PRODUCT OVERVIEW
The Old Mutual Absolute Growth Portfolio uses enhanced smoothing technology to grow retirement savings while protecting investors from the risk of volatile markets.

INVESTMENT STRATEGY
The underlying portfolio has diversified exposure to local and global assets. Due to our size and history we have access to assets such as property and alternatives which smaller portfolios cannot afford. A large portion (>80%) of the portfolio is allocated to ‘growth’ assets such as equities, properties and alternatives. These are best suited to providing real returns in the long term. The overall portfolio is managed by Old Mutual Investment Group and includes exposure to external asset managers. The investment strategy may be reviewed from time to time depending on the managers’ performance as well as market conditions.

SMOOTHING PHILOSOPHY
Smoothing is a tool that is used to turn unstable market returns into smoothed returns, also called bonuses. These returns will give a smooth progression of the value of the investment over time. The Absolute Growth Portfolio delivers bonuses which are calculated using a simple and transparent formula with a CPI related target as the main focus. The formula smooths growth over time and reduces the impact of market ups and downs on the members investment value. The long-term return earned on the portfolio is expected to be approximately equal to that of a similarly managed market-linked portfolio (net of capital charges).

GUARANTEES
The Absolute Growth Portfolio offers customers various levels of guarantees on capital, contributions and declared bonuses, depending on their risk-return appetite. These guarantees apply on defined benefit events which are retirement, death, disability, resignation and retrenchment. The different guarantee options are showed below:
- Absolute Smoothed Growth with a focus on smoothing plus a 50 % guarantee;
- Absolute Stable Growth with an 80% guarantee; and
- Absolute Secure Growth with a 100% guarantee

A fixed annual capital charge is payable relative to the guarantee level chosen, because the guarantees are backed by Old Mutual’s shareholder capital.

Old Mutual’s Absolute Growth Portfolio is particularly good for investors who:
- Seek real return in excess of inflation over the long term.
- Want to manage volatility without reducing their real return targets.
- Want to invest heavily in growth assets and still get stable returns.
- Want to choose a level of guarantee from a range of possibilities.

Growth Objective
- Smooth: CPI + 6.0% p.a.
- Stable: CPI + 5.5% p.a.
- Secure: CPI + 3.5% p.a.

Bonus Frequency
Monthly in advance

Fees and Charges (p.a.)
Capital charge (before bonus):
- Smooth: 0.2%
- Stable: 0.7%
- Secure: 2.7%

Investment fees (after bonus):
- Base fee (sliding scale of 0.600% -0.725%)

Management style
Active

Asset manager
Old Mutual Investment Group

Inception date
1 April 2007

Contact details
Old Mutual Corporate
Johannesburg 011 217 1000
 Pretoria 012 360 0000
 Western Cape 021 530 9600
 KwaZulu-Natal 031 250 4950
 Eastern Cape 041 502 4333

Website
www.oldmutual.co.za/guaranteedinvestments

Email
corporateinvestments@oldmutual.com

NOTE.
In terms of Financial Services Board Directive 147.A.1 Old Mutual is required to define and publicise the principles and practices of financial management [PPFM] that are applied in the management of its discretionary participation business, which includes Smoothing Bonus business. The PPFM document, as well as a consumer friendly version specific to Old Mutual Corporate’s Smoothed Bonus Portfolio is available on Old Mutual’s website at www.oldmutual.co.za or can be obtained in hard copy on request. For other regular information on this investment product, please visit Old Mutual’s website at www.oldmutual.co.za

REGULATORY INFORMATION.
Old Mutual Corporate is a division of Old Mutual Life Assurance Company (South Africa) Limited, Licenced Financial Services Provider. Jan Smuts Drive, Pinelands 7405, South Africa. Company registration no: 1999/004643/06. The information contained in this document is provided as general information and does not constitute advice or an offer by Old Mutual. Every effort has been made to ensure the provision of information regarding these financial products meets the statutory and regulatory requirements. However, should you become aware of any breach of such statutory and regulatory requirements, please address the matter in writing to: The Compliance Officer, Old Mutual Corporate, PO Box 1014, Cape Town 8000, South Africa.