

REGULATION 28-COMPLIANT FUNDS EASE ADMINISTRATION BURDEN FOR RETIREMENT ANNUITY INVESTORS

July 2011

The recently amended Regulation 28 of the Pension Funds Act requires that the asset class exposure within individual Old Mutual Retirement Annuity Fund (OMUTRAF) contracts complies with revised limits, as of 1 April 2011. Contracts bought prior to that date, and in which the investor has not transacted or materially changed the structure of the portfolio, need not comply. However, all new contracts are required to comply, as are older contracts in which there has been investment activity on or after 1 April, such as switching, buying or selling.

Investors in contracts that must comply can structure their portfolio from any of the funds within Old Mutual's range of unit trusts, but because market movements alone can alter the structure of a portfolio, they must manage their investment to ensure that the structure remains compliant with the Regulation at all times. In this case these investors may be required to rebalance their portfolio. Old Mutual Unit Trusts offers investors an attractive alternative to having to constantly monitor their OMUTRAF investment. Investors can select a unit trust from our range of Regulation 28-compliant funds which are, as the description suggests, managed in compliance with these requirements at all times.

In addition, certain of these funds have CPI-linked performance targets that they are designed to meet over the long term. Investors in these funds enjoy the dual benefit of automatic regulatory compliance, while resting secure in the knowledge that their investment is being managed with their long-term investment goal in mind.

Unit Trust	Regulation 28 compliant	Benchmark / Performance Target*
Old Mutual Money Market Fund	(✓)	STeFI
Old Mutual Albaraka Balanced Fund	✓	FTSE /JSE All Share Index
Old Mutual Balanced Fund	✓	CPI + 6%
Old Mutual Dynamic Floor Fund	✓	CPI + 6%
Old Mutual Enhanced Income Fund	✓	110% STeFI Call Deposit Index
Four Plus Growth Fund of Funds	✓	Composite Benchmark: 55% equities, 30% bonds & 15% cash
Old Mutual Real Income Fund	✓	CPI + 3%
Old Mutual Stable Growth Fund	✓	CPI + 4%
SYmImETRY Balanced Fund of Funds	✓	CPI + 7%
SYmImETRY Defensive Fund of Funds	✓	CPI + 5%

*Performance targets are per annum, gross of fees, and are displayed for performance fee based funds. For fixed fee funds, the benchmark is displayed.

Key: ✓ Regulation 28 compliant in terms of its mandate, and managed in line with regulation.

(✓) While not Regulation 28 compliant in terms of its mandate, this fund is managed in line with the regulation.

For further information on these funds, refer to the fund fact sheets, which are available at www.omut.co.za. Alternatively, speak to your OMIGSA Sales Executive. Remember that these funds are also available via Fairbairn Capital, Max Investments and leading LISPs.

Unit trusts are generally medium- to long- term investments. Past performance is no indication of future growth. Shorter term fluctuations can occur as your investment moves in line with the markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts can engage in borrowing and scrip lending. The unit trust's TER reflects the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. A schedule of fees, charges and maximum adviser fees is available from the company. You may sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis and 17h00 at month-end for Old Mutual RAFI® 40 Tracker Fund and Old Mutual Top 40 Fund). The Old Mutual Money Market Fund unit price aims to be static but investment capital is not guaranteed. The total return is primarily made up of interest (declared daily at 13h00), but may also include any gain/loss on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of reducing the capital value of the unit trust. Specialist equity unit trusts may hold a greater risk as exposure limits to a single security may be higher. A feeder fund unit trust is a portfolio that, apart from assets in liquid form, consists solely of participatory interests in a single portfolio of a collective investment scheme. A fund of funds unit trust invests only in other collective investment schemes, which may levy their own charges. Certain unit trusts may be capped to be managed in accordance with their mandates. Different classes of units apply to these portfolios and are subject to different fees and charges. Old Mutual Unit Trusts is a member of the Association for Savings and Investment SA.