



OMUT IS TALKING TO CLIENTS ABOUT CHANGES TO REGULATION 28

JUNE 2011

Please note that investors in the Old Mutual Retirement Annuity Fund (OMUTRAF) will be receiving a letter regarding the recent changes to Regulation 28 of the Pension Funds Act (Reg 28), and their potential impacts on their investment contracts in the Fund.

Reg 28 sets out new maximum asset class exposure limits for investors in unit trust-linked retirement funds. In addition, it requires individual investors to ensure that their investment contracts comply with its requirements. Previously, investors could structure their retirement portfolios as they saw fit, and compliance was managed at a Fund level.

New OMUTRAF contracts entered into as of 1 April 2011, as well as contracts bought before that date, that have been changed materially on or after 1 April, will be required to comply with the new asset class exposures as prescribed by the amended Reg 28.

Investors that want to retain compliance with the previous regulatory limits are advised not to make any changes to their existing contract, but rather to open new contracts should they wish to actively manage their portfolio going forward.

For details on maximum asset class exposures, and what are considered to be material changes please refer to the attached client letter.

The Old Mutual Unit Trusts Retirement Annuity Fund application form and sales aid have been updated accordingly, and are available on www.omut.co.za.

For more details, please consult your Old Mutual Unit Trusts Sales Executive.

Unit trusts are generally medium to long term investments. Past performance is no indication of future performance. 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 fund'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 commissions is available from the Old Mutual Unit Trust Manager Ltd (OMUT). 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 RAF® 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 Fund. Specialist equity funds may hold a greater risk as exposure limits to a single security may be higher. A feeder fund 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 funds 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 Trust Managers Ltd is a member of the Association of Savings and Investments South Africa (ASISA).