, you can no longer cancel your investment.
- Cancellations during the cooling-off period are subject to a bank clearance period before funds can be paid back into your account. The clearance period is 45 days for once-off collections and recurring premiums and 21 days for electronic funds transfers (ETFs).

BENEFITS



What type of benefits can I expect?

- The PSG Wealth Preservation Funds help you to preserve and grow your accumulated pre-tax savings before retirement, while still allowing flexibility in accessing your investment before retirement.
- No tax is payable when transferring from an existing retirement fund to the PSG Wealth Preservation Funds. This allows for more growth on your investment.

RISKS



Can I lose money?

- Yes, your investment returns may not perform as expected. Your investment is linked to the market value of the underlying instruments chosen and is not guaranteed.
- It is important to ensure that you are comfortable with the level of investment risk your chosen investment instruments carry. If you are unsure of how to invest, a financial adviser can help you to make appropriate choices.
- You will not receive money from an underlying instrument that does not pay out.

When will benefits not be provided?

- Preservation Fund benefits are not protected in the case of divorce from an ex-spouse. A Preservation Fund is obliged to pay benefits to an ex-spouse in terms of a divorce order, but not for any other reason.

BEFORE YOU DECIDE



Before you decide whether or not to buy this product, it is recommended that you consider the following:

1. Compare this product with other products that could also meet your financial needs. These could include:
 - Other types of products, available from PSG Wealth or other providers.
 - Other preservation funds, available from other product providers.
2. A Key Information Document like this one has to be produced for all financial products to help you make these comparisons. Find Key Information Documents for other products that could suit your needs or ask your financial adviser to get these for you.
3. If you do not have a financial adviser, consider whether an authorised financial adviser could help you to make appropriate financial decisions. If you obtain advice, insist that your adviser gives you proof that he or she is qualified to advise you on this type of product. You should also get full details of the fees, commission or incentives your adviser will get if you invest in this product with his or her assistance.



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This document is only a high-level summary of the PSG Wealth Preservation Funds. We encourage you to ask further questions. You should also read the detailed terms and conditions for the PSG Wealth Preservation Funds, which you can request from us. You can get more information from your financial adviser or from PSG Wealth directly: email clientservice@psg.co.za, call 0860 774 774 or visit www.psg.co.za.

PSG Wealth offers a range of unit trusts and multi-managed portfolios, each with different underlying instruments. Make sure you read their Fund Fact Sheets which you can request from us. These will give you important information on their investment fees, risks and objectives.

Ask your financial adviser or one of our client service consultants to give you details on the overall impact of investment fees on your investment over time. Also ask for information on the past performance of the underlying instruments you want to include in your investment: email clientservice@psg.co.za, call 0860 774 774 or visit www.psg.co.za – but remember that past performance is not a guarantee of future performance.
