

# SMOOTHED PERFORMANCE LIFE FUND

## FUND INFORMATION

### RISK PROFILE



### RECOMMENDED MINIMUM INVESTMENT TERM



### FUND OBJECTIVE

This fund aims to provide inflation-beating smoothed returns over the medium to long term.

### WHO IS THIS FUND FOR?

This fund may suit those seeking real returns with more stability than market-linked funds.

### INVESTMENT MANDATE

The current asset allocation is approximately 65% equities, 25% interest-bearing assets and 10% property. The asset mix may be reviewed in the light of changing economic conditions.

### BONUS RATES

Bonuses are declared annually and added to the Fund Value. As the declared bonus is retrospective, an interim bonus rate is used to determine the fund's current value until the next bonus declaration, i.e. the interim rate is applied on a daily basis to the fund, in order for the units to be priced daily. The interim rate may be revised at any time to reflect the fund's value more accurately. The final rate will only apply once it is declared and provided that the Contracting Party is still invested in the fund on the date of declaration.

### SMOOTHING

During periods of strong investment performance, a portion of investment growth is held in reserve for distribution during periods of weaker investment performance. Old Mutual is entitled to apply a fee to switches into the fund and limit, or not permit, transactions which may, in its opinion, be detrimental to other investors in the fund.

### GUARANTEE DATE

The Guarantee Date is set 5 years from the day of first investment into the fund. On the Guarantee Date the full Fund Value is available without adjustment and a new Guarantee Date is set for 5 years into the future. Guarantee dates also come into effect on contractual recurring premium plans at the end of the premium-paying term. There is no guarantee date where the premium-paying term is less than five years.

### GUARANTEED MINIMUM FUND VALUE

On the Guarantee Date, the Guaranteed Minimum Fund Value equals the net premiums (premiums after premium charges) and/or net amount(s) invested into the fund. Irregular payments invested less than two years before a guarantee date will not be fully guaranteed, but will be guaranteed to the extent of 80% of the net irregular payment invested. Old Mutual is entitled to change the 2-year period to another period. Irregular payments include, but are not limited to, additional single premium payments, voluntary premium increases or payments in excess of the 20% excess premium provisions of the regulations under section 54 of the Long-term Insurance Act 1998 in force as at 1 August 2002 (the 20% provisions), switches into the fund and zero interest loan repayments. The 20% provisions as at 1 August 2002 shall continue to apply notwithstanding any subsequent amendment or repeal. On each guarantee date, an amount equal to the excess (if any) of the Guaranteed Minimum Fund Value over the actual Fund Value will be credited to the Investment Plan.

### MARKET VALUE ADJUSTER

Any withdrawals from the fund (including income payments and switches) may result in a value adjustment to reflect current market conditions. These adjustments will not apply to the proceeds on the Guarantee Date, if applicable. Fund Values may be adjusted temporarily or permanently should market conditions prove extremely adverse.

### DISINVESTMENT VALUE

Any part disinvestment from the fund, including income payments and switches out of the fund (including switches to the Capital Secured Fund when a Plan is ceded as security to Old Mutual), will reduce the level of the Guaranteed Minimum Fund Value. The level of the guarantee will reduce in the same proportion as the Fund Value is decreased.

**LAUNCH DATE:** 02/12/2002

PRODUCT AVAILABILITY	Old Mutual Wealth*	MAX
Investment Plan (LIFE)		•
Investment Plan (LISP)		
Retirement Annuity		•
Preservation Fund		
Living Annuity		•

\* Please note that this fund is only available to the CPF tax class on the Old Mutual Wealth platform.

## FUND PERFORMANCE as at 30/09/2017

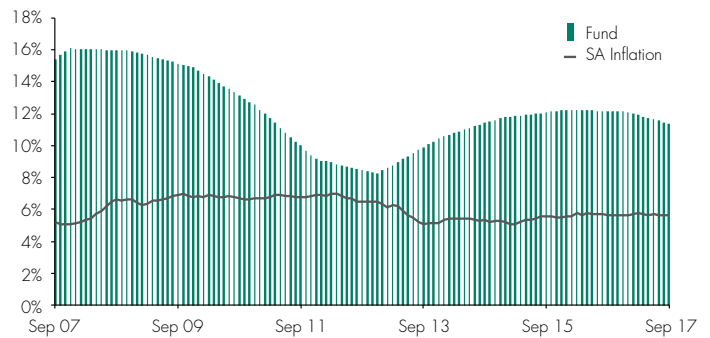
	% PERF. (P.A.)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception
Tax-exempt Investor	6.8	8.9	11.4	10.8	9.9	12.4
Retirement Fund	6.8	8.9	11.4	10.8	9.9	12.1
Private Investor	5.4	7.4	9.9	9.4	8.6	11.1
Corporate Investor	5.4	7.4	9.9	9.3	8.5	11.0

Interim bonus rate applied for the period 31 December 2016 to 30 September 2017.

Performance measurements over periods shorter than the recommended investment term may not be appropriate. Past performance is no indication of future performance.

Sources: Old Mutual & Morningstar as at 30/09/2017

### Smoothed Performance Life Fund (5-Year Annualised Rolling)



Interim bonus rate applied for the period 31 December 2016 to 30 September 2017.

Past performance is no indication of future performance.

Sources: Old Mutual & Morningstar as at 30/09/2017

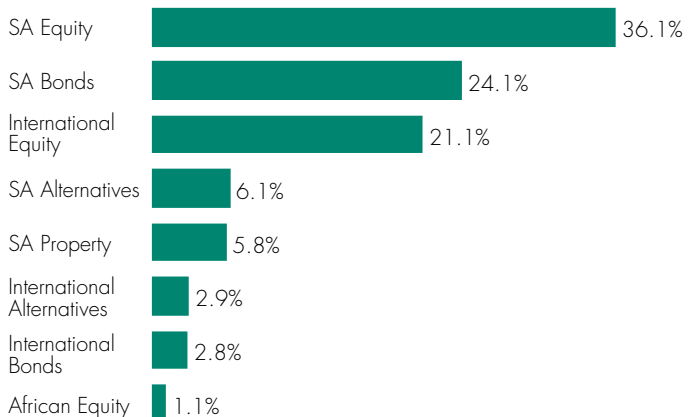
## HISTORICAL AND CURRENT TOTAL BONUS RATES

	2013	2014	2015	2016	Interim
Tax-exempt Investor	17.50%	13.50%	10.50%	8.00%	6.50%
Retirement Fund	17.50%	13.50%	10.50%	8.00%	6.50%
Private Investor	16.00%	12.00%	9.00%	6.50%	5.00%
Corporate Investor	16.00%	12.00%	9.00%	6.50%	5.00%

Interim bonus rate applied for the period 31 December 2016 to 30 September 2017.

## FUND COMPOSITION

### ASSET & PERCENTAGE ALLOCATION



# SMOOTHED PERFORMANCE LIFE FUND

## OTHER INVESTMENT CONSIDERATIONS

### INITIAL CHARGES:

There is no initial administration charge on the fund.

### ONGOING

Asset Management Fee	1.00% p.a.
Guarantee and Smoothing Fee	0.85%

Bonuses are net of these fees.

Total Expenses (30/06/2017)	
Total Expense Ratio (TER)	1.01%
Transaction Cost (TC)	0.03%
Total Investment Charge	1.04%

TER is a historic measure of the impact the deduction of management and operating costs has on a fund's value. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER, which includes the annual service fee, may not necessarily be an accurate indication of future TERs. Transaction Cost (TC) is a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

### Funds are also available via:

**Old Mutual Wealth:** Tel +27 (0)860 999 199 | Fax +27 (0)860 999 197 | Email [service@omwealth.co.za](mailto:service@omwealth.co.za) | Internet [www.omwealth.co.za](http://www.omwealth.co.za)

**Max Investments:** Tel +27 (0)860 605 500 | Fax +27 (0)860 60 7500 / 9500 | Email [MaxInvestments@oldmutual.com](mailto:MaxInvestments@oldmutual.com) | Internet [www.oldmutual.co.za/max](http://www.oldmutual.co.za/max)

**Max Income:** Tel +27 (0)860 605 500 | Fax +27 (0)860 60 7500 / 9500 | Email [maxincome@oldmutual.com](mailto:maxincome@oldmutual.com) | Internet [www.oldmutual.co.za/max](http://www.oldmutual.co.za/max)

