

10X RETIREMENT ANNUITY TERMS AND CONDITIONS



WHY SETTLE FOR LESS?

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DEFINITIONS

Act: The Pension Funds Act, 24 of 1956, read together with the regulations issued under the act, as amended from time to time.

Administrator: This is the company that is appointed by the Trustees to administer the Fund - 10X Investments (10X), approved Section 13(B) administrator 24/444.

Beneficiary: The Dependants and/or Nominees who are the recipients of the benefit on your death, as decided by the Trustees of the Fund.

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 has the same meaning.

Compulsory annuity: An annuity which you have to purchase with the proceeds from a Retirement Fund. It must be purchased from an insurer registered under the provisions of the Long-term Insurance Act.

Contribution: All your payments into the Fund, including monthly, lump-sum and top-up contributions.

Dependant: the person(s), as prescribed by legislation who must be considered for a benefit on your death.

Fund: The 10X Retirement Annuity Fund (the Fund), registered (Registration Number 12/8/37961) in terms of the Pension Funds Act and approved by the South African Revenue Service (SARS). The Fund is governed by the Fund Rules and relevant legislation.

Fund rules: The rules, approved by the regulatory authorities, are binding and govern your membership, the management and operation of the Fund.

Investment account: This account keeps a record of your net contributions, net investment returns and the current value of your investment.

Investment manager: This is the company that is appointed by the Trustees to manage the Fund's assets - 10X Investments (10X), authorised Financial Services Provider (FSP 28250)

Investment policy statement: This document outlines the Fund objectives, investment beliefs and objectives, risk constraints, asset allocation strategy, investment style and performance measurement.

Lump-sum contribution: Initial once-off or occasional payments to the Fund.

Member: The person whose retirement benefits are invested in the Fund – addressed as 'you'.

Nominee: A person who does not qualify as your Dependant, but whom you have nominated on the beneficiary nomination form prescribed by the Fund, as a recipient of the benefit on your death.

Monthly contribution: Your regular monthly investment into the Fund.

Retirement fund: This is any Fund registered in terms of the Pension Funds Act and approved in terms of the Income Tax Act, or any other South African Fund established in terms of legislation and approved in terms of the Income Tax Act. It could be a retirement annuity fund, a pension fund, provident fund or a preservation fund.

10X: 10X Investments, the company appointed by the Board of Trustees to act as both Administrator and Investment Manager of your Fund.

Terms and Conditions of Membership: The Terms and Conditions of Membership provide an overview of the features of Membership of the 10X Retirement Annuity Fund. They also describe how the Fund is administered. The Fund Rules and legislation will take preference over the Terms and Conditions of Membership

Transfer: The amount transferred to the Fund arising from prior membership in a Retirement Fund.

Top-up contribution: Your additional voluntary contribution to the Fund, possibly to take advantage of unutilised tax deductions before the end of the tax year-end (February).

Trustees: The persons or their alternates, appointed in terms of the Fund Rules, who manage the Fund according to the Fund Rules and relevant legislation.

FUND STRUCTURE

Legal structure: The Fund is a separate legal entity, governed by its own Fund Rules that invests your Contributions and Transfers and holds your investment account. The investments are owned by the Fund, and you have no right to the specific investments held by the Fund. The investments are held in safe custody with Investec Bank.

The Fund is governed by an independent Board of Trustees. The Trustees have authorised 10X to administer the Fund, and to manage its investments.

The Fund: The purpose of the Fund is to invest your Contribution(s) and Transfer(s), in order to provide you with an annuity and cash lump sum when you retire, or alternatively, to pay a death benefit to your dependents and or beneficiaries.

The Board of Trustees: The role of this board is set out in Section 7 of the Pension Funds Act, namely to direct, control and oversee the operations of the Fund in accordance with the applicable laws and the Fund Rules. In pursuing this object, the Trustees must protect the interests of members, act with due care, diligence and good faith, avoid conflicts of interest and act impartially in respect of all members and beneficiaries.

The administrator: Your Board of Trustees has selected 10X to administer your Fund. 10X is required to administer your Fund in accordance with the relevant laws and Fund Rules. 10X is responsible for collecting your Contribution(s) and Transfer(s) to the Fund, maintaining the relevant financial records, issuing quarterly benefit statements and performance reports, calculating and collecting the investment fee, paying out retirement and death benefits, effecting transfer requests, and assisting the Trustees in matters requiring their attention.

The investment manager: Your Board of Trustees has selected 10X to act as investment manager. 10X manages the Fund's assets in accordance with its Investment Policy Statement.

Transfer benefits: Your Fund may receive transfers from other Retirement Funds. Your transfer benefit must be paid to the Fund in South Africa, in South African rand.

Investment account: The Fund invests your money according to your stated retirement age. To this end, the Fund operates five life stage portfolios that match investment risk to the investment time horizon. Practically, this means that if you have longer than 5 years to go before retirement, you are invested in the Fund's high equity portfolio (10X High Equity), which has close to the maximum allowable allocation (75%) to equities. With less than five years to go, you are systematically switched into lower-risk portfolios every year. In the year you retire, your portfolio (10X Defensive) will hold predominantly bonds and cash, with only 12% allocated to equities.

The value of your investment account depends on the market value of the underlying investments. It is not guaranteed and you carry the risk that it may move up or down. Be aware that past performance is not necessarily a guide to future performance. The account value increases with any Contributions, Transfers and positive investment returns, and decreases with transfers to another Fund, negative investment returns and applicable fees and charges. The Fund re-invests all interest and dividend income.

Membership: You become a Fund member once 10X has received your application and supporting documents

- Accepted your application on behalf of the Fund
- Has received your Transfer or first Contribution

Your membership ends when the total value of your investment less fees and charges, as well as any tax deduction directed by the South African Revenue Service, has been paid out (on full withdrawal, retirement, death or a transfer to another RA Fund).

Debit order rejections: Your account will be deemed as paid-up should we not be able to draw and invest your contribution for two consecutive months. This means that we will cancel the debit order instruction. You may complete a new debit order instruction at any time.

Paid-up: Refers to the status a member who previously made regular contributions to the Fund and then ceases to make further regular contributions or who does not make regular contributions to the Fund. Members who starts contributing again will not have the status of being a paid-up member.

Documents: Your Fund membership is governed by the application form, the Fund Rules, and all instructions and supporting documentation which you provide and which the Fund and/or 10X accept.

Applicable laws: the following Acts of Parliament govern your Fund membership, which may be reviewed and amended from time to

time.

The Pension Funds Act: This act governs all registered Retirement Funds, including Preservation and Retirement Annuity Funds.

Exchange Control Regulations: This governs the amount approved Retirement Funds may invest outside of South Africa

The Income Tax Act: This act governs any issues relating to taxation.

MEMBER DUTIES

Instructions: Instruction must be in the prescribed format, to be accepted by 10X on behalf of the Fund. All instructions are subject to:

- The requirements of the Fund, 10X, the Fund Rules and relevant legislation at the time of the transaction
- The processing requirements of 10X at the time of the instruction (this includes cut-off times and time periods for processing) - the terms and conditions of the Investment Manager, and minimum amounts applicable at the time of the transaction.

10X may suspend, delay or withdraw your instruction due to any of the above.

Accurate information: You must ensure that all your instructions and supporting documents contain true and accurate information.

Financial advice: Neither the Fund, the Trustees nor 10X provide financial advice. If you are in need of financial advice, it is your responsibility to consult an appropriately qualified and licensed advisor and to negotiate an appropriate adviser fees with that person.

Retirement age: You must indicate your expected retirement age on the Fund application form as your money will be invested according to the number of years to your retirement. This should be a realistic indication. The earliest you may retire is at age 55. Should your circumstances change, 10X will, on request, increase or decrease your expected retirement age. If necessary, your money will be switched into the appropriate life stage portfolio free of charge.

Nominate beneficiaries: You cannot deal with your death benefit in your will, as the amount payable on your death from the Fund will only fall into your deceased estate if you leave no Dependants and have not nominated any Nominees (refer to the section on 'Death benefits').

You should therefore complete a beneficiary nomination form and keep it up to date. To change your beneficiary nomination you must complete, date and sign the beneficiary nomination form. The beneficiary nomination form should be delivered to the Fund while you are still alive. The Fund will not be obliged to accept a beneficiary nomination form if it is delivered to the Fund after your death.

Retirement notification: You must notify 10X of your decision to retire, using the retirement notification form.

Errors: You have 14 days after receipt of the investment confirmation or any statement, to report any errors to 10X.

Contact details: You must inform 10X of changes in your banking and contact details (including your postal and email address). You must forward a copy of a recent bank statement in support of your revised banking details.

MEMBER RIGHTS

Contributions: You may contribute regularly to the Fund. You are allowed to supplement these contributions with top-up contributions as well as transfers from other retirement funds. Alternatively, you can make one or more lump-sum contributions to the fund (subject to the specified minimum of R12,000 per contribution).

Cease contributions: You can stop contributing to your Fund at any time. Once you have notified us of your intention to stop contributing, your Fund will be deemed 'paid-up'. You cannot withdraw from the Fund however; your money will remain invested on the same basis as before, and will only become available when you retire from the fund (earliest age 55). Alternatively, you may transfer into another Retirement Fund.

Re-activation: Despite making your fund paid-up, you can resume making contributions to the Fund at any time before you retire from the fund.

Benefits: You Fund benefits are payable on your retirement or death.

Access to information: You may view the Fund Rules, the Administration and Investment Management Agreements, the Investment Policy Statement and financial returns at the Fund's registered office during office hours.

Transfers to another retirement annuity fund: Subject to any legal requirements, you may transfer your full interest under the Fund to another retirement annuity fund. The amount transferred will be the market value of your Investment Account on the day it is converted into cash, less outstanding fees and charges. 10X does not charge a fee for transfers to another fund. You may not transfer your interest under the Fund to your employer's retirement fund.

Withdrawals: You are not permitted to withdraw from the Fund prior to your Retirement Age, unless:



- The value of your Investment Account is R7, 000 or less (as determined by the South African Revenue Service [SARS] from time to time); or
- You intend to emigrate and your emigration has been recognized by the South African Reserve Bank (SARB). The Fund will require proof of SARB approval.

FUND DUTIES

Your Fund's duties are set out in the Fund Rules and the Pension Funds Act. You are likely to be affected by some or all of the following requirements:

Benefit payments: All monetary benefits are payable in South Africa, in South African rand, via electronic funds transfer (EFT) to either a current, transmission or savings account. 10X requires proof that the bank account is in your name.

Tax deductions: Any cash benefit you select at withdrawal, retirement or which is paid to your Dependant(s) or Nominee(s) could be taxable. The Fund will deduct tax from the benefit as per a tax directive issued by the South African Revenue Service (SARS).

Statements: The Fund must, as a minimum, provide you with an annual benefit statement.

Prudential guidelines: The Fund must comply with the prudential investment guidelines as set out in the revised regulation 28 of the Pension Funds Act and the relevant exchange control regulations.

Beneficiaries: The Pension Funds Act requires that the Fund Trustees decide who will receive your death benefit, and in what proportion, on a basis they regard fair.

Refunds: Your Fund cannot refund any Contributions or Transfers already received, or cancel your membership once you have become a member of the Fund. You can however transfer your benefits to another retirement annuity fund.

Contributions: The Fund receives and invests all your payments into the Fund, including monthly, lump-sum and top-up contributions.

Investment return: the return on your investment account is not guaranteed, and may be positive or negative. You carry the investment risk, which includes the possibility of losing capital.

Cessions: You may not cede or pledge your Fund benefit (as represented by the value of your investment account) to another, to pay or secure your obligations to them.

Loan security: You may not use your Fund benefits (as represented by the value of your investment account) to secure a loan.

FUND RIGHTS

Investment policy statement. The Fund invests your money in accordance with its Investment Policy Statement (IPS). Your Fund may modify this IPS from time to time, if it believes this to be in the best interest of investors.

Third-party asset managers: Your Fund presently does not use third-party asset managers. Your Fund may in future decide to rely on one or more third-party asset managers, if it believes this to be in the best interest of investors.

Investment fee: Your Fund charges an investment fee based on a sliding scale linked to the value of your investment account. This fee is paid to 10X. Your Fund may change this fee scale from time to time.

Fund Rules: Your Fund may amend the Fund Rules. Please contact 10X for an updated version of the 'Terms & Conditions of Membership'.

Fund expenses: Fund expenses are covered by 10X. The Fund may in future recover such running cost from other sources, if it believes this to be in the best interest of investors.

Minima: The minimum monthly contribution and top-up payment is R1,000, the minimum lump-sum contribution is R12,000 and the minimum transfer from another Retirement Fund is R25,000.

RETIREMENT BENEFIT

Value: The retirement benefit is the market value of your investment account - less outstanding fees – on the day the underlying investments are switched into cash, plus Bank account interest in the Fund.

Retirement date: You may retire from age 55 onwards. You must notify 10X of your retirement by submitting the retirement notification form.

Early retirement (before age 55): The Fund permits early retirement if you are permanently disabled due to an injury or illness. The Trustees must approve your application, based on the medical evidence obtained at your cost.

Benefit options: You may use the proceeds to purchase a Compulsory Annuity in your name or to take a cash sum (or a combination of the two, subject to the maximum limits imposed by SARS). In the event that the value of your investment account is R247,500 or less at retirement (as determined by SARS from time to time) you may take the entire amount as cash. The cash portion of the benefit will be reduced by any tax as determined by SARS.

Administrative process: Upon first notification, 10X will switch your investment account into the 10X 'Cash' asset class. 10X will only disinvest your benefit into the Fund's bank account, once the signed retirement notification has been received.

10X will then apply for a tax directive from SARS, follow the instructions per the directive and pay you and/or the provider of the Compulsory Annuity. This is subject to 10X's processing requirements. It will take a minimum of 7 business days to finalise these payments, from the time that a fully completed and signed retirement notification form has been received, provided all requirements are met.

DEATH BENEFITS

Value: The death benefit is the market value of your investment account - less outstanding fees - on the day the underlying investments are switched into cash, plus any interest due.

Beneficiaries: By law, the Trustees are required to apportion the benefit in accordance with the Pension Funds Act. The Trustees accordingly perform an investigation and then decide (with due consideration of the persons listed on your nomination form) who receives what proportion of the benefit and how it is to be paid.

Your Dependants take preference when allocating benefits. 'Dependants' are a special category of persons described in legislation. They always include your spouse(s) and all your children (irrespective of their age and including those adopted, from previous marriages or born out of wedlock). Anyone else financially dependent on you (such as an elderly parent, a family member, a grandchild, a friend or a divorced spouse to whom you are paying maintenance) and any person in respect of whom you are under a legal duty to pay maintenance (e.g. in terms of a maintenance order) will also be considered your Dependant.

If you indicate on the nomination form that you wish the benefits awarded to any of your Beneficiary(s) to be paid to a specific trust, the Fund may only pay benefits to that trust if the trust has been established only for the benefit of your Beneficiaries.

In the event that you leave no Dependants, and fail to nominate any Nominees, the death benefit will be paid as a lump sum into your estate.

Administrative process: 10X must be notified of your death in writing at its head office. The notification should include your name, ID number and a certified copy of your death certificate.

Following notification, 10X will switch your investment account into the 10X 'Cash' asset class. Once the trustees have made their decision, your investment - less outstanding fees – may be distributed.

10X will then disinvest your benefit into the Fund's bank account and apply for a tax directive from SARS if the Beneficiary(s) receive a cash benefit. 10X will follow the instructions per the directive and pay the money to the Beneficiary and/or the provider of the Compulsory Annuity. This is subject to 10X's processing requirements.

ADMINISTRATOR – 10X INVESTMENTS

Administration: The Fund is administered by 10X. 10X administers the Fund in terms of an administration agreement between it and the Fund.

Instructions: 10X may accept or reject your application or any subsequent instructions on behalf of the Fund. 10X may also reverse a transaction on behalf of the Fund, if it decides the circumstances justify it. 10X will communicate with you on behalf of the Fund.

Communication: All communications affecting your investment account will be sent to you.

10X will provide the following communications:

- A membership certificate
- Written confirmation of any changes to your details
- Weekly benefit statements and investment reports, available online at <https://my.10x.co.za>
- Electronic quarterly benefit statements
- Electronic annual benefit statement and annual investment review

Investment Policy Statement: 10X must meet the performance criteria set out in the IPS. Specifically, these relate to fee parameters, timely and transparent communication and member education.

Processing: 10X is responsible for processing your instructions subject to the timelines applicable at the time of the instruction. Pricing typically takes place once per week.

Processing timelines: Your contributions and transfers will be fully invested within 8 business days from the day the money, as well as any relevant documentation are received in the Fund's bank account (both days inclusive).

Bank interest earned: 10X allocate bank Interest earned on Contributions and transfers back to the member, provided the Interest is more than R1. The bank interest rate is the interest rate earned by the Fund bank account.

Professional indemnity and fidelity insurance cover: for your protection, 10X and the Fund are insured against fraud, negligence or dishonest behaviour.

Income distributions: any income distribution made within the Fund will be re-invested automatically.

Financial advice: 10X, the Fund and the Trustees do not give financial advice.

Exclusions: 10X, the Fund and the Trustees are not responsible for:

- The investment or market risk of the underlying investments
- Changes in tax or other legislation
- The failure of any networks or electronic or mechanical devices
- Failure by 10X or the Fund to act on information sent other than in the format prescribed by 10X.
- 10X or the Fund acting on incorrect information where you have failed to notify them of any changes to such information

Delays: 10X will carry out instructions at the earliest possible opportunity, subject to its own administration procedures and any external investment limitations. Neither 10X nor your Fund accepts responsibility for delays in processing instructions as a result of extraordinary events that cause disruptions.

INVESTMENT MANAGER – 10X INVESTMENTS

Mandate: 10X is mandated to invest your money in accordance with the Fund's Investment Policy Statement, subject to the prudential limits imposed by revised Regulation 28 of the Pension Funds Act.

Life-stage portfolios: Your Fund uses six life-stage portfolios to match your investment risk to your stated retirement date. These life-stage portfolios reduce your exposure to equities from around 75% (the maximum allowed in terms of Regulation 28) to around 12% over the last five years before you retire, while steadily increasing your exposure to bonds and cash.

FEE

The investment fee levied by 10X against the Fund includes the cost of administration. This fee is passed on to you by deducting the equivalent amount from your Investment Account. The fee is calculated daily and deducted monthly in arrears from your investment account. It is based on the following sliding scale:

Fig 1: 10X Retirement Annuity Fund investment fee (excluding VAT)

<i>Investment value</i>	<i>Investment fee % pa</i>
First R1 million	0.90%
Next R4 million	0.70%
Next R5 million	0.50%
Above R10 million	0.35%

Source: 10X Investments

VAT is levied on the fee charged to the Fund, which is added to the fee charged against your investment account. 10X does NOT charge initial, performance, or financial advisor fees.

The benefit statement, which is available online and updated weekly, will disclose the investment fee recovered from the investment account.

CONTACT DETAILS

10X Investments, Foyer A, Suite 105, Sovereign Quay, 34 Somerset Road, Green Point, Cape Town, 8005

Administration Company:

10X Investments (Pty) Ltd
 Telephone: 0861 109 109
 E-mail: info@10x.co.za

Investment manager:

10X Investments (Pty) Ltd
 Telephone: 0861 109 109
 E-mail: info@10x.co.za

Principal Officer:

Magdalene Willemse
 E-mail: impalani@mweb.co.za

Auditors:

PwC, 1 Waterhouse Place, Century City, Cape Town, 8000

The Funds are audited annually. Financial year-end: December



REGULATOR

The 10X Funds are regulated by the Financial Services Board (FSB) in terms of the Pension Funds Act, 1956.

Contact Details:

Riverwalk Office Park, Block B, 41 Matroosberg Road, Menlo Park, 0081
P.O. Box 35655, Menlo Park, 0102
Telephone: 012 428 8000
Toll free: 0800 110 443 or 0800 202 087

10X INVESTMENTS	Company Name: 10X Investments (Pty) Ltd Address: Suite 105, Sovereign Quay, Foyer A, 34 Somerset Road, Green Point, Cape Town, 8005 Telephone: 086 110 9109 Fax Number: 086 520 1972 Email Address: ra@10x.co.za Complaints: Please direct any complaints in writing to the aforementioned physical address, email address or fax number.
FUND	10X RA Fund Registration #: 12/8/37961 Principal Officer: Dalene Willemse E: impalani@mweb.co.za C: 082 330 8176 F: 086 684 374