

Momentum Growth Enhancer

Frequently asked questions

When can I invest?

The Momentum Growth Enhancer is a subscription based offer and is only available for a limited time. Please speak to your financial adviser to find out when you can invest.

How much do I need to invest?

The minimum investment amount for the Flexible Endowment Option is R50 000. If you are switching units from another investment, the net amount must equal R50 000.

For retirement products, the minimum investment amount is R10 000, subject to Wealth product minimums.

What fees will I pay?

We won't deduct any fees from your initial investment. All fees are built into the product. For example, if you invest R100 000 we will allocate R100 000 to the investment. Your upfront financial adviser fee and our upfront administration fee are deducted from and reflect in the daily unit price from BNP Paribas as part of the Momentum Growth Enhancer investment structure. We invest your whole investment amount and that will earn a secured return and also shares in the growth of the index at maturity.

Important: Momentum will not charge any ongoing administration fees or ongoing advice fees during the five-year investment term of the Momentum Growth Enhancer.

Will tax impact my return?

Yes. The return you get on your Momentum Growth Enhancer investment is before tax. The taxation of your returns will depend on the product you have used to invest in the Momentum Growth Enhancer. For more details please speak your financial adviser.

Will a fluctuating rand influence my returns?

No. Although the index is priced in euros, the currency risk has been completely removed. Rand appreciation or depreciation does not affect the returns of the Momentum Growth Enhancer. The value of the rand compared to other currencies does not affect your investment returns or your protected investment amount.

Who provides the capital protection?

BNP Paribas, and not MMI Group Limited provides the secured return and enhanced return for this product at maturity. Your investment amount is subject to credit events or defaults by BNP Paribas. This means that if BNP Paribas defaults, you could potentially lose your whole investment. BNP Paribas is a leading global bank and has credit ratings of A/A1/A from S&P, Moody's and Fitch respectively.



How can I track the performance of my investment?

We will send your financial adviser an investment statement and a performance fact sheet every three months. We will also send your statements directly to you. You can also access your statement by registering on www.momentum.co.za and logging onto your profile.

On your statement we show both the market value on that date and the protected maturity value. The protected maturity value is the amount you invested into the Momentum Growth Enhancer accumulated with the secured return (before tax). This amount is only payable at maturity. The market value is the value you will receive if you decide to sell the investment before the five-year term expires. The market value displayed on the statement is net of the surrender charge. The secured return and enhanced return apply to your original investment amount and not the market value.

If you have any queries regarding your statement values, please speak to your financial adviser or call our contact service centre on 0860 546 533 between 08:00 and 16:30, Monday to Friday.

Can I invest in Momentum Growth Enhancer for retirement purposes?

Yes. However, the Momentum Growth Enhancer is classified as an offshore investment. In terms of Regulation 28, you are restricted to investing a maximum of 25% of your retirement fund (the Retirement Annuity Option and the Retirement Preservation Option) in the Momentum Growth Enhancer .

The positive performance of this investment may cause you to exceed the maximum investment percentages allowed by Regulation 28. We will review your portfolio every month to make sure that it complies. If we find that you are not compliant, we will let you know. You then have 12 months to contact us or your financial adviser with instructions to adjust the investment portfolio. If you don't correct the investment during this time with the help of your financial adviser, we will make the necessary adjustments. To accomplish this we may be forced to sell part of your Momentum Growth Enhancer investment. This will mean that the secured return and enhanced return for that part of your investment will also fall away.

Can I withdraw my money when I want to?

Yes, but this product is designed as a five-year investment. You can withdraw your money but if you want to enjoy the full benefits of the product, it may be better to withdraw after the five-year period has expired. If you withdraw before then, you will receive the current market value of the investment, which is net of the surrender charge* at the time of the withdrawal. This means you will lose the secured return and enhanced return for the part sold. It is possible that you may not get your initial capital investment amount back should you withdraw fully. Furthermore, you can only make withdrawals if the investment product used to invest in the Momentum Growth Enhancer allows for it.

*The surrender charge is the penalty an investor would incur if they were to sell part or all of their Momentum Growth Enhancer investment prior to maturity. The following factors impact the surrender charge:

- Upfront advice and administration fees deducted (consult your Financial Adviser), reflected in the daily price; and
- The length of time left to maturity of the investment.

At the start of the investment, the surrender charge will be equal to the upfront fees. The closer the investment is to maturity, the closer the surrender charge gets to zero.



Can I cede my Momentum Growth Enhancer investment to another party?

Yes, but not if you have invested in a retirement product.

Flexible Endowment	Cession allowed
Retirement Annuity Option	No cession allowed
Retirement Preservation Option	No cession allowed
Retirement Income Option	No cession allowed

What happens when my investment matures?

BNP Paribas will pay the proceeds of the investment to Momentum within two weeks of the maturity date. Momentum will then pay the proceeds of your investment into the Momentum Money Market Fund, where it will earn interest. At that stage you will incur our platform administration fees and the financial adviser's ongoing fees. These fees are our standard fees and don't relate to the structured investment. The maturity proceeds may take up to two weeks to settle and reflect in your account. After the maturity process has been finalised, you can withdraw your investment (if it isn't a retirement product) or you can invest in other investment components.

What happens when I die?

We will pay your estate the market value (after charges and taxes) of the investment. An exception is the following:

- You can nominate a beneficiary of ownership on endowments. This will allow the new owner to continue with the investment without selling the units.

Please speak to your financial adviser about the different estate planning and continuation options available to you.

Momentum disclaimer

The information and opinions in this document apply from the date we made this brochure available and are relevant for this document only. They are purely for information purposes and are not put forward as advice according to the Financial Advisory and Intermediary Services Act (FAIS). Please consider and seek the necessary advice for your specific circumstances before you act on the basis of any information in this brochure. It is also important to know that past performance is not necessarily an indication of future performance.

The information we have used to prepare this brochure includes information from third-party sources. While every effort has been made to make sure it is accurate and complete, we cannot guarantee it. Nor can we guarantee that the information is always up to date.

Currency risk

This investment is not intended for currency protection. Comparisons made in this document are merely for illustration purposes and are not a substitute for detailed material regarding the performance of markets and/or the indices.



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