

## PRIME TAX-FREE SAVINGS PLAN—INFORMATION DOCUMENT

The Plan allows for unit trusts/ETFs (securities) to be purchased, sold and transferred in accordance with these terms and conditions. Units/ETFs acquired under the Plan will be held in the name of the Nominee Company, for the benefit of the Investor. The Nominee Company will maintain a register recording the beneficial ownership of all Securities held in its name.

The Nominee Company will keep a record of the amount held in the Cash Fund which is attributable to each Investor. The Administrator performs all administration functions in respect to the Plan. The Administrator is entitled to delegate any administration function to a suitable third party.

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## 1. Definitions

### 1.1. The Administrator (we)

Global Fund Administrators (Pty) Ltd, an authorised administrative and discretionary Financial Services Provider (License no : 43521), responsible for the administration of your chosen investment.

### 1.2. Investment Manager/s

Approved Financial Services Providers in terms of the Financial Advisory and Intermediary Services Act 37 of 2002, acting as the investment manager for one or more portfolios offered on the investment platform.

### 1.3. Collective Investment Schemes Management Company (Manager)

A registered Manager of Collective Investment Schemes (or unit trust funds) in terms of the Collective Investment Schemes Control Act.

### 1.4. Investor (you)

The individual that invests in portfolios or unit trusts via the Prime Tax-Free Savings Plan.

### 1.5. Investment Account Numbers

You will receive a unique investment number when investing via the investment platform.

### 1.6. Independent Nominee

Global Nominees (Pty) Ltd is an independent company approved by the Financial Services Board that holds assets for the Investor's exclusive benefit.

### 1.7. Unit Trust Portfolio/Collective Investment Scheme

This is an arrangement that enables Investors to pool their money and have it professionally managed and invested in a range of underlying assets. The underlying assets of a Portfolio vary depending on the Portfolio's investment objective. The investment mandate of the unit trust portfolio determines the selected assets.

Portfolios are commonly referred to as 'unit trust(s)' or 'fund(s)'. In this document the term 'unit trust fund' is used and includes ETFs, if not stated otherwise.

### 1.8. Participatory interest in a Portfolio of a Collective Investment Scheme

A Portfolio of a Collective Investment Scheme is divided into equal parts, also referred to as 'units'. Each unit represents a direct proportionate interest in every underlying asset of the Portfolio. The number of units in your Investment Account depends on how much money you contribute and what the unit price is when the units are bought.

### 1.9. Business Day

A business day is any day other than a Saturday, Sunday or South African public holiday. In this document day and business day have the same meaning. We only operate on business days.

### 1.10. Tax-Free Savings Account

To encourage a culture of personal savings, Government has for the first time introduced tax-free savings accounts. This means that all the investment returns are completely tax-free when you use these products to save. You will not pay any Capital Gains Tax (CGT) or tax on interest and dividends earned, provided you don't exceed the legislated limits.

### 1.11. Cash Trading Account

An account providing for the capital needed to fund a transaction or security without relying on the use of margin.

### 1.12. Exchange Traded Fund

A marketable security (and Registered Collective Investment Scheme) which tracks an index or the value of precious metals and which physically holds the underlying assets it is tracking.

### 1.13. Settlement

The conclusion of a transaction where a security was acquired by a client and payment was received by the seller.

### 1.14. Settlement Date

The date by which the executed security trade must be settled by the client.

### 1.15. Trade

The act or process of buying, selling, or exchanging stocks, bonds or currencies at either wholesale or retail, on the domestic or international market.

### 1.16. Settlement Agent (or Stockbroker)

An agent or representative who buys and sells securities on a stock exchange on behalf of clients or investors.

### 1.17. Custodian

A central securities depository or a depository institution registered in terms of the Securities Services Act No. 36 of 2004.

### 1.18. Investor account

An account held at a financial facility for the purpose of long term investment for capital preservation, growth or fixed income.

### 1.19. On-line Transactional Platform

An online service or software (operating system) through which Financial Advisors and investors can open, close, manage and trade within investment products and portfolios.

### 1.20. JSE Limited

Johannesburg Stock Exchange a company duly registered and incorporated with limited liability under the company laws of the Republic of South Africa under registration number 2005/022939/06, licensed as an exchange under the SSA.

## 2. Parties involved in this investment agreement

There are different legal entities that are party to this investment agreement. These are:

- The Investor (you)
- The Administrator (we)
- The Manager and/or Investment Manager
- Global Nominees.

## 3. Which Documents will you need to provide and reference with respect to your investment?

(Includes digital submission via any on-line transactional platform)

- Your initial application
- Verified /certified FICA documentation
- Your proof of banking details (bank statement or cheque not older than 3 months)
- Proof of deposit of funds/transfer to the nominated bank account
- Confirmation of tax registration number (SARS)
- If you have a representative acting on your behalf, the following documentation must be provided:
  - Proof of authority to act on your behalf
  - Verified FICA documentation for the representative acting on your behalf.

## 4. What you must do?

All instructions which are sent to us (includes digital submissions via any on-line transactional platform) need to be in the prescribed format and must be accepted by the Administrator.

All instructions are subject to:

- The requirements of the Administrator, the Manager, Portfolio Manager and applicable legislation at the time of the transaction
- The availability of the selected unit trust funds
- The processing requirements of the Administrator (this includes cut-off times and processing times)
- Minimum investment amounts specified by the Administrator, Manager and/or Portfolio Manager, applicable at the time of the transaction.

We may suspend, delay or reject your instruction should all requirements not be met.

### 4.1. Provide accurate information

You must ensure that all the information, instructions and supporting documents that we receive from you is true and accurate.

### 4.2. Use our instructions forms

All the instructions which you submit to us must be completed on our latest forms. All our forms and supporting documents are available on our website or from your appointed Financial Advisor.

### 4.3. Make informed financial decisions

Should you require financial advice, it is your responsibility to appoint a Financial Advisor and to negotiate the fees payable to him/her.

The Administrator, Manager and Portfolio Manager do not provide financial advice.

We may only give you information about our investment products and we may not give you advice on whether any of the investment products we offer is suitable for your risk profile and investments needs.

### 4.4. Appoint or change your Financial Advisor

You may appoint, change or remove your Financial Advisor at any stage by sending an instruction to the Administrator. We must inform your Financial Advisor of the change. No further fees will be paid to the Financial Advisor after you have changed or removed your Financial Advisor.

Your appointed Financial Advisor must at all times be contracted with the Administrator and must be licensed correctly in terms FAIS.

Where any specific on-line transactional platform does not provide for the appointment of a Financial Advisor, you will not be entitled to utilise the specific digital platform should you wish to appoint a Financial Advisor.

#### **4.5. Make contributions**

The following contributions are allowed:

- Initial lump sum
- Additional lump sum
- Recurring monthly contributions via debit order.

We do not accept cash contributions. No Foreign currency contributions will be accepted. The Initial lump sum and additional lump sum may be made via the following payment methods:

- Electronic transfer
- Cheque deposits.

#### **4.6. Select your unit trust(s) and/or investment portfolio(s)**

You need to select one or more unit trust funds and/or investment portfolios that suit your risk profile and investment needs. We offer a range of unit trust funds and portfolios available to you with each unit trust fund and portfolio being managed according to its own investment mandate.

Based on the discretion of the Manager/Investment Manager, certain unit trust funds and portfolios may be subject to availability at the time of your investment.

#### **4.7. Monitor your unit trust(s)**

You must monitor your unit trust portfolio regularly. The reasons you invested or the financial situation you find yourself in may change. It is therefore important to ensure that your investment continues to evolve to meet your financial needs.

#### **4.8. Phase your investment into your selected unit trust fund/s**

A lump sum investment (initial or additional contribution) can be invested in an approved Money Market Fund. This lump sum can then be phased in to one of more of our unit trust fund or portfolios by means of a fixed instalment over a 3,6 or 12 month term and is processed on the 15th day of each month. Phasing in is not applicable for debit order contributions.

This option is subject to the minimums applicable at the time of the transaction, and may (in certain cases) not be offered via specific on-line transactional platforms.

#### **4.9. Manage your maximum investment limits**

Contributions to any tax-free saving investment (in total across providers), may not exceed R33 000 per tax year (1 March—End February), and R500 000 over a lifetime. Contributions exceeding these limits will be taxed at 40%, in your hands.

#### **4.10. Income distributions**

Unit trusts may earn interest and dividends from the underlying assets. This is declared as an income distribution if the interest and dividends exceed the total unit trust's expenses. If the total expenses are more than the income earned, the unit trust will not make a distribution.

Any distributions earned will be re-invested back into your unit trust fund.

The distribution can be monthly, quarterly, bi-annually or annually depending on the unit trust fund you have selected.

#### **4.11. Switch between unit trust funds**

You may switch between the available funds on the investment platform. A switch entails a sale of units from one fund and a purchase of units into another fund.

In order for the switch to be processed a Switch Instruction Form must be fully completed and submitted to the Administrator, you may not however switch an existing investment into the Prime Tax-Free Savings Plan, nor may you switch from the Prime Tax-Free Savings Plan to another provider.

#### **4.12. Withdraw some or all of your investment**

You may withdraw some or all of your investments at any time by submitting a completed Redemption Form to the Administrator. No funds or portion thereof may be withdrawn if the funds in respect of investments and debit orders have not been cleared (debit orders can only be disinvested after 45 days and cheque deposits after 10 days).

No third party payments of redemption benefits are allowed. This is particularly important to note if you are opening this investment on behalf of a minor, as redemption proceeds will only be made into a bank account in the name of the minor.

Payment of the redemption benefits will only be made should the Administrator receive proof of banking details in the name of the Investor (in the form of a cancelled cheque or a bank statement not older than 3 months).

Once you withdraw your investment, you cannot replace it with a new contribution. For example, if you contribute R33 000 this tax year, and then withdraw some of you savings, all further contributions will be taxable.

**4.13. Transfer ownership**

You may not transfer some or all of your investment to another individual or legal entity.

**4.14. Report Errors**

You have 14 days after the receipt of the transaction confirmation and/or Investor statement to report any errors to the Administrator.

**4.15. Cede Units**

You may cede some or all of your units in your investment as security. You will be responsible for managing the cession.

**4.16. Vote in a ballot if a change is proposed to a unit trust portfolio**

Before any changes can be made to a unit trust fund in which you are invested, we will request that you vote in a ballot about the proposed change. A ballot would be required as a result of a change in the investment mandate for example. The Administrator will not vote on your behalf.

**4.17. Respond to requests for information**

We may request information from you from time to time to comply with legislation and to manage your investment efficiently. You must respond to our requests within the time periods provided by us.

**4.18. Inform the Administrator of a change in bank or contact details**

It is imperative that you inform us of any changes in your bank or contact details, including your postal, email and Domicilium address (all supporting documentation where applicable must be provided).

**5. What we do for you?**

**5.1. Act with honesty and integrity**

We will act with due care, diligence, honesty, fairness and integrity in all our dealings with you.

**5.2. Identify you and confirm your identity**

The Administrator is an accountable institution in terms of the anti-money laundering legislation and must therefore comply with the Financial Intelligence Centre Act (FICA) requirements.

Reasonable steps must be taken by us to verify your identity (and the person/s acting on your behalf), your normal or temporary address, source of wealth and funds before a transaction is entered into or a business relationship is concluded with you. This is referred to as Know your Customer (KYC).

We use the information that you complete in your initial application form and any information you submit electronically via your chosen on-line transactional platform to identify you. A list of the supporting documents required is included in each application, or when you transact via your chosen on-line transactional platform.

We may request from time to time that you provide us with proof of information you have provided previously in order to confirm your details have not changed.

**5.3. Accept, suspend, delay or reject your instructions**

The Administrator may accept, suspend, delay or reject your application or any subsequent instructions. A transaction may also be reversed if the Administrator believes the circumstances substantiate it.

**5.4. Process instructions received by you**

The Administrator is responsible for processing your instructions and we will only do so once all supporting documentation has been received and all requirements have been met.

**Processing Timelines for Unit Trust Funds (Excluding ETFs):**

The table below reflects the processing timeline for investment, redemption and switch instructions between unit trust funds (excluding ETFs) offered by the same Manager. These instructions will only be processed once all supporting documentation has been received and all requirements have been met.

Business cut-off : 14h00	Buy or Sell Units	Unit Price received from the Manager	Investor Statement reflects instruction
Before cut-off (business day 1)	Business day 2	The unit price at close of business day 2	Business day 3
After cut-off (business day 2)	Business day 3	The unit price at close of business day 3	Business day 4

The table below reflects the processing timeline for switch instructions between unit trust funds (excluding ETFs) offered by Different Managers. These instructions will only be processed once all supporting documentation has been received and all requirements have been met.

Business cut-off : 14h00	Unit Price received from the Manager (Sale)	Cash Received and Transferred to new Manager	Unit Price received from Manager (Purchase)	Investor Statement reflects instruction
Before cut-off (business day 1)	The unit price at close of business day 2	Business Day 4	The unit price at close of business day 4	Business day 5
After cut-off (business day 2)	The unit price at close of business day 3	Business Day 5	The unit price at close of business day 5	Business day 6

#### Processing Timelines for ETF portfolios:

The table below reflects the processing timeline for investment into or redemption from ETFs offered by any manager. Switch instructions are treated as a separate buy and sell instruction. These instructions will only be processed once any required supporting documentation has been received and all requirements have been met. **Please note that any transaction placed for ETFs will only be confirmed should there be a willing buyer or seller (as the case may be) in an on-market trading environment via the JSE.**

Business cut-off : 14h00	Buy or Sell Units	Settlement price	Investor Statement reflects instruction
Before cut-off (business day 1)	Business day 2	Based on prevailing market price on Business Day 2 (if confirmed)	Business day 3
After cut-off (business day 2)	Business day 3	Based on prevailing market price on Business Day 3 (if confirmed)	Business day 4

Please note that although a redemption will reflect on your Investor Statement after 3 or 4 business days, it will take longer to reflect in your bank account.

#### 5.5. Phase-ins

Phase-ins are processed on the 15th day of each month. If the 15th is not a business day it will take place on the next business day. The Administrator needs to receive the instruction by 14:00 five days before the scheduled phase-in day. Any instructions received after the cut-off date will be processed the following month.

#### 5.6. Allocate bank interest earned

Bank interest earned by the Nominee in its bank account on deposits made by you will be added to the investment amount if it is in the Nominee's bank account for more than 24 hours.

#### 5.7. Contributions made via debit order

You may select to contribute via a debit order on the 1st or the 25th of each month. New debit orders must be received by the 10th day of month to be effective the 25th of the month and the 20th day of the month to be effective on the 1st working day of the following month.

#### 5.8. Processing order of multiple instructions

If the Administrator receives an instruction while another instruction is in progress, the second instruction may be delayed until such time that the first instruction is complete.

#### 5.9. Process payments from your investments

When a redemption is processed from your unit trust funds or portfolio, the proceeds will be paid into your bank account only. No third party payments are permitted. All payments will be paid in South African Rands via an electronic fund transfer into a current, transmission or savings account held in your name.

#### 5.10. Communicate with you

We will communicate with you to provide you with important information. These include the following:

- Confirmation of your investment application
- Confirmation of changes made on your investment
- Quarterly investment statements
- Annual tax certificates
- Notices on events that affect your investment.

Where you have appointed a Financial Advisor, and you have authorised us to do so, we will provide the Financial Advisor with electronic access to such statements and to tax certificates furnished to the Investor. You may contact us or your Financial Advisor to request this information or other information you may require about your investment.

We will send all communications to you via email unless specifically requested by you to post.

It's important to note that if you have invested via an on-line transactional platform, investment statements will be made available, via that platform and will not be distributed via email as communicated above.

### 5.11. Close a unit trust fund

The Administrator may close a portfolio for new investments at any time.

### 5.12. Maintain professional and fidelity insurance

We are insured against fraud, negligent or dishonest behaviour.

### 5.13. Registration of your investments

All the investments on the Global Fund Administrators Investment Platform are held in the name of Global Nominees, who hold all assets in safe custody for your exclusive benefit.

## 6. What we don't do?

### 6.1. Financial Advice

The Administrator does not provide financial advice.

We may only give you information about our investment products (of a factual or administrative nature) and we may not give you advice on whether any of the investment products we offer is suitable for your risk profile and investments needs.

You must not rely on any written, spoken or implied communication from us as investment advice, or recommendation to invest in or change your investment.

### 6.2. Guarantees

We do not provide a guarantee on the investment value of your investment nor do we guarantee the performance of them.

The market value of investments may fluctuate, and past performance is not necessarily a guide to the future. Your investments are generally medium to long term investments. You carry the investment and market risk which may include the possibility of losing capital.

### 6.3. Losses incurred

By submitting an investment application or instruction to the Administrator, you accept the risks associated with email or fax communication and understand that the Administrator shall not be liable for all and any losses that you may incur, in the event that the Administrator has not received your communication, whether due to the failure, malfunction or delay of any networks or electronic or mechanical device or otherwise. The Administrator will not be liable to make good or compensate you or any third party for any damages, losses, claims or expenses resulting there from.

Other losses that the Administrator will not be responsible for are as follows:

- Any changes in tax or other legislation
- The investment or market risk of the underlying investments
- Financial Advisors acting beyond the scope of their FSB license
- If your Financial Advisor does not comply with the Financial Intelligence Centre Act (FICA)
- A rejection of an application or a delay in processing as a result of a Financial Advisor not being an authorised Financial Services Provider or does not have a contract with the Administrator
- If an unauthorised instruction is received from your appointed Financial Advisor
- The Administrator providing your Financial Advisor with details about your investment wither via telephone, fax, email or via the dedicated web front end secured investment portal
- The Administrator acting on information that is outdated or incorrect where you have failed to notify us of any changes to your information
- The Administrator does not accept responsibility for delays in processing instructions as a result of extraordinary events that cause disruptions. We will carry out instructions at the earliest possible opportunity subject to legislation and our administration procedures and unit trust limitations
- The delayed sale of some or all of your investment due to ring-fencing. 'Ring-fencing' is the separation and delayed sale of units in a unit trust fund. It is caused by the large sale of units above a certain threshold in a unit trust fund. Ring-fencing makes sure that the sale of a large number of units will not force us to sell the underlying assets at a price which could negatively affect Investors in the unit trust fund. We may delay the payment or reinvestment of the proceeds of the sale of units.

### 6.4. Cooling-off period

You cannot cancel the investment and there is no cooling-off period. You can however submit a redemption instruction and we will sell units at the ruling market price.

## 7. What happens in the event of death?

The Administrator must be notified of your death in writing. The following information must be included in the notification:

- Your personal details
- Identity number
- A certified copy of your death certificate
- Your Investor number (i.e. entity number)
- Letter of executorship.

The Administrator will only act on instructions received from the executor of your estate. On notification of your death your investment will remain invested in an Estate Late account while the estate is wound up. The executor may ask for the redemption of the investment.

## 8. What fees and charges do you pay?

There are different types of fees that are levied on your investment that will reduce the underlying value of your investment.

The fees are different across the range of portfolios as well as the class of portfolio. Therefore the portfolio and class of portfolio you choose will determine the ultimate fees that you pay.

All fees and charges applicable to the your elected investment portfolios can be found in the [Portfolio Characteristics and Objectives Document](#) available on the website, or from your Financial Advisor.

The types of fees that could be levied are as follows:

### 8.1. Initial Management Fee

Certain Managers may charge an initial fee on your investment, including on switches into an Investment Portfolio.

### 8.2. Annual Administration Fee

The annual administration fee will be dependent on your portfolio selection. All investments into third party portfolios will attract an administration fee of 0.30% (excl. vat), whilst any investment made into a Partner Portfolio will only be subject to a 0.15% annual administration fee. Please refer to our [Portfolio Characteristics and Objectives Document](#) for full details on all portfolios on offer.

The fee is levied monthly in arrears by deducting units from your underlying Investment Portfolios to the value of the fee owed. The fee is deducted proportionally from the underlying Investment Portfolios within your investment.

### 8.3. Annual Management Fee

Managers charge annual management fees, which are incorporated into the daily unit price of the portfolio. These fees vary across the range of portfolios as well as the class of portfolio, therefore the portfolio you choose will determine the fees which you incur.

All fees and charges applicable to your selected investment portfolios can be found in the portfolio Minimum Disclosure Documents available from your Financial Advisor.

#### 8.3.1. Financial Advisor Initial Fee

If you and your Financial Advisor agree to an initial Financial Advisor fee (as indicated in the application or any other written communication accepted by the Administrator), we will deduct the agreed amount from the investment before the investment is made.

#### 8.3.2. Financial Advisor Annual Fee

If you and your Financial Advisor agree to an annual Financial Advisor fee (as indicated in the application or any other written communication accepted by the Administrator), we will deduct the fees by selling units from the portfolio and pay the amounts to the Advisor monthly.

#### 8.3.3. Value Added Tax

Where appropriate, VAT will be added to the fees or charges on your investment.

#### 8.3.4. Redemption Fee

We do not charge any fees when you withdraw from your unit trust funds.

#### 8.3.5. Switching Fee

We do not charge any fees when you switch between portfolios.

#### 8.3.6. Reporting of Fees

Your investment statement will show the fees that are charged on your investment, except for the fees mentioned above that are included in the price of your portfolio.

## 9. When can you access your money?

You may request a redemption from your investment (either part of in full) as well as a request that a regular redemption be loaded on your investment.

Once you withdraw your investment, you cannot replace it with a new contribution. For example, if you contribute R33 000 this tax year, and then withdraw some of you savings, all further contributions will be taxable.

## 10. What legislation and regulations govern your investment?

The following are some of the main acts and regulation that governs your investment and the parties to this investment agreement. Amendments to or replacement of the legislation and directives issued by regulatory authorities may change the terms and conditions of your investment.



**A. The Collective Investments Schemes Control Act**

This act regulates the administration of Collective Investment Schemes and its unit trust funds.

**B. Financial Advisory and Intermediary Services Act**

This act controls the activities of anybody who gives advice or provides an intermediary service to Investors on financial products.

**C. Financial Intelligence Centre Act**

This act requires that the Administrator obtains certain information to verify your identity before we process your application. The purpose of this act is to prevent money laundering and terrorist financing.

**D. Income Tax Act**

This act applies where we refer to taxation.

**E. Exchange Control Regulations**

The availability of certain unit trusts is subject to these regulations.




**11. Administrators Contact Details**

-  **Email:** save@primeinvestments.co.za
-  **Website:** www.primeinvestments.co.za
-  **Physical Address:** Block B, Hurlingham Office Park, 59 Woodlands Avenue, Hurlingham Manor
-  **Telephone Number:** +27 (0)10 594 2100

**12. Complaints**

If you are not satisfied with the service provided to you and you wish to make a complaint, please send a written communication to the Head of Operations at the above postal, fax or e-mail address. Please remember to include all supporting documents. The Administrator will acknowledge the complaint in writing and will inform you of the contact details of the person who will be assigned to resolving your complaint.

If you are not satisfied with the response from the Administrator, or if your complaint relates to the advice provided to you by a Financial Advisor in respect of this investment, you can write to the Ombud for Financial Services Providers.

-  **Postal address:** The Ombud for Financial Services Providers  
PO Box 74571, Lynnwood Ridge, 0040
-  **Toll-free:** 0860 324 766
-  **Email:** info@faisombud.co.za