

INVESTMENTS

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Additional Investment (Top-Up) Unit Trust Scheme/Hedge Fund

To ensure efficient handling of your application, it is important that all the initial stated requirements are supplied together with the completed application form. You agree to provide all documentation and information required in terms of the Financial Intelligence Centre Act, 2017 as amended ("FIC Act"), and understands that Alexander Forbes Investments, as an Accountable Institution ("AI"), is prohibited from processing any business transactions on your behalf until all such documentation and information has been received as part of its customer due diligence procedures. We may also at any time require additional information to meet our statutory obligation in this regard as part of our due diligence procedure. Your prompt response to our requests, where the information form is incomplete or we have outstanding documentation or both, will assist us to meet your expectations.

Investor details

If the investor is an individual investor, complete ALL the fields, to avoid any delays in processing the instruction.

Investor number

Surname

Title First name(s)

Identity number (passport number, if foreign national)

Legal entity investor

If the investor is a legal entity, complete ALL the fields, to avoid any delays in processing the instruction.

Entity number

Entity name

Registration number

Authorised contact person

Charges

Financial adviser charges (if applicable)

- If your adviser does not indicate an initial adviser charge, 0% will apply.
- The initial adviser charge applies to all lump sums and debit orders (where applicable).
- If your adviser does not indicate an annual adviser charge, 0% will apply.
- If your adviser indicates a percentage that is more than the portfolio maximum, then the portfolio maximum will apply.
- We will recover an amount equal to the annual adviser charges (excluding VAT), by selling units in your portfolio.
- The annual adviser charge accumulates daily and is paid to your financial adviser monthly.

Annual service charge

- We levy an annual service charge for the management and administration of a portfolio.
- The annual service charge (see below) is calculated and accrued daily, and paid monthly.
- From the annual service charge, we pay an investment management charge to the investment managers we appoint.

Performance fee

- For the hedge funds, performance fees are not levied on the portfolio, although they have been provided for. Investors will receive three (3) months' written notice, if performance fees will be levied in the future.
- For the unit trust scheme, there are no performance fees levied on the portfolios.

To fully understand the costs involved for this transaction, please speak to your financial adviser or call our Contact Centre on 0860 333 316, to obtain an effective annual cost (EAC) disclosure.

	Alexander Forbes Investments	Adviser charge		
	Annual service charge (incl. VAT)	Maximum initial adviser charge (incl. VAT)	Initial adviser charge (excl. VAT)	Annual adviser charge (excl. VAT)
Class A1				
AF Investments Aggressive Passive Unit Trust ¹	0.35% p.a.	3.45%		
AF Investments Conservative Passive Unit Trust ¹	0.35% p.a.	3.45%		
Class A				
AF Investments Conserver Managed Unit Trust	1.15% p.a.	3.45%		
AF Investments Enhanced Income Unit Trust	0.92% p.a.	3.45%		
AF Investments Equity Fund of Funds ²	0.58% p.a.	3.45%		
AF Investments Flexible Fund of Funds ²	0.58% p.a.	3.45%		
AF Investments Global Equity Feeder Fund ³	0.00% p.a.	3.45%		
AF Investments Inflation Linked Bond Unit Trust	1.15% p.a.	0.69%		
AF Investments Institutional Equity Unit Trust	1.50% p.a.	3.45%		
AF Investments Performer Managed Unit Trust	1.15% p.a.	3.45%		
AF Investments Property Equity Unit Trust	1.50% p.a.	3.45%		
AF Investments Pure Fixed Interest Unit Trust	0.86% p.a.	0.69%		
AF Investments Real Return Focus Unit Trust	1.21% p.a.	3.45%		
AF Investments Strategic Global Balanced Feeder Fund ³	0.00% p.a.	3.45%		
AF Investments Superior Yield Unit Trust	0.61% p.a.	0.69%		
Class P – Not available to Individual Investors				
AF Investments Money Market Unit Trust	0.22% p.a.	0.69%		

Alexander Forbes Investments QI Hedge Funds – Not available to Individual Investors

Portfolio	Alexander Forbes Investments		Adviser Charges		
	Annual service charge (incl. VAT) ⁴	Performance fee (excl. VAT) % of returns above benchmark	Maximum initial adviser charge (incl. VAT)	Initial adviser charge (excl. VAT)	Annual adviser charge (excl. VAT)
Alexander Forbes Investments QI Hedge Fund Scheme – A2 Class					
AF Invest Stable QI Hedge Fund of Funds ⁵	0.75% p.a.	None	3.45%		
AF Invest Moderate QI Hedge Fund of Funds ⁵	0.75% p.a.	None	3.45%		
AF Invest Performance QI Hedge Fund of Funds ⁵	0.75% p.a.	None	3.45%		
AF Invest Focus QI Hedge Fund of Funds ⁵	0.75% p.a.	None	3.45%		

Payment details

How do you wish to pay for your investment?

Electronic/internet transfer (this may take up to two (2) days to appear in our bank account.)

Once-off direct debit (only applicable to the Unit Trust Scheme)

Complete the Once-off Debit Instruction on page 6.

Electronic collection is restricted to a maximum of R1 000 000 per direct debit, per business day. We will debit your account within two (2) business days of receiving the application form. We have a 45-day clearance period on once-off debit deductions. **This means you cannot disinvest those units for the first 45 days of investment.**

Source of funds*

Where do the funds you are investing come from?

- | | | | |
|--|---|---|---|
| <input type="checkbox"/> Bonus (Annual and ad-hoc) | <input type="checkbox"/> Business earnings | <input type="checkbox"/> Company sale/sale of interest in company | |
| <input type="checkbox"/> Court-order | <input type="checkbox"/> Divorce settlement | <input type="checkbox"/> Donation | <input type="checkbox"/> Gift |
| <input type="checkbox"/> Inheritance | <input type="checkbox"/> Loan | <input type="checkbox"/> Maintenance | <input type="checkbox"/> Maturing investment |
| <input type="checkbox"/> Pension | <input type="checkbox"/> Property sale | <input type="checkbox"/> Retirement lump sum (1/3) | <input type="checkbox"/> Sale of other asset excluding property |
| <input type="checkbox"/> Sale of shares | <input type="checkbox"/> Savings | <input type="checkbox"/> Winnings | <input type="checkbox"/> Salary |
| <input type="checkbox"/> Commission | | | |

Source of income*

Where does your income come from?

- | | | | |
|--|--|---|---|
| <input type="checkbox"/> Annuity payment | <input type="checkbox"/> Business earnings | <input type="checkbox"/> Consultancy income | <input type="checkbox"/> Grant |
| <input type="checkbox"/> Interest income | <input type="checkbox"/> Maintenance | <input type="checkbox"/> Rental income | <input type="checkbox"/> Royalty income |
| <input type="checkbox"/> Salary | <input type="checkbox"/> Profit income/revenue share | <input type="checkbox"/> Dividend income | <input type="checkbox"/> Scholarship |
| <input type="checkbox"/> Trust income | | | |

***This information is required by the FIC Act, to identify potential money laundering. We reserve the right to request documentary proof of your source of funds and/or source of income, as indicated above.**

Alexander Forbes Investments' bank account details

In accordance with the requirements under the FIC Act, we do not reflect our banking details on our forms. In order to meet our obligations in this regard, we will first establish and verify your identity, before your financial adviser will send our banking details to you.

- 8. If I am an investor in a Hedge Fund, I have read and understood the **HEDGE FUND RISK DISCLOSURE STATEMENT**. I acknowledge the inherent risk associated with hedge fund portfolio(s), and I understand that there are no assurance or guarantee, as to the expected performance of the investment.
- 9. I understand all fees and charges applicable to this investment.
- 10. I was satisfied to access information, including the abovementioned documents, on your website. To the extent that I was not satisfied to access information on your website, I have requested the relevant documents and/or information from you or my financial adviser.
- 11. I agree to provide all documentation and information, required in terms of the *FIC Act*. I understand that Alexander Forbes Investments may not process any transaction, on my behalf, until they have received the required FICA documentation of all parties involved.
- 12. I understand that you will use my personal information to process this instruction, and I agree that you may give my personal information to third parties, in order to confirm my personal information, and to process this instruction.
- 13. I have not received any advice from Alexander Forbes Investments in respect of this application.
- 14. I confirm that I have been provided with an effective annual cost (EAC) disclosure for this transaction, and have read and understood the effect on my investment. The EAC is a measure that has been introduced, to allow me to compare the charges that I incur and their impact on my investment's returns, when I invest in different financial products. The EAC is made up of four components: investment management charges, advice charges, administration charges, and other charges, which is expressed as an annualised percentage. The figures only show the estimated impact of immediate and future charges, and do not include the impact of any charges that I have already incurred. I know that the effect of some of the charges may vary, depending on my investment period. The EAC calculation assumes that I terminate my investment in the financial product at the end of the relevant period.
- 15. Alexander Forbes Investments Limited may not request or induce an investor in any manner to waive any right or benefit conferred on the investor by legislation or accept or act on any such waiver.

Signature of investor _____

Date

d	d	/	m	m	/	y	y	y	y
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Personal information, privacy and security

Find out how we protect your personal information, privacy and security.

CIS disclosures

For CIS in securities (long-only portfolios) and CIS in hedge funds

Risks (Portfolio specific)

Derivatives: There is no assurance that a portfolio's use of a derivative strategy will succeed. A portfolio's management may employ a sophisticated risk management process, to oversee and manage derivative exposures within a portfolio, but the use of derivative instruments may involve risks different from, and, in certain cases, greater than, the risks presented by the securities from which they are derived.

Exposure to foreign securities: Foreign securities within portfolios may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Drawdown: The potential magnitude of loss - the largest peak-to-trough decline in returns over the period, also known as the maximum drawdown.

Liquidity: The risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit).

Equities: The value of equities may vary according to company profits and future prospects, as well as more general market factors. In the event of a company default, the owners of their equity rank last in terms of any financial payment from that company.

Bonds: The value of fixed income investments (e.g. bonds) tends to decrease when interest rates and/or inflation rises. Bonds issued by major governments and companies, will be more stable than those issued by emerging markets or smaller corporate issuers. If an issuer experiences financial difficulty, there may be a risk to some, or all, of the capital invested. Any historical or current yields quoted should not be considered reliable indicators of future performance.

Money market portfolios: A money market portfolio is not a bank deposit account. A variable price (VNAV) is applied to a participatory interest. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument, and in most cases the return will merely have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses, it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures, and in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed.

Fund of funds: A fund of funds is a portfolio that invests in portfolios of collective investment schemes (unit trusts) that levy their own charges, which could result in a higher fee structure for the fund of funds.

Hedge fund of funds: A hedge fund of funds is a portfolio that invests in portfolios of collective investment schemes (unit trusts) that levy their own charges, which could result in a higher fee structure for the fund of funds.

Feeder funds: A feeder fund is a portfolio that invests in a single portfolio of a collective investment scheme, which levies its own charges, and which could result in a higher fee structure for the feeder fund.

For a detailed description of these risks, and other risks that are relevant to the portfolio, please refer to the **CIS RISK DISCLOSURE DOCUMENT**, available on the website.

General

Collective investment schemes (unit trusts) are generally medium-term to long-term investments, but a hedge fund may have short-term strategies and practices. The value of participatory interests (units) or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending (i.e. borrowing and lending of assets). Hedge funds trade at ruling prices and prices may fluctuate post publication. Hedge funds can engage in scrip borrowing and scrip lending. The manager does not provide any guarantee, either with respect to the capital or the return of a portfolio. Different classes of participatory interests apply to these

portfolios and are subject to different fees and charges. A **SCHEDULE OF ALL FEES AND CHARGES**, inclusive of VAT and maximum commissions, is available on request from us or from your financial adviser. Forward pricing is used. Any forecast and/or commentary in this document are not guaranteed to occur. Hedge funds are CIS with a strategy that allows for leveraging and short-selling strategies. Hedge fund strategies can result in losses greater than the market value of the fund, but investors' losses are limited to the value of the investment or contractual commitments. Hedge funds can also invest in illiquid instruments. While CIS in hedge funds differ from CIS in securities (long-only portfolios) the two may appear similar, as both are structured in the same way, and are subject to the same regulatory requirements. Further risks associated with hedge funds include: investment strategies may be inherently risky; leverage usually means higher volatility; short-selling can lead to significant losses; unlisted instruments might be valued incorrectly; fixed income instruments may be low-grade; exchange rates could turn against the fund; other complex investments might be misunderstood; the client may be caught in a liquidity squeeze; the prime broker or custodian may default; regulations could change; past performance might be theoretical; or the manager may be conflicted. For a detailed description of these risks, please refer to the **HEDGE FUND RISK DISCLOSURE DOCUMENT**, available on the website.

Redemptions

The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. The ability of the portfolio to repurchase, is dependent upon the liquidity of the securities and cash of the portfolio. A manager may suspend repurchases for a period, subject to regulatory approval, to await liquidity, and the manager must keep the investors informed about these circumstances.

Yields

The yield for bond and income portfolios is historic and is calculated quarterly. The yield for the money market portfolio is calculated daily. The yield is calculated by means of a yield curve, which will be the daily updated average of the Negotiable Certificate of Deposit (NCD) rates that are published by the four major South African banks, namely First National Bank, ABSA Bank, Standard Bank and Nedbank. A compounding formula is applied to the curve, depending on whether the instrument pays interest annually (NACA), semi-annually (NACS), or quarterly (NACQ).

Prices

The latest **PRICES** and TER are published daily in the Business Report (South Africa's National Financial Daily) and are made available on our website.

Performance fees for unit trusts

Performance fees are not levied on the portfolio.

Performance fees for hedge funds

Performance fees are not levied on the portfolio, although they have been provided for. Investors will receive three months' written notice, if performance fees will be levied in the future.

Performance returns

Lump-sum performance returns are being quoted. Income distributions, prior to deduction of applicable taxes, are included in the performance calculations. NAV to NAV figures have been used for the performance calculations, as calculated by the manager at the valuation point defined in the deed, over all reporting periods. Investment performance calculations are available for verification upon request by any person. Reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. The performance is calculated for the fee class. The individual investor performance may differ, as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The rate of return is calculated on a total return basis, and the following elements may involve a reduction of the investor's capital: interest rates, economic outlook, inflation, deflation, economic and political shocks or changes in economic policy. Annualised returns are period returns re-scaled to a period of one year. This allows investors to compare returns of different assets that they have owned for different lengths of time. All period returns greater than one year have been annualised. Returns

for periods less than one year have not been annualised. A cumulative return is the aggregate amount an investment has gained or lost over time, independent of the period of time involved. Actual annual figures are available to the investor on request.

Valuation and transaction cut-off time for unit trusts

The portfolios are valued daily, at the end of the day (18:00). Withdrawal instructions must be received before 13:00 on the pricing date, failing which, the next pricing date will apply.

Valuation and transaction cut-off time for hedge funds

The Qualified Investor Hedge Funds (QIHFs) are valued on the last day of each calendar month. The pricing date is the last day of each calendar month. Withdrawal instructions must be received before 13:00, at least five business days (or shorter, as determined by the manager) prior to the pricing date, failing which, the pricing date in the following calendar month will apply.

Additional information

For additional information on the portfolio, refer to the following documents, available on our website, from your financial adviser, or on request from the manager, free of charge.

Alexander Forbes Investments Unit Trust Scheme

- [APPLICATION FORM FOR LEGAL ENTITIES](#)
- [APPLICATION FORM FOR INDIVIDUAL INVESTORS](#)
- [ANNUAL REPORT](#)
- [FEE AND CHARGES SCHEDULE](#)
- [QUARTERLY GENERAL INVESTOR REPORT](#)
- [PORTFOLIO SUMMARY](#)

Alexander Forbes Investments QI Hedge Fund of Funds

- [APPLICATION FORM FOR LEGAL ENTITIES](#)
- [APPLICATION FORM FOR INDIVIDUAL INVESTORS](#)
- [FEES AND CHARGES SCHEDULE](#)
- [QUARTERLY GENERAL INVESTOR REPORT](#)

Complaints and conflicts of interest

The [COMPLAINTS HANDLING PROCEDURE](#), as well as the [CONFLICTS OF INTEREST MANAGEMENT POLICY](#), are available on our website. Associates of the manager may be invested within certain portfolios, and the details thereof are available from the manager.

Closure of the portfolio

The manager has the right to close certain portfolios to new investors, in order to manage them more efficiently, in accordance with their mandates.

Structure of the hedge funds

The QIHFs were established as a collective investment scheme trust arrangement on 26 May 2016, with the conversion process being completed on 1 November 2016. All prior information was in an unregulated environment. The portfolio will not change its investment strategy or investment policy without prior approval from the Financial Sector Conduct Authority and investors. The ballot procedure, as prescribed in Cisca and the Deed, will be followed.

Counterparties and prime brokers

We do not enter into counterparty or prime broker arrangements, but the underlying portfolios may enter into such arrangements. We receive reporting on counterparty exposure levels from the underlying portfolio managers and this information can be provided on request.

CONTACT DETAILS

CIS manager

Alexander Forbes Investments Unit Trusts Limited

Registration number: 2001/015776/06

Physical address: 115 West Street, Sandown, 2196

Postal address: PO Box 786055, Sandton, 2146

Telephone number: + 27 (0)11 505 6000

Email address: afinvestments@alexforbes.com

Website address: www.alexforbes.com/za/en/

Directors: <https://www.alexforbes.com/za/en/about-us/company-directors>

The manager is registered as a manager of collective investment schemes, in terms of the *Collective Investment Schemes Control Act*. The manager, through Alexander Forbes Group Holdings Limited, is a member of the Association for Savings and Investment South Africa (ASISA).

Trustee, Custodian and Depository

FirstRand Bank Limited, acting through RMB Trustee Services

Registration number: 1929/001225/06

Physical address: No. 3 First Place, Corner Jeppe and Simmonds Streets, Johannesburg, 2001

Postal address: PO Box 7713, Johannesburg, 2000

Telephone number: +27 (0) 87 736 1732

Email address: info@rmb.co.za

Website address: www.rmb.co.za

The trustee is registered as a trustee of collective investment schemes, in terms of the *Collective Investment Schemes Control Act*.

Investment manager (CIS long only)

Alexander Forbes Investments Limited

Registration number: 1997/000595/06

FSP number: 711

Insurer number: 10/10/1/155

Physical address: 115 West Street, Sandown, 2196

Postal address: PO Box 786055, Sandton, 2146

Telephone number: + 27 (0)11 505 6000

Email address: afinvestments@alexforbes.com

Website address: www.alexforbes.com/za/en/

The investment manager is an authorised Financial Services Provider (FSP), as a discretionary FSP, in terms of *section 8 of the Financial Advisory and Intermediary Services Act (FAIS)*, and is a registered insurer licensed to conduct life insurance business. This information is not advice, as defined in FAIS. Please be advised that there may be supervised representatives.

Investment manager for hedge funds

Alexander Forbes Investments Administration (Pty) Limited, registration number 2005/043273/07, is a licensed authorised Financial Services Provider (FSP), as a hedge fund FSP, in terms of *section 8 of the Financial Advisory and Intermediary Services Act 37 of 2002*, as amended, FAIS licence number 27584. The address is the same as the manager. This information is not advice, as defined in the Act. Please be advised that there may be representatives acting under supervision.