



News release from GTC

Stock broking and derivatives businesses merge with GTC, bringing additional trading capabilities to an established financial services business

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- The merger of Brockhouse Cooper SA and Bolus & Bolus into GTC will see the business' assets under management increase to R26bn, staff increase to over 100 with offices in three major cities in South Africa.
- This merger further enhances capability, gives clients access to a broader range of financial services.
- Client complement increases to over 2 500 private clients; and some 85 000 retirement fund members.
- Yet another strategic step in GTC's ongoing growth and continued expansion plans.

GTC, one of the country's leading financial advisory businesses for more than 23 years, has purchased a majority shareholding in each of Brockhouse Cooper SA and Bolus & Bolus.

Brockhouse Cooper SA will be renamed as GTC Securities whilst Bolus & Bolus will become GTC Derivatives creating key stock broking specialisations within the GTC Group. Senior management will remain the same in both businesses going forward.

Prior to joining GTC, Brockhouse Cooper and Bolus & Bolus provided equities and derivatives trading services for the past 18 years to institutional and private clients on the JSE Securities Exchange and on the Namibian Stock Exchange.

The merger will see GTC's assets under management increase to R26 billion, with more than 100 staff operating from national offices based in Johannesburg, Cape Town and Durban. Within its capabilities, the diversified financial services business provides employee benefit consulting and administration; private client wealth management; healthcare consulting; short-term risk solutions; unit trust management; asset management and fiduciary services.

GTC currently provides services to more than 2500 private clients; and some 85 000 retirement fund members, managed through a range of 300 company retirement funds.

"We're delighted to have Brockhouse Cooper and Bolus & Bolus join our organisation," says Gary Mockler, GTC's Group CEO. "The stock broking and derivatives trading businesses form an integral part of the group's growth and expansion plans. The international reputation of Brockhouse Cooper and the credentials of the company's

MD, Mike Bolus add significant depth and reputational credibility to GTC's own. We can now add single asset management solutions to our time-tested multi-management capabilities for the benefit of our clients."

Recently, Brockhouse Cooper in Montreal, Canada, now Pavilion Global Markets, made a strategic decision to focus on North American interests, resulting in their decision to exit South Africa. It was this initiative that provided both Brockhouse Cooper and GTC with the opportunity to create a strategic partnership with a strong South African presence coupled with international recognition.

"Our integration with GTC responds exactly to our strategic goals and offers many additional dynamic synergies for us," says Mike Bolus, Managing Director of GTC Securities and GTC Derivatives. "We look forward to working with the GTC team. Our specific expertise will contribute to GTC's broad range of specialisations."

GTC's continued drive to grow through organic and acquisitive growth saw the group acquire well-known retirement fund administrator First Light Administration Services during October 2011, thereby bringing greater employee benefit and financial advisory capabilities to the organisation.

Concludes Gary Mockler: "We will continue to build our business through considered vertical integration. Consistent with our 23 year history, GTC's acquisitive stance plays an integral role in our ongoing business development."

Ends (527 words)

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Notes to editors

About GTC Holdings

GTC, formerly Grant Thornton Capital is a diversified financial services company, established 23 years ago, in 1991 from within the Grant Thornton Johannesburg audit practice, itself part of Grant Thornton International. The Johannesburg practice was established in 1920.

Effective late 2012 GTC was obliged to separate itself from the audit practice as a result of various international regulations separating the asset management capability of any business from that of Grant Thornton.

This resulted in the business changing its name from that of Grant Thornton Capital to GTC. Today GTC continues to have Grant Thornton as a shareholder. Gary Mockler, the founder of GTC, remains the Chief Executive Officer and a shareholder. The association between GTC and Grant Thornton continues within the parameters permitted by international regulation.

GTC is nationally represented with offices in Johannesburg, Cape Town and Durban. GTC specialises in the areas of retirement fund administration and consulting, healthcare consulting, private client wealth management, short term risk solutions, investment management, stockbroking, derivatives trading, fiduciary services and other areas of financial advice. GTC operates a unit trust management company.

GTC is the advisory business holding necessary licenses including FAIS.

Collectively the Group employs some 100 staff in the three national centres. Assets under management and administration totals some R26 billion. There are some 2 500 private clients and some 85 000 participating members of retirement funds through some 300 participating employer schemes, most of these structured through one of several GTC umbrella funds.

About GTC Securities

GTC Securities - Trading

GTC Securities (formerly Brockhouse Cooper SA) is a registered member of the JSE Securities Exchange. As an **execution only** broker, solely conducting agency trades and not maintaining a proprietary book, our central objective is to obtain the best price and best execution on all trades conducted for our clients.

Our local trading team has extensive experience in both equity and derivative markets and we have an affiliation with a Namibian broker in Windhoek. This arrangement allows us to trade for our Namibian and local clients on both the JSE and the Namibian Stock Exchange.

Two of our directors, Michael Bolus and Kevin Kilroe are long standing members of the South African Institute of Stockbrokers.

GTC Securities - Transition Management

GTC Securities views effective transition management as a vital part of a Fund's investment strategy and a key element in reducing a Fund's risk profile.

Formerly known as Brockhouse Cooper, the company began providing a comprehensive transition management service globally in 1996 and domestically, to our client base in 2002. In 2011, the domestic service offering was extended beyond our client base to other institutional investors.

We assist the fund to achieve optimal tracking of the desired benchmark portfolio through effective risk management and the use of both proprietary and third party software systems. The implementation shortfall methodology is employed to measure both explicit costs (brokerage and taxes) and implicit costs (market impact and opportunity cost). This stringent evaluation helps us to both highlight and minimize the full cost of transition to the fund.

By monitoring market exposure and timing the market, a managed transition reduces the overall risk to the fund. The GTC Securities transition management process ensures a cost saving to the fund, as we do not charge transition management fees. The only fees would be negotiated brokerage on the traded portion of the portfolio. In kind transfers attract no brokerage fees and reduce market impact.

About GTC Derivatives

Established in 1997, GTC Derivatives, formerly Bolus & Bolus, is an authorized Financial Services Provider (FSP 36823) in South Africa and is a Broking Member of the Johannesburg Securities Exchange (JSE) Equity Derivatives Market.

With over 30 years' experience in financial markets and a long established relationship since 2007 with Saxo Capital Markets, part of the **Saxo Bank Group**, the innovative and dedicated traders and service consultants at GTC Derivatives pride themselves on providing a personalised service to its clients.

Trade the JSE or global markets on any one of three state-of-the art, award winning trading platforms (**Saxo Trader, Web Trader and Android**) with the ability to choose from a variety of products to suit your needs and risk appetite at very competitive rates. Enjoy the added benefit of financial market commentary and educational material.