

protector

The African shield is symbolic of defence while the rook represents a fortified stronghold that guards and protects the chess player's most valuable assets. **Keep your funds securely stored in a guarded place with our Protector portfolios.**



Protector range S2 - Minimum Return

This portfolio is subject to a minimum return level, determined according to prevailing market conditions, over a one year rolling period.

About the Protector range

The Protector range provides a broad array of options for investors who prefer to target either absolute return or minimise downside risk. The Protector range provides risk-targeted solutions to address investors' concerns about:

- Definitive control of downside risk
- Matching inflation
- Loss of capital in absolute terms

This range provides either implicit or explicit solutions to clients, as well as variations within each group.

Portfolio mandate

This balanced portfolio is managed to provide more security than the 100% Capital Protection Portfolio by offering a higher minimum return. Members invested in this portfolio are giving away the potential to receive a return above the predetermined maximum in exchange for the predetermined minimum growth. Market-related growth is achieved through an exposure to a balanced portfolio of equities (65%), bonds (33%) and cash (2%). New annual investment portfolios are implemented four times a year and are open to new investments at the end of each calendar quarter. Maturing portfolios are re-invested into new annual investments, at which time growth for the term is locked in and new annual maximum returns are set. This portfolio is designed to meet asset-spread requirements as determined by the regulations and has a small taxable component.

Investment strategy

- Passive market exposure
- Strict credit risk policy
- Capital protection provided by highly rated third party institutions
- Competitive pricing
- Emphasis on best execution

Investor profile

Time horizon

- Short term (1 - 3 years)

Needs

- Predetermined market-related growth of capital invested over a one year period.

Risk meter

- Potential growth may not be captured when markets perform in excess of the portfolio maximum
- Nearly cash

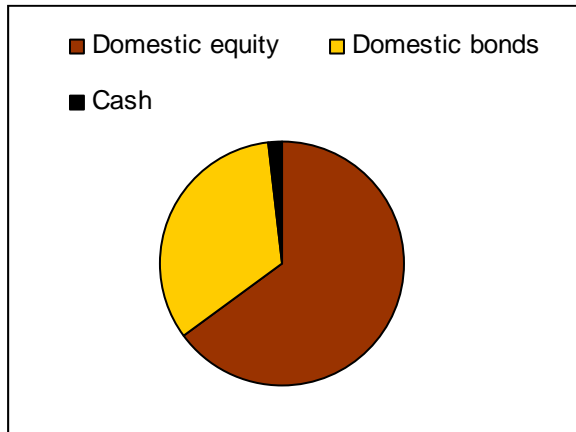


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advantage
asset managers

Asset allocation

- 65% Domestic equities
- 33% Domestic bonds
- 2% Cash



Tranches

- New annual portfolios (tranches) are implemented four times a year
- The start dates of the tranches are 1 January, 1 April, 1 July and 1 October
- Maturing tranches can be rolled into new annual structures, at which time growth for the term is locked in and new annual minimum and maximum returns are set

Liquidity

Although this product takes the form of a tranche, Advantage Asset Managers will provide monthly liquidity in the event of any outflow. However, the value at the date of outflow is determined by the prevailing market rates at that date, that is, the capital protection may fall away. Any losses incurred on liquidation will be borne by the investor.

Investment implementation

- The equity exposure of the portfolio is linked to the price return (excluding dividends) achieved by the largest 40 shares listed on the JSE Limited – the FTSE/JSE Top 40 index.
- A minimum return for the equity exposure is predetermined at the inception of the investment and is dependent on prevailing market conditions at the time of investment.
- The bond exposure is provided to the price performance (excluding coupons) of a combination of SA Government Bonds with a similar weighted duration to the South African All Bond index.
- The minimum return for the bond exposure is set at the inception of any investment and is dependent on the prevailing market conditions at the time of investment.
- Overall performance will match the weighted performance of the FTSE/JSE Top 40 index and the combination of SA Government Bonds, bounded by each asset class minimum and maximum return.

Credit policy

Capital protection is only provided by highly rated third party financial institutions.

Capital protection

Capital protection is provided for at a level of 103.5%, as adjusted for management fees.

Note: The portfolio complies with the prudent investment guidelines set out in Regulation 28 of the Pension Funds Act. This fact sheet does not purport to offer advice or make any recommendation. Always consult with your professional advisor before making any investment related decision.

- Authorised as a financial services provider (FSP) under the Financial Advisory and Intermediary Services Act, 2002 number 19840
 - Registered as an administrator in terms of Sec 13B of the Pension Funds Act, number 24/401
- E&OE

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