



THE POWER OF MUTUALITY





 **THERE IS MORE FOR YOU...**
 **WITH MUTUALITY**

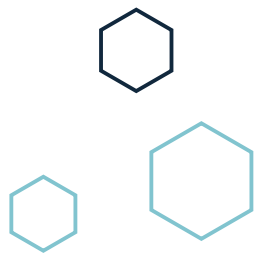
THE SPIRIT OF MUTUALITY



PPS was founded by a group of dentists who realised that if any of them were to suffer from an illness that kept them out of work, their earnings could be severely affected.

To protect themselves, they started a society where everybody contributed. These funds would be used to help any member through a period of illness.

With this shared value, PPS soon grew to include other like-minded professionals.



WHAT IS THE DIFFERENCE BETWEEN

OPERATING UNDER THE ETHOS OF MUTUALITY VS OWNED BY SHAREHOLDERS



ETHOS OF MUTUALITY



OWNERSHIP
Policyholders

POLICYHOLDER VOTING RIGHTS
Yes



DIVIDENDS
Paid to policyholders'
Profit-Share Account

Profits are reinvested and accessible from age 60



PURPOSE
Make money for policyholders

Decisions based on what is best for the member



BENEFIT
The benefit to members shapes all decisions

Long-term focus - focus on long-term safety, security and return to policyholders

VS.



SHAREHOLDER ORGANISATION



OWNERSHIP
Stakeholders

POLICYHOLDER VOTING RIGHTS
No



DIVIDENDS
Paid to shareholders



PURPOSE
Make money for shareholders

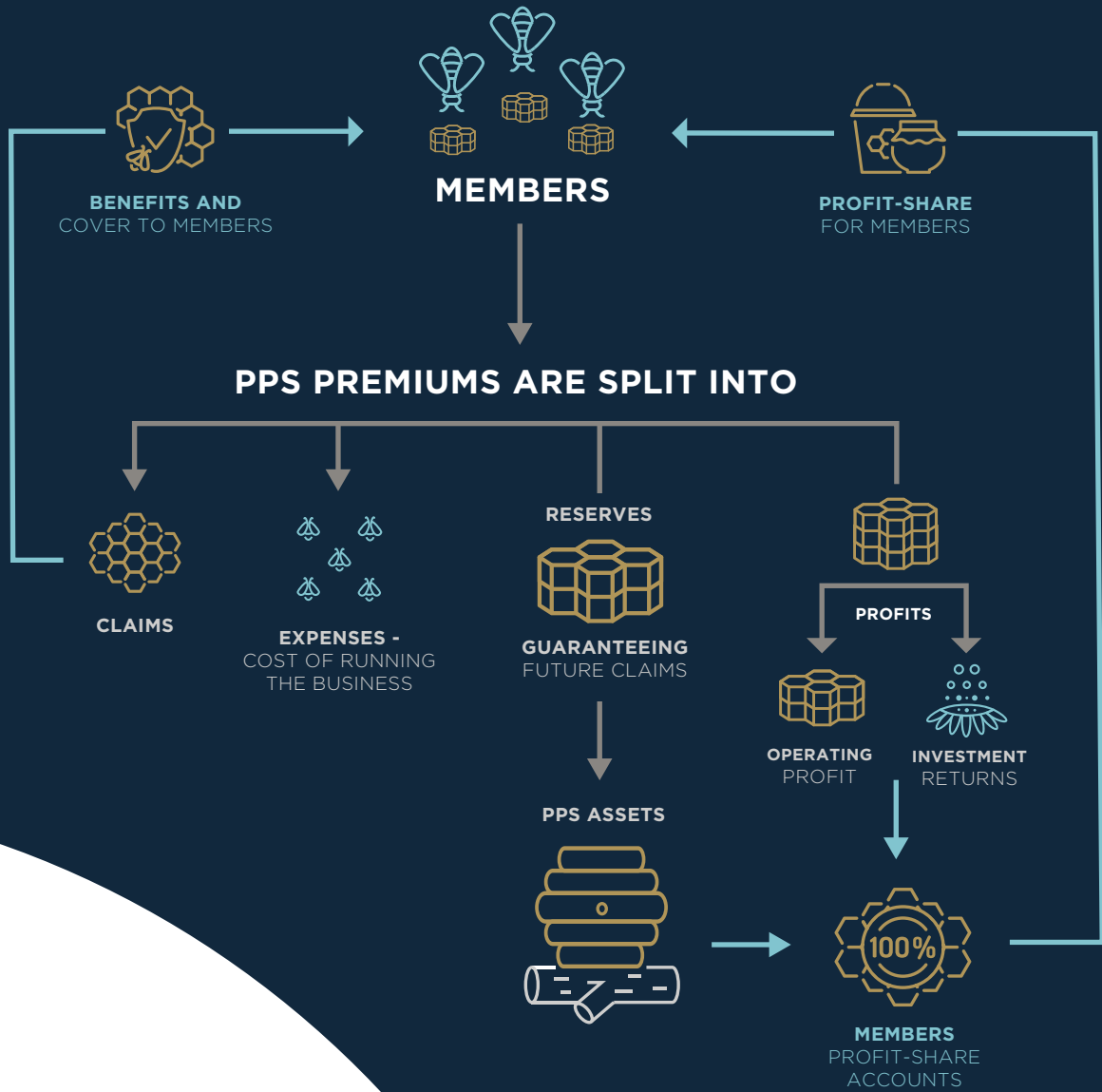
Decisions based on what is best for the shareholders



BENEFIT
Decisions are made to increase dividends for shareholders

Short-term focus - therefore likely to take greater risks

WHAT IS THE MUTUAL DIFFERENCE AND THE POWER OF IT?



THE PPS PROFIT-SHARE ACCOUNT

Because PPS follows the ethos of Mutuality, 100% of operating profits and investment returns are allocated to members' Profit-Share accounts, holding qualifying products.

How does the Profit-Share Account work?



Past performance is not necessarily indicative of future performance



MEET OUR NEW PPS MEMBER DR MOLEFE (AGE 34).

Dr Molefe became a PPS Member recently in 2020. Dr Molefe applied for Professional Life Provider and Critical Illness cover together with the Critical Illness 100% and Catch All benefit.

With the **Profit-Share Projections Tool** we can see an estimation of what his Profit-Share Account will be at the age of **55 (R346 499)** and at age **60 (R816 848)**.



MEET OUR OTHER NEW PPS MEMBER ELIZA (AGE 34).

Eliza also became a PPS Member in 2020. She applied for the PPS Sickness and Permanent Incapacity benefit, the Admission Benefit, Professional Life Provider, Critical Illness together with Critical Illness 100%, Catch All benefit, Occupational Disability Provider and Functional Disability Provider.

With the **Profit-Share Projections Tool** we can see an estimation of what her Profit-Share Account will be at the age of **55 (R565 651)** and at age **60 (R1 291 372)**.

WHEN USING THE PROFIT-SHARE PROJECTION TOOL, ONE CAN SEE THE ESTIMATED AMOUNT THAT WILL BE AVAILABLE WHEN THESE TWO MEMBERS TURN AGE 65.

THE POWER OF THE PROFIT-SHARE ACCOUNT



No premiums are paid for the Profit-Share Account.



100% of all profits (operational and investment profits) are distributed to members.



The Profit-Share Account is accessible from the age 60 through the Vested Profit-Share Account managed by PPS Investments.



No penalty when claiming. Any insurance claims that you make over the lifetime of your membership will not affect what is allocated to your Profit-Share Account.

THIS CAN BE USED:

- To supplement your retirement savings
- For ad-hoc expenses for example holidays or asset purchases
- To pay for some of your monthly expenses, e.g. medical aid or car insurance after you have retired.

BEFORE AGE 55

Accumulation and growth of a member's PPS Profit-Share Account

FROM AGE 55

Members can de-risk the investment strategy of their PPS Profit-Share Account in preparation for retirement

FROM AGE 60

The PPS Profit-Share Account will vest and become accessible to members, through the Vested PPS Profit-Share Account (as per the policy rules)

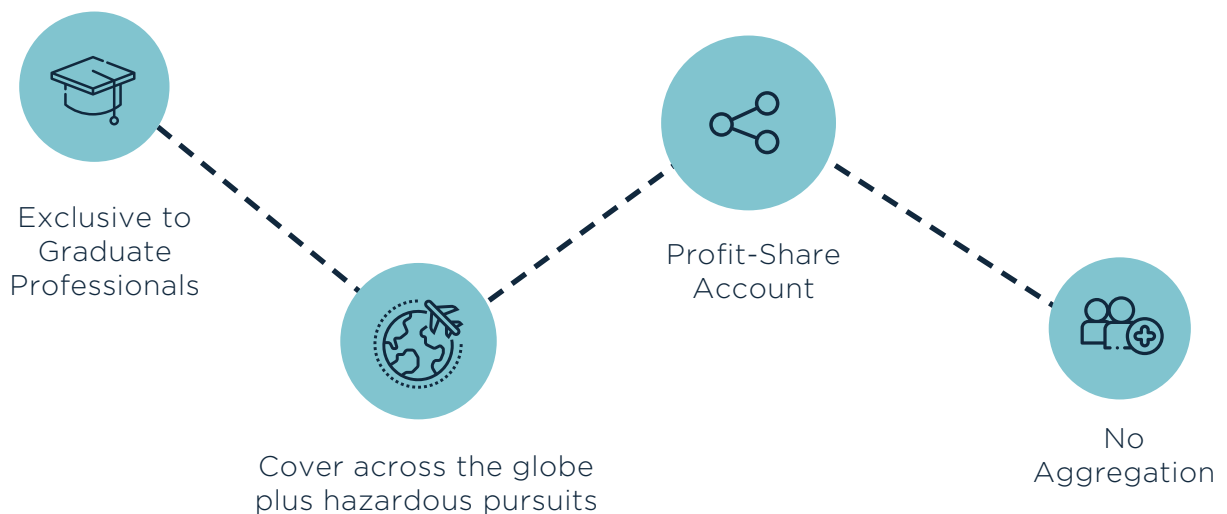
THE POWER OF THE PROFIT-SHARE ACCOUNT

EXAMPLES OF ACTUAL MEMBERS THAT RETIRED DURING 2019*

| RETIREMENT AGE | YEARS OF MEMBERSHIP | TOTAL PREMIUMS PAID | TOTAL CLAIMS PAID | PPS PROFIT-SHARE PAID |
|----------------|---------------------|---------------------|-------------------|-----------------------|
| 52 | 22 | R404 620 | R18 049 721 | R1 668 721 |
| 55 | 31 | R2 281 988 | R284 126 | R2 585 011 |
| 64 | 40 | R1 900 174 | R12 643 985 | R2 765 429 |
| 73 | 47 | R2 017 740 | R96 040 | R3 231 608 |
| 80 | 47 | R514 876 | R0 | R1 747 347 |

*Risk profile dependent. In most instances members receive more in their profit allocations than what they pay in premiums.

REMEMBER PPS FOR THE FOLLOWING 4 REASONS



The past performance cannot be extrapolated into the future and is not an indication of future performance
PPS is an authorised financial services provider.



**OUR PURPOSE IS TO HELP OUR
PROFESSIONAL MEMBERS AND THEIR FAMILIES
TO PROTECT THEIR DREAMS
AND LIVE THE LIVES THEY WANT TO LIVE.**

For more information, contact us at www.pps.co.za



PPS is an authorised FSP.