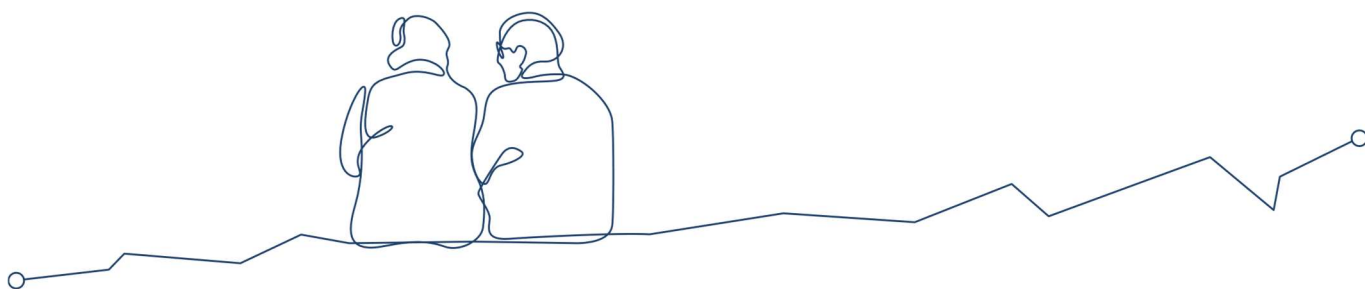


ETFSA Retirement Annuity Fund

Save, grow and preserve your wealth for retirement

Your wealth, in your hands



Retirement Annuity Funds using purely Exchange Traded Products (ETFs and ETNs) – as the underlying Investments

- Low costs – with full disclosure of all fees. No performance fees.
- Completely transparent portfolios. Components and value of portfolios known at all times.
- Only index tracking Exchange Traded Products used in portfolio construction.
- Flexible contributions and no penalties for changing contributions.
- Clear conditions of membership, Rules of the Fund, benefits and retirement options published on the website.
- Five product profiles to choose from, with detailed portfolio fact sheets and performance updates monthly.
- Regulation 28 compliant at all times, ensures strict governance and diversification of investment portfolios.
- Contributions tax deductible – up to 27,5% of taxable income.
- You can invest directly or through a registered Financial Advisor.

**“THE RETIREMENT ANNUITY FUNDS
FOR THE 21ST CENTURY”**

ETFSA Retirement Annuity Fund offering:

The **choice of 5 portfolios** designed to meet varying client risk profiles and differing retirement maturity dates.

- **Wealth Builder** - a benchmark portfolio where the need for growth in capital is matched by a low risk management philosophy.
- **Wealth Enhancer** - a portfolio designed to provide relatively aggressive growth in capital with a high targeted real return. The portfolio is diversified amongst all asset classes and sub categories and employs a strategic asset allocation strategy.
- **Wealth Protector** – a cash only portfolio, invested in a bank trust money market fund, which provides a risk free/interest rate yield.
- **Wealth Default** – a portfolio managed on a passive rules-based asset allocation model. The strategic asset allocation strategy is adhered to on a consistent basis using a multi-asset portfolio allocation. This portfolio is suitable for medium-to-long-term investors and is the default portfolio for members who do not make a portfolio choice.

The five portfolios will be managed to satisfy Regulation 28 requirements of the Pension Fund Act 1956, at all times.

Flexible Investment Options

- Lump sums (minimum of R5 000 per initial investment).
- Regular debit order investments (from R300 per month)
- Additional investments at any time (minimum R1 000)
- Switches allowed at no cost between the different portfolio options
- Transfers can be made to the ETFSA Retirement Annuity Fund from other pension funds, preservation funds or RA Funds under Section 14 transfer.
- Contributions can be stopped at any time without penalty.
- Retirement can be taken at any time after 55 years of age (or earlier under certain prescribed circumstances).
- You can invest directly and ask for financial advice or through an Independent Financial Advisor.

Low Costs

ETFSA Retirement Annuity Fund looks to provide simple, transparent and easy to maintain portfolios for retirement. It realises that the high cost of many other RA Funds, has significantly lowered the performance of retirement funds for many investors.

Mindful of this, the Trustees of the ETFSA RA Fund have negotiated the lowest possible management fees for members of the Fund.

The ETFSA Retirement Annuity Fund charges a composite fee of 1,00% per annum (including VAT). The fee is charged monthly in arrears and levied on the market value of the member's investment account.

The annual composite fee, paid by members, covers the following services:

- A fee paid to the Sponsor of the Fund for managing the RA and paying the variable costs of running the Fund on behalf of members (0,65% per annum). Financial advice given to members by ETFSA RA Fund, is included in the sponsor fee. ·
- A fee paid to the Investment Administrators for administering individual member's accounts (0,27% per annum ex VAT) with a small reserve fee remaining.
- The five investment portfolio options (See Section 3 of the application form), are provided with all investment costs absorbed in the portfolios and investment returns are reported net of these fees (currently set at 0.3% ex VAT but inclusive of trading costs) .

An annual commission on advice provided by an external Financial Advisor of up to 1,0% per year is payable, only if members utilise such financial advice and agree to payment of commission, to an authorised Financial Service Provider. Advice on the retirement benefits of the Fund can be obtained from ETFSA RA Fund at no cost.

A New Way of Managing Funds for Retirement in South Africa

The ETFSA Retirement Annuity Fund (Registration No 12/8/38021) has been established with the intention of providing individuals and institutional investors with RA portfolios that manage their savings for retirement.

The ETFSA RA Fund is distinctive because:

- ETFs/ETNs have the benefit of low costs. Total Expense Ratios (TERs) are typically one-third or less of those of actively managed portfolios.
- Only passively managed and JSE listed ETF and ETN securities are used in the portfolio construction
- ETFs/ETNs do not carry the risk of underperforming the market (as measured by different asset class indices) as they invest in the full complement of securities that make up the market indices. This lowers risk and reduces the volatility of the portfolios with beneficial effects on long-term performance.
- ETFs/ETNs now cover all asset classes: equities, bonds, property, commodities and money markets. They also give exposure to international markets and alternative assets, which enables the construction of diversified portfolios and reduces long-term investment risk.
- Detailed analysis of all ETF/ETN securities is undertaken on a “look through” basis to ensure that optimal risk adjusted, minimum concentration level, and low volatility portfolios are offered to investors.
- Portfolios are Regulation 28 compliant at all times.

JSE listed ETFs and ETNs are completely transparent

- The portfolio components of individual ETFs/ETNs are published daily and known at all times.
- Prices of all ETFs/ETNs are determined openly in the marketplace.
- Performance of ETFs/ETNs can be easily calculated and monitored.
- ETFSA RA Fund, through its investment manager, ETFSA Portfolio Management Company (Pty) Ltd, will publish daily values of all its RA portfolios.
- Investors at all times will be able to assess, on a daily basis, the full value of their retirement savings with ETFSA RA Funds.
- Monthly fact sheets on all ETFSA RA Fund portfolios are published on the ETFSA website.

ETFs/ETNs are highly liquid

- All ETFs/ETNs are offered for trade on the JSE through a market maker who ensures liquidity and fair value pricing at all times.
- The allocation of funds to different ETFs/ETNs in the RA portfolio can be altered immediately by the investment manager through open trading on the JSE, enabling optimal asset allocation strategies to be pursued.
- Members of the ETFSA RA Fund can switch between different portfolios easily and with no cost implications.

SCAN THE QR CODE BELOW FOR FULL LIST OF ETFSA'S OFFERING

