

## **Core Investment Goal Calculator (“The Calculator”): Disclaimer and Assumptions**

### **Disclaimer**

**The Calculator does not constitute investment advice or a recommendation to invest in the Investment Account and is used simply for illustrative purposes. You are encouraged to obtain your independent investment, financial, legal, regulatory, tax, accounting, actuarial and other advice relating to the Investment Account.**

The Calculator projects your investment growth based on your contributions, investment time horizon and product risk or rate of return required selection, and is provided for illustrative purposes only. This projection or result is based on information provided by you, including rate of return required or product risk selection, investment time horizon, monthly and/or lump sum contributions. The projection reflects historical data which does not guarantee or predict future returns.

Absa provides no warranty (neither express nor implied) as to the accuracy, reliability, suitability or appropriateness of any information or result provided or obtained through the use of this Calculator.

Holding an investment for a short-term may result in a partial or full loss of an initial investment amount if the investment was exposed to high unfavourable price volatility and not enough recovery time was allowed before the disinvestment.

The return rate and product risk classification of an ETF may change overtime due to market movements.

### **Assumptions**

The following assumptions are built into the Calculator:

1. An annualised 5 year (March 2009 to March 2014) historical price volatility of each ETF is used as a product risk measure, but where such 5 year historical price volatility data is not available, price data of the underlying index/asset class that the ETF tracks is used.
2. An annualised 5 year (March 2009 to March 2014) historical return (where available) is used as a rate of return estimate in computing projected investment growth of each ETF, but where such 5 year price data is not available the price data of the underlying index/asset class that the ETF tracks is used.
3. Monthly contribution is assumed to be constant (not adjusted for inflation) throughout the time horizon of the investment and the investment is held till maturity (based on the period of investment).
4. Monthly costs of the investment account are TER (Total Expense Ratio)<sup>i</sup> of the ETF plus 0.20% (administration fee). Please note the above mentioned fees exclude transactional costs such as stockbrokerage and annual processing fees.

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<sup>i</sup> TER is a measure of the fund's assets that have been sacrificed as a payment for services rendered in the management of the fund, expressed as a percentage of the daily average value of the portfolio and calculated over a 12 month rolling period and the TER varies on quarterly or monthly basis