EXCLUSIVITY

A brainchild of a group of eight dentists, PPS was founded as the Professional Provident Society of South Africa on 8 July 1941.

This group of pioneers was aware that the professional person’s assets are his knowledge and skills, which he must be able to employ to the fullest extent to earn a living. The unfortunate experiences of some of their colleagues on active duty motivated them to seek a better system of financial protection against the serious consequences arising from inability to practise because of sickness or injury.

“PPS has a rich history of looking after graduate professional needs, which has made PPS the success it is today …”

From very small beginnings, PPS has grown into a large and progressive organisation, providing services that have contributed greatly to the health, wealth and security of the professional groups it serves.

OWNERSHIP

The unique business model of PPS offers “ownership” to members. Members may be voted onto the Board of PPS Holdings Trust, have voting rights on member affairs and as policyholders* can exclusively share in the profits of the PPS group through the unique Surplus Rebate Account (SRA). This is an offer that is unmatched in the market.

MUTUALITY

The success of PPS is in large measure due to the faith and goodwill of its many members and bears undoubted testimony to what the professions can achieve if they work together. Unlike a company that is listed on a stock exchange, PPS belongs to its members and operates under the ethos of mutuality. This means that it does not offer shares on any public stock exchange and answers only to the professional members it serves. It is operated and maintained for the sole benefit of its professional members who participate in a broad spectrum of products and services.

* PPS Provider™ Policy
### CONTENT OVERVIEW

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<th>Section</th>
<th>Page</th>
</tr>
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<td>SHARE IN THE PROFITS OF PPS</td>
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<td>25</td>
</tr>
</tbody>
</table>
SHARE IN THE PROFITS OF PPS

PPS embraces an ethos of mutuality, which means that we exist for the sole benefit of our graduate professional members. Every Rand of value that PPS creates goes to benefit our members who are policyholders.* PPS members exclusively share in the profits of PPS through the unique Surplus Rebate Account.

What is a Surplus Rebate Account (SRA)?

The SRA is an unique, non-vesting policy benefit until retirement (after the age of 60) or death. Allocations to the SRA are based on the number of Units of Benefit held with, the sum assured of PPS Professional Life Provider™, PPS Professional Disability Provider™, PPS Professional Health Provider™ and the PPS Accidental Death Product in the PPS Provider™ policy. Additional annual allocations can be enjoyed if any of the PPS Investments range of products is purchased. Importantly, all allocations to the SRA continue to be made irrespective of a policyholder’s claim history or claim status.

DID YOU KNOW?

Many of our members have accumulated SRA balances greater than their total premium payments!

Example:
Mr Professional, age 67, PPS policyholder for 41 years

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total premiums paid:</td>
<td>R197,256</td>
</tr>
<tr>
<td>Total sick pay received:</td>
<td>R92,370</td>
</tr>
<tr>
<td>SRA balance as at 31/12/2009:</td>
<td>R1,141,503</td>
</tr>
</tbody>
</table>

So, Mr Professional has benefited from over R1 million in allocations to his SRA – substantially more than his total premium payments to PPS Insurance!***

* Members with PPS Provider™ policy
** Via Professional Medical Scheme Administrators
*** Information about past performance is not necessarily indicative of future performance
The unquestionable financial strength of PPS lies in the fact that its reserves are sufficient to pay every member up to the “last man standing”. The investments of PPS have always been managed in a disciplined and prudent manner, focusing on the long-term interests of its members.

With over R17 billion in assets, strong governance and member structures, PPS remains the preferred provider of financial solutions to the graduate professional market in South Africa.

The Phases of the Surplus Rebate Account

**Accumulation Phase**

Many policyholders have accumulated SRA balances greater than their total premium payments. History has shown that in just seven years, the value of the SRA can equal the total amount of premiums paid for the Units of Benefit held. This is over and above the exceptional risk cover enjoyed at competitive rates.

**Pre-retirement Phase**

At the age of 55, as you near your retirement age, you have a choice as to how the SRA assets are invested. The decision of how to invest the SRA in this phase is important in that it will have a significant impact on the eventual withdrawal benefits throughout your retirement years.

**Post-retirement Phase**

At retirement, after the age of 60, the PPS SRA Retention Option becomes available, which enables you to set up regular withdrawals at your chosen frequency, to supplement your retirement income, without transaction costs or penalties. This greatly reduces the rate at which your other post-retirement assets such as living annuities are used, prolonging the durability of those assets. The PPS SRA Retention Option can also be used to simply leave the full value of your SRA invested in your chosen fund, allowing your nest egg to continue to grow.
**PPS Sickness and Permanent Incapacity Benefit**

As a graduate professional, you use your hard earned professional knowledge and expertise to generate an income. Should you fall ill, suffer an injury or, at worst, become permanently incapacitated, you want to be certain that you are able to pay your day-to-day expenses whilst you are unable to work.

*PPS Sickness and Permanent Incapacity Benefit* does just that, for as long as you practise your chosen profession.

---

**Types of Units of Benefits (UOB):**

<table>
<thead>
<tr>
<th>Units</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary</td>
<td>Sickness &amp; Permanent Incapacity</td>
</tr>
<tr>
<td>Supplementary A</td>
<td>Sickness only</td>
</tr>
<tr>
<td>Supplementary B</td>
<td>Sickness only</td>
</tr>
<tr>
<td>Deferred</td>
<td>Permanent Incapacity only</td>
</tr>
<tr>
<td>Accident (2)</td>
<td>Sickness &amp; Permanent Incapacity</td>
</tr>
</tbody>
</table>

(1) Additional benefit in the event of hospitalisation
(2) Pays out for an injury or permanent incapacity resulting from an accident
Features & Benefits

- Extremely competitive premium rates due to our ‘low-risk’ member pool
- No need to prove loss of income in order to claim
- Pays regardless of any other policies or insurance cover you may have
- Covers Gross Professional Income, including business expenses
- Sickness benefit is paid out tax-free
- The younger you are when you purchase Units of Benefit, the lower your premiums (level premiums)
- Members who are still studying and are younger than 35 pay reduced premiums, from only R19.80 p.m.
- You can temporarily stop paying your premiums without penalties*
- Bonus Units of Benefit are granted annually, which increases the monthly benefit of permanently incapacitated policyholders

* The temporary “cessation” of premiums must be approved by PPS Insurance in advance. No claim events are covered during this period and for three months after premium payments resume.

How does PPS Sickness and Permanent Incapacity Benefit work?

Your Gross Professional Income (GPI) determines how many Units of Benefit (UOB) you can buy.

You pay a level premium for these UOB. Benefits are paid out for the period that you are unable to carry out your professional duties, due to sickness or injury. Additional UOB can be purchased as your GPI grows. The premium for these UOB is determined by the age at which you purchase them.

Ordinary UOB is our core benefit offering, providing cover for sickness, injury and permanent incapacity. In addition to Ordinary UOB, members can purchase Supplementary A, Supplementary B and Deferred UOB, which enable members to structure optimal cover for their needs, providing either more sickness or more permanent incapacity cover.

PPS Sickness and Permanent Incapacity Benefit is dependent on the number and type of UOB held at any given time. Make sure that you top-up your UOB each time your GPI increases. PPS Insurance may also issue additional UOB each year, free of medicals, to help your benefits keep pace with inflation.

PPS Sickness Benefit:

- Pays from day one for a sickness lasting seven consecutive days or longer (including weekends and public holidays)
- Pays for a maximum sickness payment period of an aggregate of 728 days for the same, consequential or related illness
- Uniqueley covers partial sickness claims, offering an invaluable benefit whilst you recuperate and get back on your feet (payable even if you are working partially within your chosen profession)
- Simple claim process
- Paid out tax-free
PPS Permanent Incapacity Benefit:
• Incapacity is assessed taking into account, among other things, your occupation
• Pays after the PPS Sickness Benefit period
• Is reviewed and paid based on the severity level of your incapacity
• Bonus Units of Benefit are also granted, usually annually, to permanently incapacitated policyholders in order to help their benefit payments keep pace with inflation

Accident UOB:
Accident UOB are offered to members whose state of health, under normal circumstances, does not entitle them to receive cover under any of the other benefit options.

Enhance your cover with....

PPS HOSPITAL BENEFIT (OPTIONAL)
• Add-on benefit to the PPS Sickness Benefit
• Provides cover, from day one, equal to PPS Sickness Benefit, when you are hospitalised for 4 or more consecutive days
• Based on the number of Units of Benefit (UOB) you have
• Pays for a maximum period of 6 months in any one year
• Can be added to your UOB, providing sickness cover

PPS OCCUPATION SPECIFIC RIDER BENEFIT™ (OPTIONAL)
PPS Occupation Specific Rider Benefit™ (OSRB) is an add-on or rider benefit, which pays out a monthly permanent incapacity benefit.
• Add-on benefit to the PPS Permanent Incapacity Benefit
• Increases a permanent incapacity award to 100% benefit
• Once awarded*, it is never reviewed and pays a monthly permanent incapacity benefit until you turn 66
• Pays out even if you recover and start working again in your own occupation
• No need to prove loss of income
• The OSRB award is not reduced as a result of any income earned
• Pays after 728 days of receiving PPS Sickness Benefit, for the same, consequential or related sickness
• Policyholders, who are awarded* with an OSRB payment, may also receive an annual increase to help reduce the eroding effect of inflation on the monthly benefit being claimed
• The SRA continues to accumulate each year with investment returns and bonus allocations, even though no premiums are paid and a benefit is being received

* Exclusions on OSRB:
Mental & behavioural disorders
Fibromyalgia
Chronic fatigue syndrome (yuppie flu)
Frequently Asked Questions

Is PPS Sickness and Permanent Incapacity Benefit similar to an income protection cover?

No. If you had an income protection policy, you would have to prove loss of income when you claim. With PPS Sickness and Permanent Incapacity Benefit you do not need to prove loss of income. All you require is a valid medical certificate* from your doctor and your completed claim form.

How do I ensure a balanced portfolio of cover?

Ordinary Units of Benefit (UOB) should be considered before you purchase any other benefit option. You should consult your PPS accredited broker for advice which will take into account your specific needs.

How do I claim?

You will need to complete a claim form and provide a valid medical certificate*. The claim should be submitted to PPS Insurance within 6 months of the onset of the illness or injury.

Does my sickness or incapacity claim affect my share of the profits in PPS?

No. You continue to share in the profits of PPS and your Surplus Rebate Account remains invested. Your SRA benefit is not reduced should you claim.

* Subject to PPS Insurance claims requirements
PPS PROFESSIONAL LIFE PROVIDER™

Designed to protect and provide for your loved ones in the unfortunate event of your death or disability, PPS Professional Life Provider™ will help cover outstanding debts, finance children through higher education and provide financial peace of mind for those left behind.

Features and Benefits

- Choose between term life and whole life cover
- Choose between Age-related and Level premiums
- You can convert* your term life cover to whole life cover at any time
- Terminal Illness Benefit and Immediate Needs Benefit are automatically included at no additional premium
- You can keep your life cover if you change your occupation
- You can cede the rights to your life cover partially or fully to a third party as security on a loan (e.g. to buy a home)
- You can obtain any amount of cover subject to financial underwriting maximum sum assured = R12m, but can apply for more, subject to reinsurer acceptance and financial underwriting
- Premium rates differentiated by gender and smoker/non-smoker
- Since this is a core PPS Provider™ product and premium rates are differentiated by gender and smoker/non-smoker, direct profit allocations are made to the SRA based on the life cover sum assured each year

TERMINAL ILLNESS BENEFIT:

- Advances 50% of your life cover when you are diagnosed with a terminal illness and are expected to live for less than 12 months**
- Remaining 50% of your life cover pays out on death

IMMEDIATE NEEDS BENEFIT:

- Helps alleviate the immediate financial strain experienced by your beneficiaries (funeral, repatriation and other immediate costs)
- Pays up to R50,000 to your beneficiaries within 2 working days of producing a valid death certificate

* Subject to terms and conditions
** As determined by PPS Insurance. Please note that Terminal Illness Benefit and Immediate Needs Benefit are accelerated benefits, which means that claiming for them will reduce the life cover sum assured available at death

*** Pays
Enhance your cover with....

DISABILITY BENEFIT (OPTIONAL):
- Lump-sum add-on benefit that pays on establishment of permanence of the disability condition that meets the claims criteria
- You can choose up to 100% of life cover
- Payment of this benefit reduces the total life cover benefit payout at death (accelerated benefit)
- *PPS Occupation Specific Rider Benefit™* add-on disability benefit, which pays if you are unable to perform your own specified occupation
- Premium pattern follows that selected for life cover

ACCIDENTAL DEATH BENEFIT (OPTIONAL):
- Lump-sum add-on benefit that doubles the life cover benefit if death is as a result of an accident (subject to Accidental Death Benefit maximum cover)
- This benefit can be added at any time
- Premium pattern is Age-related

ACCELERATED HEALTH PROVIDER BENEFIT (OPTIONAL):
- Pays a lump-sum benefit if the life insured suffers one of the covered dread disease conditions, physical impairments or trauma
- The benefit pays according to the severity level of the claim
- Benefit can be added on either term or whole life *PPS Life Provider™* policy
- *Core 100% Benefit available***
- *CatchAll Cover (optional)* includes all known and unknown, serious and permanent medical and physical conditions
- Payment of this benefit reduces the total life cover benefit payout at death (accelerated benefit)
- Premium pattern is Age-related

*** Pays out 100% benefit for heart attack, stroke, cancer and coronary artery bypass surgery benefit categories.
PPS PROFESSIONAL HEALTH PROVIDER™

The financial consequences of a critical illness or an incapacitating accident can often be worse than those of death. You want to be certain that you have sufficient funding for the necessary lifestyle adjustments you and your family will need to make.

PPS Professional Health Provider™ is one of the most comprehensive and innovative critical illness and physical impairment lump-sum benefits available for qualified graduate professionals. It covers most known dread diseases including cancer, leukaemia, heart disease and strokes. Physical impairments such as paraplegia, loss of use of limbs, blindness and deafness are also covered.

Features and Benefits

• Choose between term and whole life cover
• You can keep your cover if you change your occupation to one which doesn’t meet PPS eligibility criteria
• You can claim multiple times for an unrelated event or condition (except for cardiovascular benefit and CatchAll Cover)
• Maternity Cover*(optional) pays for pregnancy complications
• CatchAll Cover (optional) covers all known and unknown serious and permanent medical or physical conditions
• Core 100% Benefit (optional) pays 100% for even a mild heart attack or stage 1 cancer
• You can temporarily stop paying your premiums without penalties**
• Since this is a core PPS Provider™ product, direct profit allocations are made to the SRA each year based on the PPS Professional Health Provider™ cover amount
• Premium rates differentiated by gender and smoker/non-smoker

* Only available at inception of the PPS Professional Health Provider™
** The temporary “cessation” of premiums must be approved by PPS Insurance in advance. No claim events are covered during this period and for three months after premium payments resume
Illnesses Covered

Below is a list of some of the more common illnesses that will be covered:

<table>
<thead>
<tr>
<th>Illness</th>
<th>Illness</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cancer</td>
<td>Paralysis</td>
</tr>
<tr>
<td>Heart attack</td>
<td>Loss of use of limbs</td>
</tr>
<tr>
<td>Stroke</td>
<td>Loss of sight</td>
</tr>
<tr>
<td>Cardiac surgery and procedures</td>
<td>Multiple sclerosis</td>
</tr>
<tr>
<td>Aortic surgery</td>
<td>Muscular dystrophy</td>
</tr>
<tr>
<td>Major organ transplant</td>
<td>Dementia</td>
</tr>
<tr>
<td>Kidney failure</td>
<td>Rheumatoid arthritis</td>
</tr>
<tr>
<td>Coma</td>
<td>Accidental HIV infection</td>
</tr>
<tr>
<td>Gunshot wounds</td>
<td>Aplastic anaemia</td>
</tr>
<tr>
<td>Cardiomyopathy</td>
<td>Motor neuron disease</td>
</tr>
<tr>
<td>Parkinson’s disease</td>
<td>Alzheimer’s disease</td>
</tr>
<tr>
<td>Crohn’s disease</td>
<td>Amputation</td>
</tr>
<tr>
<td>Benign brain tumour</td>
<td>Scleroderma</td>
</tr>
<tr>
<td>3rd degree burns</td>
<td>Lobectomy</td>
</tr>
<tr>
<td>Respiratory failure</td>
<td>Liver failure</td>
</tr>
<tr>
<td>Ulcerative colitis</td>
<td>Loss of hearing</td>
</tr>
<tr>
<td>Chronic pancreatitis</td>
<td>Loss of speech</td>
</tr>
<tr>
<td>Reconstructive surgery due to facial disfigurement due to injury, accident or assault</td>
<td>Systemic lupus erythematosus with nephritis</td>
</tr>
</tbody>
</table>

STANDARDISED CRITICAL ILLNESS DEFINITIONS PROJECT (SCIDEP)

The Association of Savings and Investments of South Africa (ASISA) have recommended that all member life insurance companies publish their critical illness definitions against a set of standardised definitions (SCIDEP).

PPS-SCIDEP grid will afford greater clarity as to when PPS will pay a claim according to this grid.

ASISA® Critical Illness Disclosure Grid (SCIDEP™)

<table>
<thead>
<tr>
<th>SCIDEP Severity Level</th>
<th>Heart Attack</th>
<th>Stroke</th>
<th>CABG</th>
<th>Cancer</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Basic Benefit</td>
<td>Core 100% Cover</td>
<td>Basic Benefit</td>
<td>Core 100% Cover</td>
</tr>
<tr>
<td>A</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>B</td>
<td>75%</td>
<td>100%</td>
<td>75%</td>
<td>100%</td>
</tr>
<tr>
<td>C</td>
<td>50%</td>
<td>100%</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td>D</td>
<td>25%</td>
<td>100%</td>
<td>25%</td>
<td>100%</td>
</tr>
</tbody>
</table>

* ASISA (Association for Savings and Investment South Africa)
** SCIDEP (Standardised Critical Illness Definitions)
Frequently Asked Questions

Assessment is done based on Whole Person Impairment (WPI), as established by the American Medical Association’s Guide to Permanent Impairment. This method is objective and recognised as standard assessment criteria by the global medical industry for impairment claims.

There are four severity levels. These levels have been set in accordance with the relative severity of the dread disease or impairment event. The severity levels are assessed in terms of PPS Insurance claim criteria. Percentage of benefit paid are: A level - 100%, B level - 75%, C level - 50% or D level - 25%.

For a claim to be valid, you must survive for a period of 14 days after the event occurs or the condition is diagnosed. Different survival periods apply to certain conditions such as heart attack and stroke.

Yes. Accidental HIV infection cover is included at no additional premium. This benefit is especially valuable to medical professionals.

For example: Mr Smith has R1 million cover. He is diagnosed with stage 1 prostate cancer for which he receives 25% of the cover benefit. Two years later he has a new diagnosis of stage 1 lung cancer (an unrelated condition) and receives another 25%, as the cover is preserved for unrelated claims. A year later this lung cancer progresses to stage 4. He receives the additional 75% benefit (100%-25%) for this condition. His benefit, however, is not exhausted and should his unrelated prostate cancer progress, he will be paid for this condition too. This means that even if you have claimed the full benefit, your cover is preserved and you are able to claim again for an unrelated event or condition.
Frequently Asked Questions... cont

Does PPS Professional Health Provider™ cover trauma conditions?

Yes. Gunshot wounds, reconstructive surgery*, accidental injury, coma and major burns are all covered.

How does Maternity Cover work?

The Maternity Cover is an add-on benefit with its own sum assured, which covers pregnancy complications until the age of 44. The benefit pays in four severity levels. You can claim until 100% of Maternity Cover** benefit has been paid, irrespective of whether you are claiming for a related or unrelated condition. Claims under this benefit do not affect the PPS Professional Health Provider™ sum assured.

What is Core 100% Benefit?

Adding the Core 100% Benefit to your PPS Professional Health Provider™ policy means that you will receive a 100% payout for the major dread disease benefits, which include heart attack, stroke, cancer and coronary artery bypass graft. Instead of the tiered benefit, you will be awarded a 100% benefit (even for stage 1 cancer) on a successful claim. This valuable tiered benefit remains in place for all the other dread disease and trauma conditions.

* Subject to terms and conditions
** Only available at inception of the PPS Professional Health Provider™ cover
PPS Professional Disability Provider™ is a stand-alone disability benefit that pays a lump sum in the event of you becoming disabled. The benefit will pay irrespective of any existing life cover that you may have. It can help cover the costs of making any necessary lifestyle adjustments that a disability may require.

Features and Benefits

- Stand alone disability benefit with extremely competitive premium rates, due to our ‘low-risk’ member pool
- Lump-sum disability benefit that pays on establishment of permanence of the disability condition that meets the claims criteria
- Available to PPS members younger than 62 years of age
- PSS Occupation Specific Rider Benefit™ add-on disability benefit, which pays if you are permanently unable to perform your own specified occupation
- At age 66 or earlier retirement (after age 60), the benefit converts into the Severe Illness Benefit and pays out should you experience a severe illness as defined
- Choose between Age-related and Level premiums
- Premiums differentiated by gender and smoker/non-smoker
- Since this is a core PPS Provider™ product and premium rates are differentiated by gender and smoker/non-smoker, direct profit allocations are made to the SRA each year based on the PPS Professional Disability Provider™ cover amount

Frequently Asked Questions

If I change my occupation, will I still be covered?

Your cover may continue, subject to PPS Insurance’s approval, if you change your occupation to one which still meets PPS’s eligibility criteria.

Why do I need PPS Professional Disability Provider™ if I already have PPS Sickness and Permanent Incapacity Benefit?

The two are not the same. PPS Professional Disability Provider™ pays out a cash lump-sum amount, to settle debt for example, whereas the PPS Sickness and Permanent Incapacity Benefit pays out a regular amount based on the number of Units of Benefit you hold with PPS Insurance and the period you are unable to practise your profession, due to sickness or injury.
PPS ACCIDENTAL DEATH PRODUCT

The possibility of being involved in a motor vehicle accident, being a victim of crime or suffering an accident is ever present. PPS Accidental Death Product pays out in the event of an accidental death of a policyholder. This benefit is also well-suited when your underwriting risk precludes you from obtaining a PPS Professional Life Provider™ policy. Should a member have PPS Investments products, he can purchase the accidental death product in order to have a SRA account which will allow for the accrual of profits from PPS Investments policies.

Features and Benefits

- The benefit pays a lump-sum, in the event of accidental death (as defined in the contract)
- The sum assured for PPS Accidental Death Product can be any amount chosen by the policyholder, subject to the relevant minimum and maximum benefit limits
- Only financial underwriting applies for this benefit
- Premiums differentiated by gender and smoker/non-smoker
- Since this is a core PPS Provider™ product, direct profit allocations are made to the SRA each year based on the PPS Accidental Death Product cover amount

Frequently Asked Questions

*Does PPS Accidental Death Product cover death arising from hazardous pursuits (e.g. paragliding)?*

Yes. All long-term insurance products from PPS Insurance provide cover for hazardous pursuits, at no additional premium. This cover is available globally to PPS policyholders.

*What are the most common causes of accidental deaths?*

The most common causes of accidental deaths amongst PPS policyholders are motor vehicle accidents and crime.

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**MOST COMMON CAUSES OF ACCIDENTAL DEATHS**

(Source: PPS Insurance Life Cover Claims 2006 to 2009)
PPS BUSINESS PROVIDER™

As a business owner, you know that there are usually one or two key individuals who contribute substantially to your business. What would be the impact on your business if these specific individuals were to die, become disabled or seriously ill and could no longer perform their duties?

Would you have the funding to hire someone equal to the task? What if a spouse lays claim to half of the business or wants to sell it to someone with whom you are not comfortable to be in a partnership? Could you pay out the spouse without impacting on the bottom-line of your business?

These are very real concerns that face every business owner who is in some kind of a partnership or relationship. Business assurance will never be able to replace the intellectual capital and valuable contribution of the individual concerned, but it can lessen the financial impact of that loss, without having to disrupt the business.

PPS Business Provider™ is a business assurance policy, consisting of PPS Business Life Provider™ and PPS Business Health Provider™ benefits, which facilitates various business assurance needs. It provides graduate professionals with a flexible way to construct their risk cover portfolios, whilst keeping the needs of the business in mind.

Types of Business Assurance Needs

<table>
<thead>
<tr>
<th>KEY PERSON ASSURANCE</th>
<th>BUY &amp; SELL AGREEMENTS</th>
<th>CONTINGENT LIABILITY ASSURANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protects the business against the financial loss suffered by the business when a valued employee dies or is unable to work due to disability, incapacity or serious illness.</td>
<td>Enables business partners, co-owners or shareholders to ensure that in the event of the death or incapacity of a partner due to disability or serious illness, the remaining partner(s) can buy that partner’s share of the business. This agreement usually either determines the price of the buyout or includes a predetermined formula to calculate that price.</td>
<td>Enables an agreement to be reached that in the event of death or disability of the shareholder who stood surety for a loan taken by the business, the proceeds of an insurance policy on the life of that shareholder will be used to repay the loan.</td>
</tr>
</tbody>
</table>
Reasons to choose PPS Business Provider™

* Choice of life, disability and dread disease cover
* Choice of term or whole life cover
* Conversion of term to whole life cover permitted at any time
* No additional premium if the life insured participates in extreme sports and hazardous pursuits
* Cover is maintained if the life insured emigrates or travels overseas
* Declared annual increases in cover counter the eroding effects of inflation (declared at the discretion of the PPS Insurance Board)

PPS Business Life Provider™

* Pays a lump sum benefit in the event of the life insured’s death
* Life cover is maintained if the life insured changes occupation
* The rights to the life cover can be ceded partially or fully to a third party as security
* Choice of premium frequency (includes quarterly payment option)
* Terminal Illness Benefit automatically included at no additional premium
* Optional Disability Cover available
* Additional cover can be applied for in excess of PPS Insurance standard maximum amounts (subject to additional underwriting criteria being met)
* Consists of term life cover and disability cover with optional PPS Occupation Specific Rider Benefit™ and optional Accidental Death Benefit
* Choose between Age-related and Level premiums
* Premiums differentiated by gender and smoker/non-smoker

TERMINAL ILLNESS BENEFIT

* Advances 50% of the life cover benefit, when the life insured is diagnosed with a terminal illness and is expected to live for less than 12 months*
* Remaining 50% of the life cover pays out on death
* As determined by PPS Insurance

DISABILITY COVER (OPTIONAL)

* Pays a lump sum amount in the event that the life insured is unable to work due to accident or illness, in accordance with PPS Insurance permanent incapacity assessment
* Available as long as the life insured practises his chosen profession
* An accelerated benefit - claiming will reduce the life cover sum insured available at death
* Premium pattern follows that chosen for life cover
ACCIDENTAL DEATH BENEFIT (OPTIONAL):

* Lump-sum add-on benefit that doubles the life cover benefit if death is a result of an accident (subject to Accidental Death Benefit maximum cover)
* This benefit can be added at any time
* Premium pattern is Age-related

ACCELERATED BUSINESS HEALTH PROVIDER BENEFIT (OPTIONAL)

* Pays a lump-sum benefit if the life insured suffers one of the covered dread disease conditions, physical impairment or trauma
* CatchAll Cover (optional) includes all known and unknown, serious and permanent medical and physical conditions, and pays a lump sum on the diagnosis of such a condition
* Benefit can be added on either term or whole life PPS Business Provider™ policy
* The benefit pays 100% on a successful claim
* This is a once-off benefit which ceases for the life insured in question upon the claim being paid
* Payment of this benefit reduces the total life cover benefit payout at death (accelerated benefit)
* Premium pattern is Age-related
* Covers the life insured for a number of trauma events such as gun shots
* Accidental HIV infection cover at no additional premium
* Benefits and premiums are tailored to meet specific business assurance needs

STANDARDISED CRITICAL ILLNESS DEFINITIONS PROJECT (SCIDEP)

The Association of Savings and Investments of South Africa (ASISA) have recommended that all member life insurance companies publish their critical illness definitions against a set of standardised definitions (SCIDEP)

PPS-SCIDEP grid will afford greater clarity as to when PPS will pay a claim according to this grid.

ASISA* Critical Illness Disclosure Grid (SCIDEP**)

<table>
<thead>
<tr>
<th>SCIDEP Severity Level</th>
<th>Heart Attack</th>
<th>Stroke</th>
<th>CABG</th>
<th>Cancer</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>B</td>
<td>100%</td>
<td>100%</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>C</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>D</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
<td>0%</td>
</tr>
</tbody>
</table>

* ASISA (Association for Savings and Investment South Africa)
** SCIDEP (Standardised Critical Illness Definitions)
Tax implications of PPS Business Provider™

PPS Business Provider™ is flexible and allows you to structure your business affairs according to your specific tax circumstances.

Under certain conditions, the premiums for PPS Business Provider™ may be tax deductible. Consultation with a tax expert is advisable.

Eligibility Criteria

To qualify for PPS Business Provider™ the life insured must satisfy PPS membership eligibility criteria.

Business advantages of PPS Business Provider™

<table>
<thead>
<tr>
<th>KEY PERSON ASSURANCE</th>
<th>BUY &amp; SELL AGREEMENTS</th>
<th>CONTINGENT LIABILITY ASSURANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Provides capital for the business to recruit and train a replacement</td>
<td>• Ensures that the business remains in the hands of the people who have worked hard to build it</td>
<td>• Removes the financial burden of repaying a loan when a shareholder dies or is unable to continue working</td>
</tr>
<tr>
<td>• Alleviates the financial strain in the event of loss of the key individual’s services</td>
<td>• Protects the partners’ interests in the business for the benefit of their family</td>
<td>• The business can use the money, which would have been used to repay the loan elsewhere, to build and expand the business</td>
</tr>
<tr>
<td>• Assists the business in protecting its creditworthiness</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

18
PPS HOME AND CAR INSURANCE

PPS Home and Car Insurance* offers cover for household contents, motor vehicles, buildings, specified personal belongings, leisure vehicles, computer equipment and personal liability.

The benefits include:
- Unlimited geyser cover (part of Building Cover) - exclusive to PPS members
- FREE 24/7 Home and Roadside Assistance
- FREE Asset Risk Surveys on home contents
- Up to R15 million personal liability cover
- Excess waiver (optional): you don’t pay any basic excess

YOU WILL ALSO RECEIVE UP TO R15,000 COVER FOR THE FOLLOWING:
- Loss of keys, locks and remote control units
- Veterinary expenses due to an accident
- Fridge and freezer contents
- Hole-in-one / full house
- Credit cards
- Accidental death
- Guest and domestic employee property

ENHANCE YOUR COVER WITH:
- Asset All Risk Cover (optional): for accidental damage of household contents insured for more than R500,000
- All Risk Cover (optional): worldwide cover for items taken out of your home
- Car hire (optional): available should a vehicle be involved in an insured event

PPS PROFESSIONAL INDEMNITY PROVIDER

PPS Professional Indemnity Provider** offers cover for pharmacies and pharmacists to the value of R10 million for costs that may arise from errors/omissions relating to pharmacy practice. Furthermore, cover to the value of R250,000 is available for disciplinary hearing costs for pharmacists and all full-time assistants.

DID YOU KNOW?

Surveys show that PPS members have a favourable risk profile, which means that lower premiums can be negotiated for our members. To find out how much you can save on home and car insurance with our special discount offers call us on 0860 777 784 or email us at sti@pps.co.za. Alternatively, please consult a PPS product-accredited adviser.

* Underwritten by The Hollard Insurance Company Limited
** Underwritten by Etana Insurance
Terms & Conditions apply.
PPS INVESTMENTS

PPS Investments was launched in 2007, when PPS and Coronation Fund Managers combined their areas of expertise in forming PPS’s own investment company. In doing so, PPS ensured that it could look after the health, wealth and security of its members through a range of financial services specifically designed for the professional.

WHY CHOOSE PPS INVESTMENTS?

Financial strength and history

As a PPS subsidiary, PPS Investments also applies its focus to PPS members’ long-term interests. Combined with the expertise of a respected asset manager, PPS Investments has been able to establish itself as a preferred investment provider in the professional market.

Clear and simple investment products

We understand that the world of investments can seem confusing and overwhelming. We provide investment solutions that make the complexities of financial planning more manageable.

We offer you....

A COMPREHENSIVE RANGE OF INVESTMENT PRODUCTS

Our investment products are tailored to offer simple yet sophisticated solutions to your investment needs throughout all life stages.

PREMIUM UNIT TRUSTS AS UNDERLYING INVESTMENT OPTIONS

Choose from the unit trusts offered by PPS Multi-Managers and other quality asset managers when selecting the underlying investments for your products. In addition to our multi-managed funds, the asset managers available our platform include Allan Gray, Coronation Fund Managers, Element Investment Managers, Investec Asset Management, Kagiso Asset Management, Nedgroup Investments, Prudential Portfolio Managers and Sanlam Investment Management.

A SIMPLER SELECTION PROCESS

The asset managers and unit trusts included on our investment platform have been appointed following a very strict selection process. When investing in one of these unit trusts you have the assurance of knowing that most of your research has already been done for you.

PPS Multi-Managers has further constructed multi-managed unit trusts and can structure investment portfolios to serve a range of investment needs. The selection of the most appropriate combination of unit trusts to satisfy your individual investment requirements is therefore also made for you.
Transparent and competitive fees

We know that it’s important for you to understand how much you’re paying for your investment, and exactly what you’re paying for. Our highly competitive fee structure is fully disclosed and easily accessible to you.

Contribute to the profits you share in

By investing with PPS Investments you are not only assured of the highest investment standards, but you are also contributing to the profits of the PPS Group. As a PPS member, a portion of these profits accrues directly back to you.

INVESTMENT PRODUCTS FOR EVERY LIFE STAGE

PPS Investments is committed to serving your investment objectives as you progress through all life stages; throughout your career as you work towards your retirement and also beyond. Our products have been tailored to offer solutions focused on your investment needs as your individual risk profile and personal circumstances change.

PPS Personal Pension

The PPS Personal Pension is a new generation retirement annuity (RA), structured from your selection of underlying unit trusts. It offers a tax-efficient and cost-effective retirement savings solution that offers:

- Complete flexibility. There are no fees involved when changing or ceasing contributions, or when changing your choice of underlying unit trusts
- Complete transparency. You have access to a secure website where you can view all your investment particulars
- Access to premium unit trusts at competitive fees. Select from a range of quality asset managers available on our platform

PPS Retirement Annuity

The PPS Retirement Annuity has been serving the retirement savings needs of professionals for five decades.

During 2010, with the biggest improvement yet in the Fund’s history, the Trustees introduced a new section within this old generation product. This new section allows the Fund’s members to convert to a new generation product without leaving the Fund, affording them greater flexibility, transparency and cost-effectiveness.
PPS Preservation Funds

The PPS Preservation Funds are pre-retirement products that preserve and reinvest your retirement capital once you have left either a pension or provident fund. They are especially beneficial for individuals who have changed employment as a result of resignation or retrenchment or for individuals whose occupational retirement fund has been closed.

- Set your savings aside for their original purpose. Choose from a selection of first-class asset managers and unit trusts available on our investment platform.
- Structure a low-cost portfolio. Preserve your savings in a tax-efficient manner with the flexibility to adjust your investment portfolio as often as you choose without incurring transaction fees.

PPS Endowment Plan

The PPS Endowment Plan is a structured savings vehicle, centred on the objective of long-term wealth creation. It supports disciplined investing by limiting access to capital within the first five years of your investment term. However, you are afforded the flexibility to change your selection of underlying investments or to adjust your contribution amounts.

- Tax efficiency. Most taxable income (interest, net rental income and foreign dividends) is taxed at 30%, while local dividends are taxed at 15% and realised capital gains at 10%. As taxes are levied within the PPS Endowment Plan itself, all tax reporting responsibility is removed from you and investment proceeds are tax-free in your hands.
- Discipline. Set up monthly debit orders to ensure that you stick to your savings goals.
- Flexibility. Choose to invest lump sum or recurring monthly contributions and change or cease your contributions without incurring transaction fees. Switch between underlying unit trusts as and when you need to at no cost.

PPS Investment Account

The PPS Investment Account provides the opportunity for you to structure an investment portfolio tailored to your individual requirements. Invest directly into a premium selection of rand-denominated unit trusts and customise your portfolio by deciding how much you’d like to invest, how often you’d like to make your contributions and over what length of time.

- A customised portfolio. Choose to invest lump sum or recurring monthly contributions, choose your own combination of underlying unit trusts and select your own investment term.
- Access to premium single and multi-managed unit trusts.
- Flexibility. Adjust your policy particulars as your personal risk profile and circumstances change. Change or cease your contributions or switch between underlying unit trusts without cost.
PPS Pre-retirement SRA

From the age of 55 onwards, PPS allows you to exercise control over how the funds in your PPS SRA, which have built up over your PPS membership, are invested. This affords you the opportunity to ensure that the investment objectives of your PPS SRA complement your overall retirement savings strategy.

- Choose from a selection of PPS multi-managed unit trusts to moderate the levels of risk the savings in your PPS SRA are exposed to. As the pooled PPS SRA portfolio pursues an investment strategy aimed at achieving maximum levels of growth over the long term, it may be more appropriate for you to align the mandate of your PPS SRA investment to those of your other retirement assets.

PPS Living Annuity

The PPS Living Annuity is a post-retirement investment product that invests your accumulated retirement savings with the aim of preserving these for as long as possible while providing you with regular income.

- Invest accumulated retirement funding to potentially generate further returns. Choose to invest in a range of quality underlying unit trusts
- Receive regular income payments to see to your day-to-day needs
- Stay in control of your savings. Structure the amount and frequency of your income payments to your requirements
- Leave residual assets to your estate when you pass away

PPS SRA Retention Option

Once you enter professional retirement, you are able to exercise the PPS SRA Retention Option (PPS SRARO) at no cost. In doing so, you will be able to invest the funds from your PPS SRA and promote the continued growth of this additional retirement capital. You will also be able to set up regular payments from your PPS SRARO or will be able to access it tax-free whenever you need to. This unique retirement asset therefore increases the longevity of your living annuity and other sources of retirement funding.
FOR EMPLOYERS:

PPS INVESTMENTS CORPORATE PERSONAL PENSION

The PPS Investments Corporate Personal Pension allows you to help your employees save towards their retirements at no cost to you, and with minimal administration. Offer your employees all the advantages of investing in their own PPS or OPN Personal Pension. They will retain full ownership of their investments at all times, will be able to tailor these investments according to their individual requirements and will be able to move these investments with them should they ever leave your company.

How does it work?

Your company makes a monthly bulk payment

PPS Investments
Corporate Personal Pension

Employee A
with their own PPS/OPN Personal Pension

Employee B
with their own PPS/OPN Personal Pension

Employee C
with their own PPS/OPN Personal Pension

All administration is done by
PPS Investments
## PPS PROVIDER™ BENEFIT CHECKLIST

<table>
<thead>
<tr>
<th>Benefit Description</th>
<th>SPPI</th>
<th>PLP</th>
<th>PDP</th>
<th>PHP</th>
<th>ADP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligibility criteria: PPS membership</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Benefits for self</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Benefits for beneficiaries</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Whole life benefits</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Benefits if emigrate or work abroad</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Hazardous pursuits covered at no additional premium (e.g. scuba diving, private flying, paragliding)</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Protection against inflation*</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>100% Lump-sum Disability Cover available</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>CatchAll Cover available</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Maternity Cover available</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Terminal Illness Benefit</td>
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<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Immediate Needs Benefit</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Occupation Specific Rider Benefit™</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>PPS Hospital Benefit available</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Temporary cessation of premiums available</td>
<td>✔</td>
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<td>✔</td>
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<tr>
<td>Security on a loan available</td>
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<td>✔</td>
<td>✔</td>
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<td>✔</td>
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<tr>
<td>Reduced premium for policyholder younger than 30</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Differentiated rates for smokers/non-smokers</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
<tr>
<td>Differentiated rates based on gender</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
<td>✔</td>
</tr>
</tbody>
</table>

* At the discretion of the Board of PPS Insurance, annual increases are declared to help reduce the eroding effects of inflation. Benefits are increased by the declared percentage on 1 January each year and premiums increase accordingly.

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**Abbreviations:**

SPPI = PPS Sickness and Permanent Incapacity Benefit
PLP = PPS Professional Life Provider™
PDP = PPS Professional Disability Provider™
PHP = PPS Professional Health Provider™
ADP = PPS Accidental Death Product
WHO CAN JOIN PPS?

Graduate professionals completing or holding a qualifying 4-year degree, or equivalent thereof, such as an Honours, a Masters or a Doctorate, for a profession that, on graduation, will be eligible for PPS membership. The members of the PPS professional circle include: Accountants, Actuaries, Advocates, Attorneys, Architects, Dentists, Doctors, Engineers, Pharmacists, Physiotherapists, Scientists, Surgeons and other professions.