PSG Wealth

Key Information Document

PSG Wealth
local share trading account

This document is a summary of key information about the PSG Wealth local share trading account. It will help you understand the account and make an informed decision. This is a summary only. It is not a legal or binding document, nor should it be considered as advice. Before deciding to open an account we suggest you read the whole document together with the terms and conditions.

About this account

What is a local share trading account?

This account enables you to create your own portfolio of shares in companies listed on the Johannesburg Stock Exchange (JSE), as well as other listed instruments.

Who offers this account?

The stockbroker providing this account is PSG Securities, a member of the JSE and registered with the Financial Sector Conduct Authority (FSCA). PSG Securities forms part of PSG Wealth, the brand under which this account is marketed.

Key features of the PSG Wealth local share trading account

Who is this account suitable for?

- Clients who want to buy and sell shares in JSE listed companies or exchange traded products.

Who is this account not suitable for?

- Clients who do not want to be subjected to volatile markets.
- Clients who want capital protection.

Minimum investment

There is no minimum investment amount, but clients should be aware of the impact of the costs on their capital invested.

What can I trade?

You can trade in a range of listed instruments, including:

- ordinary shares
- preference shares
- exchange traded funds (ETFs)
- exchange traded notes (ETNs)
- warrants

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Tax

Tax considerations

- PSG Wealth provides annual tax certificates.
- For any tax considerations, please consult your financial adviser or tax consultant.

Access to your investment

- You can view your share portfolio online anytime by logging onto our secure website with your username and password.
- You can buy and sell shares during JSE trading hours.
- The cash from the sale transaction will be available immediately for the next purchase transaction.
- Cash is only available for withdrawal after settlement has occurred (three days after the day on which you sold your shares).
- Depending on your bank, the transfer can take a further two business days.

Can I use the account as security for a loan?

Yes, but only once your Scriptfin Loan Facility has been approved. Please refer to the PSG Scriptfin Loan Facility page on our website, where you can find the Key Information Document for this account.

Is it protected against my creditors?

No.

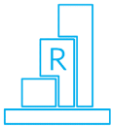
Can I transfer my PSG Wealth Local Share Trading Account to another stockbroker?

Yes, please contact our client services centre to confirm the cost implication.

What happens if I die?

Your share portfolio forms part of your estate and may be subject to tax.

Benefits



What type of benefits can I expect?

- Direct market access (DMA), which means that you can trade directly on the exchange without your trade instruction having to be approved before it enters the market
- You may subscribe to live prices
- Set up watchlists to track shares
- Set up alerts to new opportunities that match your trading strategy
- The ability to manage risk by setting up ‘price watch’ and ‘stop order’ facilities

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Risks

Can I lose money?

- Yes, your investment returns may not perform as expected. Your investment is linked to the market value of the instruments chosen and is not guaranteed.
- It is important to ensure that you are comfortable with the level of investment risk your chosen investment instruments carry. You are not able to transact on an instrument suspended by the JSE. If you are unsure of how to invest, a financial adviser may help you to make appropriate choices.

Fees

What fees will be deducted and what are they for?

- You pay a brokerage fee based on a sliding scale starting at a maximum of 0.85% on the value of the transaction, with a minimum of R 250. Brokerage refers to the fee or commission that goes to the broker, PSG Securities, who buys or sells shares on your behalf (i.e. acts as your agent). As the size of the trade increases, the brokerage rate decreases i.e. the bigger the transaction, the lower the proportional cost.
- Brokerage fees are calculated using the following sliding scale (excl. VAT):

Value of shares traded per transaction	Brokerage fee
Minimum	R250.00
R29 411.76 – R99 999	0.85%
R100 000 – R249 999	0.75%
R250 000 – R 999 999	0.50%
R1 000 000 +	0.45%

There are other mandatory costs and charges that are levied on transactions, which include:

- Securities Transfer Tax (STT) is charged at 0.25% on the value of transaction but is only levied on share purchases, no STT is charged when shares are sold.
- STRATE settlement costs of 0.006018% (excl. VAT) on value of transaction with a minimum of R6.29 and a maximum of R142.20.
- Investor Protection Levy of 0.000345% (excl. VAT) of the value of shares traded.

Are there any other charges and, if so, what are they for?

- A monthly admin fee of R103.00 (excl. VAT) per month is charged per active account for resident clients and R130.00 for non-resident clients. The monthly admin fee is waived for each month during which you trade three or more times on your equity account.
- You earn interest on your cash in the account. PSG Securities receives a 1% per year fee on this cash (excluding VAT).

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Before you decide

Before you decide whether or not to open an account, it is recommended that you consider the following:

1. Compare this account with other products that could also meet your financial needs. These could include:
   - Other types of equity-linked products such as unit trusts and offshore investments, available from PSG Wealth or other providers
   - Other types of derivative products such as Single Stock Futures, Index futures, Contracts for Difference and Currency futures available from PSG Wealth or other providers

2. A Key Information Document like this one has to be produced for all financial products to help you make these comparisons. Find Key Information Documents for other products that could suit your needs or ask your financial adviser to get these for you.

3. If you do not have a financial adviser, consider whether an authorised financial adviser could help you to make appropriate financial decisions. If you obtain advice, insist that your adviser gives you proof that he or she is qualified to advise you on this account. You should also get full details of the fees, commission or incentives your adviser will get if you open this account with his or her assistance.

This document is only a high-level summary of the PSG Wealth local share trading account. We encourage you to ask further questions. You should also read the detailed terms and conditions for the PSG Wealth local share trading account, which you can request from us. You can get more information from your financial adviser or from PSG Wealth directly: email clientservice@psg.co.za, call 0860 774 774 or visit www.psg.co.za.

PSG Wealth offers a range of unit trusts and multi-managed portfolios, each with different underlying instruments. Make sure you read their Minimum Disclosure Documents (MDDs) for important information on investment fees, risks and objectives. You can request the relevant MDDS from us.

Ask PSG Wealth or your financial adviser to give you details on the overall impact of investment fees on your investment over time. Also ask for information on the past performance of the underlying instruments you want to include in your investment but remember that past performance is not a guarantee of future performance.

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