



Retirement Products and Endowment Plan for Individuals

Our vision is to deliver investment excellence to our clients – excellence of investment performance, innovative products and client service. We are a business focused on the long term, with a strong culture of staff ownership and entrepreneurial flair. Our people are independent thinkers with shared values and the ability to achieve with passion and energy. With a singular focus on fund management, we strive to be the best in all we do.

CORONATION 
FUND MANAGERS

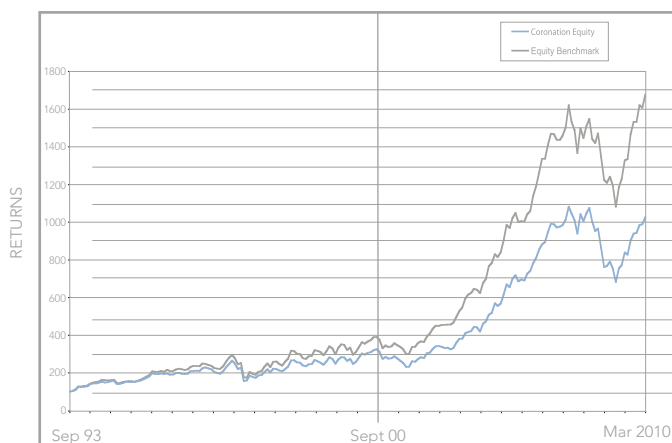
Coronation is one of the largest third party asset management companies in the country and three times winner of the Raging Bull Unit Trust Company of the Year Award. Since 1993, we have built a reputation of investment excellence and innovative product development. While we lay no claim to being the first to offer savings products to individuals, we do have the reputation of challenging the market norms and providing options that meet changing needs to our clients.

The Coronation retirement products and endowment plan provide investors with access to one of the country's best investment teams, packaged in a manner that is both cost effective and transparent.

INTEGRITY OF RETURNS

Over the years, we have consistently produced superior investment returns in all market cycles. Irrespective of the snapshot in time, Coronation Fund Managers consistently ranks in the upper quartile of all recognised performance surveys and has dominated the unit trust ranking tables over a number of years across asset classes and portfolio categories. Our long-term track record of superior stock picking is reflected in the graph below, showing that since inception in 1993, Coronation has outperformed the SA equity market by an average of 21.47% per annum to end of March 2010. This exceptional track record is further demonstrated across the entire unit trust range, with the majority of funds producing competitive returns relative to the market and our peers.

Equity performance vs Equity benchmark



A R100 investment in the Coronation Equity portfolio at inception would now total R1 789.31, while the same amount invested in the equity benchmark would total R1080.26.

TRANSPARENT, FLEXIBLE AND COST EFFICIENT

The Coronation retirement products and endowment plan have been designed to be transparent and easy to understand. With unit trusts as the underlying investment structure, you know exactly where your money is invested at all times. All information relating to your investment is available real-time via our website, and communicated to you at the end of each quarter. By using our clearly labelled core fund range you can leave most of the investment decisions to us.

Each product is flexible, allowing for the switching of funds within the Coronation unit trust range as your circumstances change. Furthermore, there are no time-related penalties, allowing you the opportunity to reduce, stop or resume your contributions without incurring any additional costs.

Coronation allows you to transfer to other funds or product providers and have access to your capital within the legislative parameters.

THE PRODUCTS

The range of Coronation savings products share a common characteristic: they all provide tax benefits to investors with specific needs. The **Coronation Retirement Annuity Fund** is an individual pension fund with the purpose of building capital to fund post-retirement living expenses. The **Coronation Preservation Funds** are aimed at individuals changing employment who would like to preserve the tax benefits of contributions made to a previous employer's pension or provident fund. The **Coronation Living Annuity** is a vehicle through which pension fund capital can be invested to create a regular income in retirement. The final product in the range is the **Coronation Endowment Plan**, which provides preferential tax rates to marginal rate tax payers and removes the hassle of the tax administration associated with investments through other vehicles.

Along with selecting an appropriate investment manager and setting appropriate long-term investment goals, the tax-efficiency of your investment plan can have a substantial effect on your long-term investment returns. The less costs and tax you pay over your investment period, the greater your potential returns will be.

In exchange for the tax benefits provided by these products, government places varying restrictions on access to your capital when you invest through these structures.

Coronation Retirement Annuity Fund

The Coronation Retirement Annuity Fund is a tax-efficient means to supplement an existing retirement fund, or to create retirement benefits for people who are self-employed. This product is particularly appropriate for people with irregular earning patterns as contributions can be reduced, stopped or resumed at any time without incurring any penalties.

While access to funds invested in retirement annuities is restricted to the minimum age of 55, the tax benefit on voluntary contributions is available from inception.

Coronation Preservation Funds

The Coronation Preservation Pension Fund and Coronation Preservation Provident Fund are designed for people changing employment, and who have already built up retirement savings as a prior member of an occupational pension or provident fund.

The purpose of these funds is to preserve the tax deductions previously granted on retirement fund contributions and to continue to grow the value of retirement assets until retirement. Preserving the tax status will maximize the tax-shield, thus maximizing the tax-free retirement lump-sum available. These funds are used when there is a change in employment (as a result of retrenchment, resignation or termination) or the closing of an occupational retirement fund.

Coronation Living Annuity

The Coronation Living Annuity provides post-retirement income upon retiring from a retirement annuity, pension, provident or preservation fund. A key benefit of this investment is its flexibility in terms of income needs and risk profile. A suitable investment portfolio is created from our range of unit trust funds, allowing for the annual withdrawal of between 2.5% and 17.5% of its value as income. The level of income can be changed annually on anniversary. As one's needs and lifestyle change, the combination of underlying funds in the investment portfolio can also be changed without incurring any penalties or costs.

Note: The Coronation Living Annuity is not appropriate for investors seeking a guaranteed retirement income.

Coronation Endowment Plan

The Coronation Endowment Plan is an investment plan that allows you to create wealth tax-efficiently. This plan benefits investors with a marginal tax rate greater than 30% and a minimum investment time horizon of 5 years. The plan provides a simple and transparent cost structure that will assist in creating long-term wealth, and removes all tax reporting responsibility from the individual.

INVESTMENT OPTIONS

To construct the optimal portfolio, investors can choose from the Coronation range of top-performing unit trust funds. Since the launch of our first fund in 1996, the range has grown to include a variety of managed, equity, fixed interest and international funds. To simplify the investment decision, we highlight below the core funds which we believe are best suited to growing and maintaining retirement benefits for the majority of investors.

Reflected in all Coronation portfolios are the defining characteristics of our valuation-driven investment philosophy of investing with a long-term time horizon and commitment to proprietary research. Thus, all Coronation funds reflect the same basic investment views as they leverage off the combined output of our investment team and process. Each of the Coronation core funds listed below are managed with a flexible mandate, which allows the portfolio manager to exercise investment discretion, skill and experience, and are constructed to meet differing risk/return objectives.

The **Coronation Strategic Income Fund** aims to provide a higher level of income than a traditional money market or pure income fund with moderate capital growth. It is an actively managed fixed interest fund suitable to risk averse investors requiring a regular stream of income from their capital base. Up to 25% of the fund may be invested in listed property, other high-yielding equity securities and foreign assets.

The **Balanced Defensive Fund** has been developed to provide investors with a reasonable level of income while seeking to preserve capital in real terms (above inflation). It is an actively managed flexible fund, with a broadly diversified asset allocation to all sectors of the market. For those investors with retirement funding needs, it complies with the requirements of Regulation 28 of the SA Pension Funds Act, and to ensure stability of capital in the shorter term, its exposure to equities is limited to a maximum of 40%. This fund is ideally suited to investors requiring a current income and some protection against the impact of future inflation. To enhance alignment between investor and our own interests, this fund will not charge a management fee if its performance is negative over any 12 month period.

The **Coronation Capital Plus Fund** aims to maintain real growth of assets in excess of 4% per annum and to preserve capital over rolling 12-month periods. It complies with the investment restrictions applicable to retirement funds, is broadly diversified and managed with an absolute orientation. This fund is suitable for investors with a low tolerance for the volatility of returns associated with equity investing, and will not have more than 50% exposure to the local equity market and 15% to offshore equities.

The **Coronation Balanced Plus Fund** aims to achieve long term capital growth and moderate income generation. It also complies with the investment restrictions applicable to retirement funds, and will have more exposure to the equity market than the Capital Plus Fund. It represents the Coronation 'best investment view' on asset allocation and instrument selection. This fund is best suited to investors seeking a moderate capital growth portfolio.

The **Coronation Market Plus Fund** has the objective of achieving long term capital growth by investing primarily in equities. This fund is an aggressive fund and therefore not suitable for highly risk averse investors.

The **Coronation Money Market Fund** can be used for cash management purposes, such as the phasing of investments into the investor's chosen funds. The fund aims to provide a higher level of income than fixed deposits and call accounts over time while ensuring capital preservation and immediate liquidity to investors.

The full Coronation unit trust fund range available via our savings products is summarised below. Please visit our website www.coronation.com or call our client service centre on 0800 22 11 77 for further detailed information.

Domestic Managed	Domestic Fixed Interest	Domestic Equity
<ul style="list-style-type: none"> ■ Strategic Income Fund ■ Balance Defensive ■ Capital Plus Fund ■ Balanced Plus Fund ■ Absolute Fund ■ Market Plus ■ SA Capital Plus ■ Optimal Income 	<ul style="list-style-type: none"> ■ Money Market Fund ■ Bond Fund ■ Property Equity Fund ■ Preference Share Fund 	<ul style="list-style-type: none"> ■ Equity Fund ■ Top 20 Fund ■ Smaller Companies Fund ■ Financial Fund ■ Industrial Fund ■ Resources Fund
Foreign Equity	Worldwide Managed	Foreign Managed
<ul style="list-style-type: none"> ■ World Equity (ZAR) Fund of Funds ■ Global Emerging Markets Flexible Fund 	<ul style="list-style-type: none"> ■ Optimum Growth Fund 	<ul style="list-style-type: none"> ■ Global Managed ■ Latitude (ZAR) Fund

ADDITIONAL INFORMATION

GETTING ADVICE

Investing for retirement is an extremely important and vital decision that can greatly impact your lifestyle and that of your family. It is therefore recommended that you consult a financial advisor if you are uncertain about any aspect regarding your investment.

MINIMUM INVESTMENT

	Retirement Annuity	Preservation Fund	Living Annuity	Endowment Plan
Debit order	R 500 p.m.	N.A.	N.A.	R 500 p.m.
Lump Sum investment	R 10 000	R 50 000	R 100 000	R 10 000
Ad-hoc Contribution	R 5 000	N.A.	N.A.	R 5 000

PRODUCT FEES

Initial Fees

Coronation does not charge initial fees on the investment products or the underlying funds.

Financial Advice Fees

A financial advice fee is only payable upon agreement between the investor and his/her financial advisor. In such an event, fees are limited to:

Initial Fee A maximum of 3% (excluding VAT) deducted from the capital amount prior to investment. The maximum legislated fee payable on the Coronation Living Annuity is 1.5% (excluding VAT).

Annual Fee A maximum of 1% (excluding VAT) of the investment portfolio, charged and paid monthly in arrears.

UNIT TRUST FEES

	ON-GOING COSTS: ANNUAL SERVICE FEES %			PERFORMANCE FEES AND BENCHMARKS						
	excl VAT	incl VAT	Under-performance incl VAT	Fixed/ Variable Service Fee	Perf. Fee	% Perf. Fee	Capped (Excl. VAT)	Capped (Incl. VAT)	Payable in Arrears	Benchmark/Hurdle Rate
Coronation Strategic Income Fund	0.85	0.97	-	Fixed	no	-	-	-	-	110% of the STeFI 3 month index
Coronation Balanced Defensive Fund	1.50	1.71	0.00	Variable	no	-	-	-	-	CPI + 2.5%
Coronation Capital Plus Fund	1.25	1.43	0.86	Variable	yes	10%	1.50%	1.71%	Monthly	CPI + 4%
Coronation Balanced Plus Fund	1.25	1.43	-	Fixed	no	-	-	-	-	Composite Index (63% equity, 22% bonds, 10% foreign and 5% cash)
Coronation Market Plus Fund	1.25	1.43	0.86	Variable	yes	20%	2.50%	2.85%	Monthly	Composite Index (63% equity, 22% bonds, 10% foreign and 5% cash) +2%
Coronation Money Market Fund	0.30	0.34	-	Fixed	no	-	-	-	-	3-month Short Term Fixed Interest Index

For more detailed information, please refer to our website.

Where agreement is reached on an initial advisor fee of 1.5% or greater, the annual advisor fee is capped at 0.5%.

Annual Management Fees

All products attract an all inclusive annual administration fee. This fee is fully subsidised by Coronation. Each unit trust carries a specific fee structure (see table below). Full details are available on our website at www.coronation.com or from our client service centre on 0800 22 11 77.

Withdrawal, Maturity and Switching

No fees are levied for any of these eventualities.

COMMUNICATION

We will keep you up-to-date on both your personal investment portfolio and trends in the market.

You will receive a quarterly investment statement, detailing total investment value and all transactions processed, as well as the Coronation quarterly Corospondent, which provides topical and relevant updates on the markets, the economy, investment issues and any developments at Coronation.

In addition, an annual report on the entire range of unit trust funds is distributed post our financial year-end in September each year. You can manage your Coronation investments online at www.coronation.com or call our client service centre on 0800 22 11 77 during office hours, should you wish to speak to one of our trained consultants.

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