

momentum
investments

Momentum Wealth
**Momentum Enhanced
Growth Option**



If you are looking for growth through exposure to a global index without the risk of losing money, you can consider investing in the Momentum Enhanced Growth Option as part of your overall investment strategy.

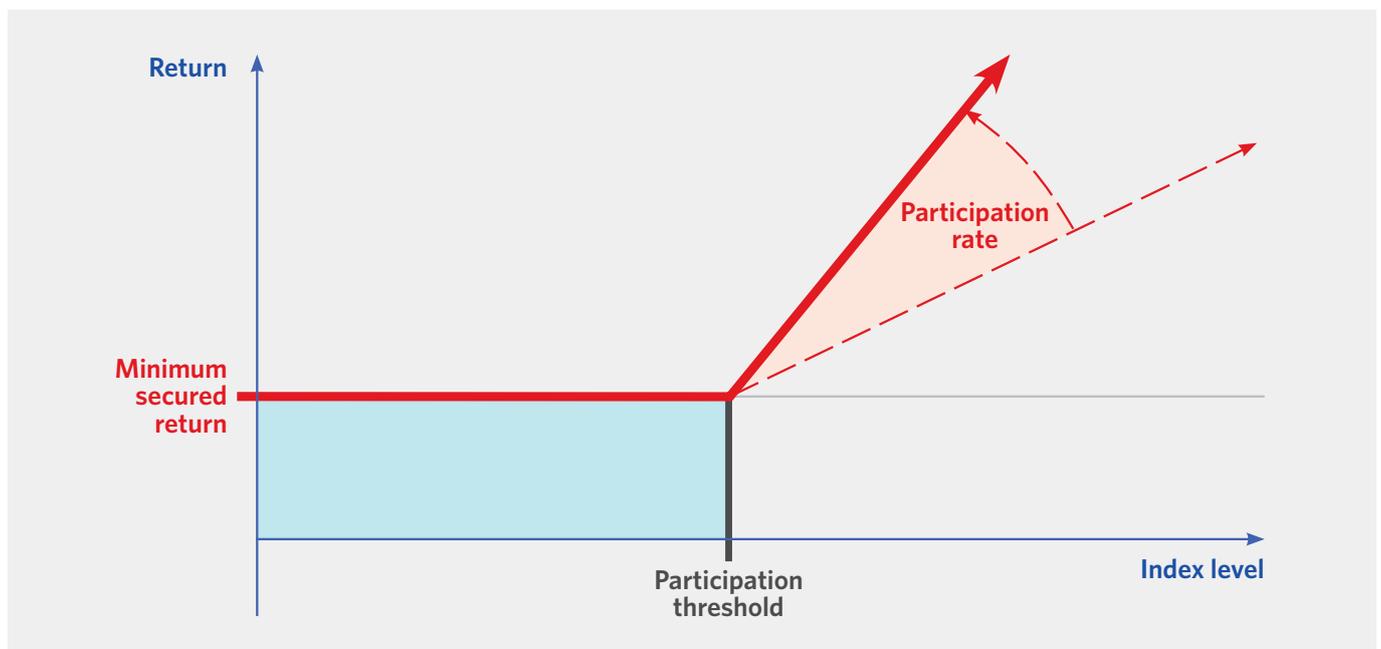
This investment is an endowment, underwritten by Guardrisk Life Limited, with a five-year solution offering:

- an enhanced allocation at the trade date of the investment;
- the certainty of a minimum secured return at the end of the investment term; and
- exposure to a diversified global index with unlimited enhanced growth potential.

You have the peace of mind of a positive return at the end of the investment term irrespective of what happens in the market. You can also look forward to share in the growth of the index if it goes above a specified level (the participation threshold).

This investment product challenges conventional investment thinking that assumes that higher returns are only possible through exposure to higher risk.

We illustrate the pay off profile at the end of the investment term below:

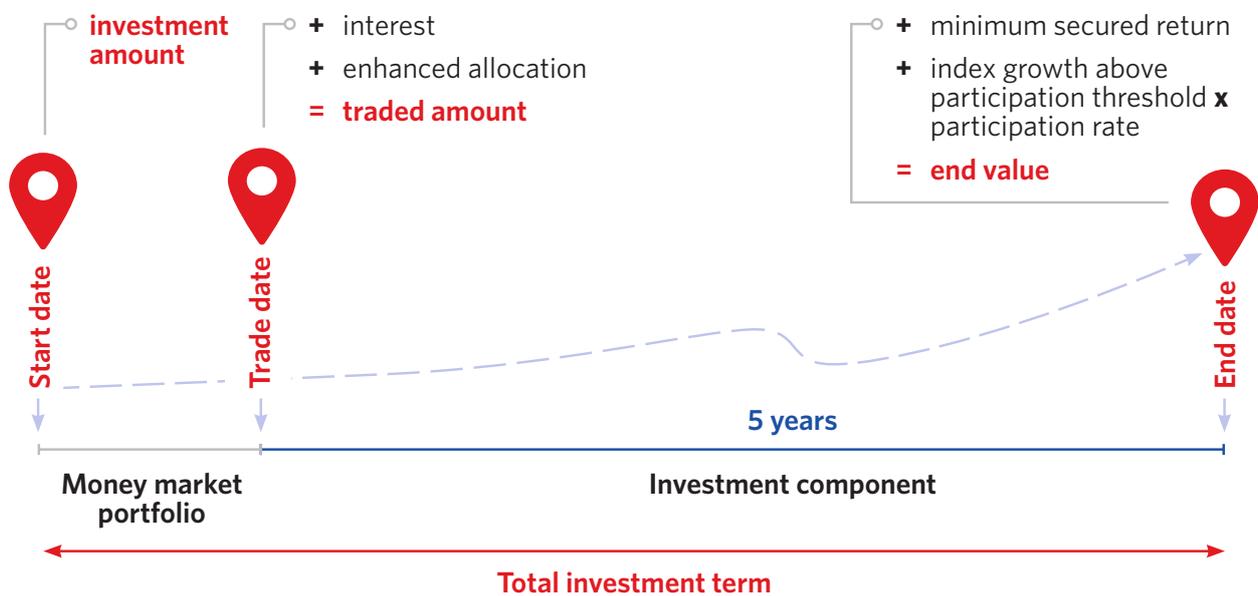


At the end of the investment term, you get at least the secured return. If the index level is higher than the participation threshold, you also get the growth above that threshold, and we enhance this growth by the participation rate. But to get the full benefit from this investment you have to stay invested for the full term.

How it works

- At the start date we hold your investment amount in a money market fund where it earns after-tax interest until the trade date.
- **Enhanced allocation** – we boost your original investment amount by 3% on the trade date. The total amount we allocate will share in the index growth.
- During the investment term you can expect the value of your investment to fluctuate because of market movements. These fluctuations don't affect the secured return outcome at the end of the investment term.
- We apply the secured return, and any growth above the participation threshold, at the end of the investment term. The proceeds of your investment will be in rand.

The illustration below shows how your investment plays out over the investment term:



The above diagram doesn't show the effect of tax, refer to section on tax for applicable tax rates.

With us, investing is personal

When it's personal, it really matters – you give it your best to make sure you are successful.

We understand everyone is different and to you, your investment isn't just another investment. You don't invest for the sake of investing. You invest to make your dreams and aspirations come to life.

With us, investing is personal. From how our experts push the boundaries to create innovative and tailored solutions that can help you achieve your goals on your investment journey, to how we act as the guardians of your legacy, it's personal.

It's your personal investment, with the unstoppable force of momentum.

Below is an example of the outcome of an investment in the Momentum Enhanced Growth Option at the end of the investment term based on two growth scenarios:

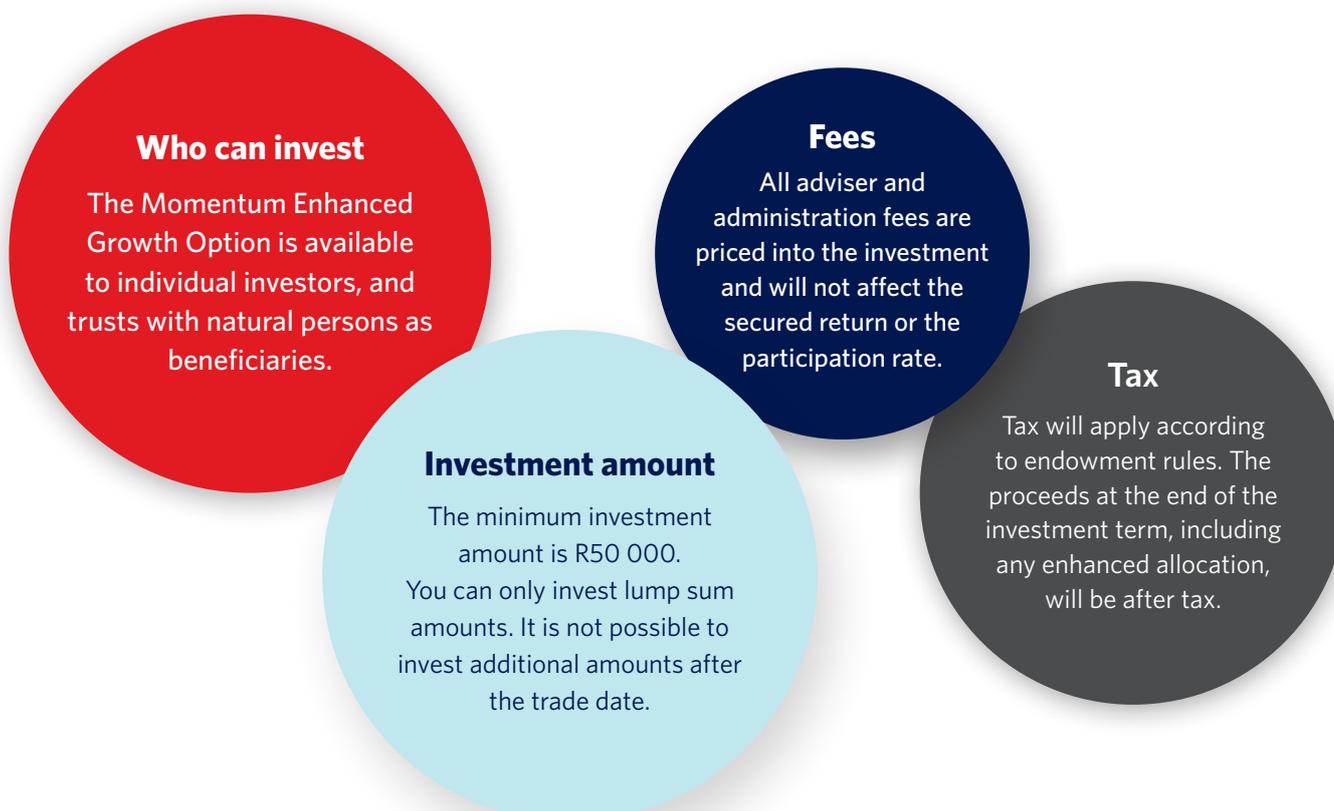
	Index growth negative or below the participation threshold	30% index growth
Investment amount	R1 000 000	R1 000 000
Enhanced allocation	R30 000	R30 000
Secured return	R154 500	R154 500
Enhanced growth	R0	R540 750
End value before tax	R1 184 500	R1 725 250
Yearly return before tax	3,44%	11,52%
Yearly return after tax	2,62%	10,05%

*We use these numbers to illustrate possible outcomes based on assumed index growth rates and current tax rates. For the calculations we exclude any interest from the money market portfolio between the start date and the trade date, and assume a minimum secured return of 15% over the five-year term, a participation threshold of 15% and a participation rate of 350%. The rates for the secured return, participation threshold and participation can vary for different tranches. The fee and benefit proposal (investment quote) has the detail of the tranche you are investing in.

Current tax rates (as at July 2019):

	Rate	Applies to
Income tax	30%	Secured return and interest in Money Market
Capital gains tax	40% of any capital gain will be taxed at the same income tax rate of 30%. This means an effective tax rate of 12%.	Returns above the secured return

Any changes in South African tax legislation will affect the tax that applies to your investment.





Access to my investment

The Momentum Enhanced Growth Option is a solution within an endowment for a specified term. Withdrawing money or ending the investment before the end of the investment term will affect the value. You could get back less than what you have invested.

How to invest

Speak to your financial adviser to find out more about the Momentum Enhanced Growth Option and how it can fit your investment strategy. Your financial adviser will give details about the current available investment tranche, and can help you with the application process to get your investment started on your investment journey.

You can also go to [momentum.co.za](https://www.momentum.co.za) for more information and to find a financial adviser.

Momentum Wealth

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The **Momentum Enhanced Growth Option** is a life insurance product, underwritten by Guardrisk Life Limited, a licensed life insurer under the Insurance Act and administered by Momentum Wealth (Pty) Ltd.

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