



Value-Added Fixed Deposit Investment



What is a Value-Added Fixed Deposit Investment?

The **MediCoop Value-Added Fixed Deposit Investment** is a product only available to our members, offering the opportunity to earn high returns linked to the performance of our medical asset rental portfolio.

How does the Value-Added Fixed Deposit Investment works?

Open a 60-month value-added fixed deposit investment account and get a nominal rate of 11.5% p.a. (the effective rate* being 12.13% p.a.) - Plus, get an additional rate based on the performance of the asset rental portfolio.

It is restricted to the healthcare industry, which is our field of expertise, knowledge, experience and reputation.

The risk is limited and well managed: We have a less than 1% default rate, with comprehensive insurance in place to further mitigate the risks.

Given the accelerated growth and expansion in medical innovation and technological development, the market is in a rapid growth phase.

* The effective rate is the rate of interest earned on an investment as a result of compounding of interest over a given period of time. To get your effective rate, do not withdraw all your savings during the investment period. This rate, therefore, considers compound interest, in that you're earning interest on top of the previous month's investment that includes the previous month's interest.





Features

- A guaranteed minimum fixed interest rate of 11.5% p.a. (quoted on a nominal annual basis).
- The investment is exclusively deployed for healthcare-related medical asset rental transactions.
- The additional rate (value-added component) refers to the depositor sharing in the upside between the hurdle rate and the placement of capital rate. For each 1% the portfolio performs above the hurdle rate, the depositor earns an additional 0.5% on top of the fixed rate.

Savings Amount	Savings Period	Capital Placement Rate via Asset Rental Transactions	Value-Added Component	Nominal Rate to Depositor Incl. Value-Added Component	Effective Rate to Depositor Annual Interest Pay-out	Effective Rate to Depositor Pay-out on Expiry
		Hurdle Rate → 13.5%	Minim Fixed Rate →	11.50%	12.13%	15.45%
R5 million and above	60 months	14.0%	0.25%	11.75%	12.40%	15.89%
		14.5%	0.50%	12.00%	12.68%	16.33%
		15.0%	0.75%	12.25%	12.96%	16.79%
		15.5%	1.00%	12.50%	13.24%	17.24%
		16.0%	1.25%	12.75%	13.52%	17.71%
		16.5%	1.50%	13.00%	13.80%	18.18%
		17.0%	1.75%	13.25%	14.09%	18.65%
		17.5%	2.00%	13.50%	14.37%	19.13%
Our Asset Rental Portfolio is currently performing between 14.5-17.5% based on market conditions		18.0%	2.25%	13.75%	14.65%	19.62%



Conditions

- Minimum deposit of R5 million (individually or as a group or consortium).
- Minimum period of 60 months with interest paid out annually or at the end of the period.
- Interest can either be paid out annually or at the end of the period (at expiry).
- The additional rate (value-added component) on top of the fixed rate will be recalculated every 6 months based on the previous 6 months' performance – thus the value-added fixed deposit investment will start at 11.5% (minimum nominal rate), and be adjusted every 6 months based on the asset rental portfolio's performance of the previous 6 months.

Please refer to the return example on the next page.

- Standard MediCoop investment terms and conditions apply. Please refer to www.XXX.co.za
- Valid from 15 May to 31 December 2023.



Return Example

Example: R5 million over 60 months, where interest is paid out annually.

Capital Placement Rate via Asset Rental Transactions	Nominal Rate to Depositor Incl. Value-Added Component	Effective Rate to Depositor Annual Interest Pay-out	Year 1	Year 2	Year 3	Year 4	Year 5
			Pay-out to depositor each year				
13.5%	11.50%	12.13%	R606,110	R606,110	R606,110	R606,110	R5,606,110
14.0%	11.75%	12.40%	R620,000	R620,000	R620,000	R620,000	R5,620,000
16.0%	12.75%	13.52%	R675,873	R675,873	R675,873	R675,873	R5,675,873
18.0%	13.75%	14.65%	R732,253	R732,253	R732,253	R732,253	R5,732,253

Example: R5 million over 60 months, where interest is paid out at the end of the period (on expiry).

Capital Placement Rate via Asset Rental Transactions	Nominal Rate to Depositor Incl. Value-Added Component	Effective Rate to Depositor Pay-out on Expiry	Year 1	Year 2	Year 3	Year 4	Year 5
			Pay-out to depositor at the end of the period				
13.5%	11.50%	15.45%					R8,861,359
14.0%	11.75%	16.33%					R8,971,745
16.0%	12.75%	17.71%					R9,426,972
18.0%	13.75%	19.62%					R9,904,893



Benefits

The MediCoop business model and your fixed deposit investment have many additional positive effects and benefits:

- An excellent investment opportunity, backed by a remarkable reputation and proven track record
- Creating opportunity for young professionals to establish new practices
- Assisting existing practices and healthcare businesses to keep up with latest technology and development,
- Addressing transformation in the healthcare industry as most new applicants are from previously disadvantaged communities
- Contributing to healthcare facilities and equipment deployment in rural underserved areas
- Creating opportunities locally as alternative to healthcare professionals having to emigrate to earn a living
- Addressing the imbalances in the healthcare industry by being instrumental in establishing of new or larger practices and improving the patient per health professional ratio in South Africa.





Uniqueness

Our uniqueness lies in a member (shareholder) driven model, which includes:

- MediCoop is truly unique - owned by its members and transact only with its members
- Our products have distinct features and structured around the very specific needs of healthcare professionals and businesses
- Asset rental transactions are asset-backed and often have a buy-back agreement from suppliers
- MediCoop has an attractive and very competitive suite of deposit investment products, business finance and loan products
- We service the whole healthcare industry, all disciplines, allied professionals, specialists, veterinarians, healthcare businesses, industry stakeholders and related parties.
- MediCoop is incremental in establishing new practices for healthcare professionals, and by doing so assist to retain healthcare professionals in South Africa, creating economic growth, addressing transformation in the healthcare industry and supporting healthcare challenges in South Africa.





Final note from our MD

There is a desperate shortage of healthcare professionals and healthcare workers in South Africa. Young healthcare professionals struggle to find the necessary capital to acquire or buy into existing practices once their internship or further specialisation has been completed. Young healthcare professionals and businesses are seen as low risk and is one of the safest industries to invest in, due to the shortage of healthcare professionals, their skills, and the demand for healthcare services and facilities in South Africa.

We encourage a savings culture amongst our members, as well as providing guidance on making smart investment decisions. Our investments and savings accounts are structured around specific industry needs and truly offer some of the best options and interest rates in the market.

The Value-Added Fixed Deposit Investment product is yet another example of a unique investment product designed to benefit our members and investors directly, through medical asset rental transactions!

Please visit our website at www.XXX.co.za for more information on the Value-Added Fixed Deposit Investment Account



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