

INVESTMENTS

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

Change of Financial Adviser/Charges Unit Trust Scheme/Hedge Fund

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 the fields to avoid any delays in processing the instruction.

Entity number

Entity name

Registration number

Authorised contact person

Person acting on behalf of investor

If you are acting on behalf of the Investor, complete ALL the fields to avoid delays in processing the instruction.

Surname

Full name(s)

Legal capacity

- Parent Guardian Curator Mandate Executor Power of Attorney
 Director Shareholder Trustee Partner Member Authorised Signatory

Contact number

Email address

Key

1. The AF Investments Aggressive Passive Unit Trust and the AF Investments Conservative Passive Unit Trust are not available for investment by U.S. Persons or entities incorporated or managed in the United States.
2. A fund of funds is a portfolio that, apart from having assets in liquid form, only invests in other unit trusts that levy their own charges. This could result in higher charges for these unit trusts than the maximum annual service charge listed above.
3. A feeder fund is a portfolio that, apart from having assets in liquid form, is made up entirely of units in a single portfolio of a unit trust that levies its own charges, which could result in a higher fee structure for the feeder fund.
4. Although the current service charge of the A and A2 Classes is 0.75% p.a., the maximum service charge is 1.15% p.a. (incl. VAT).
5. A fund of hedge funds is a portfolio that, apart from having assets in liquid form, only invests in other hedge fund portfolios that levy their own charges. This could result in the investment in a fund of hedge fund portfolio being more expensive than an investment in a hedge fund portfolio that is not a fund of hedge fund portfolio.

Portfolio information

1. If a portfolio invests into other portfolios of Alexander Forbes Investments, or of other companies within the Alexander Forbes group, no manager charge may be levied on the underlying portfolios.
2. We are allowed to deduct additional charges from the portfolios, including but not limited to: trustee charges, bank charges, audit fees, STT (Securities Transfer Tax), brokerage fees and VAT.
3. Unit prices are based on net asset value. The net asset value is equal to the total market value of all assets in the portfolio, including any income earned, less any deductions allowed from the portfolio, divided by the number of units issued.
4. All charges were correct at the date of publication.
5. For more information on these portfolios, refer to the latest **PORTFOLIO SUMMARY** or **MINIMUM DISCLOSURE DOCUMENTS** (fact sheets) that are available on our website, or on request from us or from your financial adviser. Click on the name to download the document.
6. For more information on the classes available for investment in a portfolio and the total investment charges (which consist of transactional costs (TC) and the total expense ratio (TER)), refer to our **SCHEDULE OF FEES AND CHARGES** with maximum commissions that is available on our website, or on request from us or from your financial adviser. Click on the name to download the document.

Financial adviser declaration

FAIS declaration

- I declare that I/we am/are a licensed Financial Service Provider and have made the disclosures required, in terms of the *Financial Advisory and Intermediary Services Act 37 of 2002* and subordinate legislation thereto, to the investor.
- I declare that I have disclosed all the charges related to this investment, to the investor, and understand that the investor may cancel my charges and appointment at any time, in writing.
- I confirm that all information provided herein is true and correct and I have read and understand the content of this form.

FICA declaration

I confirm that Alexander Forbes Investments Unit Trusts Limited is the primary accountable institution, in terms of the *Financial Intelligence Centre Act (FICA)* and is responsible for the identification and verification of the investor. This application will only be processed on completion of such identification and verification.

Signature of financial adviser _____

Date

d	d	/	m	m	/	y	y	y	y
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Discretionary mandate details

Complete this section in consultation with your financial adviser.

May your financial adviser make discretionary investment decisions on your behalf? This is only allowed if your financial adviser has a category II FAIS license.

Yes No

If yes, sign the declaration below.

I confirm that the investor has entered into a discretionary mandate with the aforementioned financial adviser in terms of which the financial adviser was authorised to:

- give investment instructions on behalf of the investor without first obtaining the investor's consent;
- access the investor's investments in electronic format as made available by product providers from time to time.

I hereby authorise Alexander Forbes Investments to accept and act on all such investment instructions received from the aforementioned financial adviser.

Signature on behalf of investor _____

Date

d	d	/	m	m	/	y	y	y	y
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Attach a certified copy of the discretionary mandate in which the financial adviser is allowed to give instructions on behalf of the investor. If you have selected "yes" and do not attach the mandate this application will be rejected.

Investor declaration

1. I understand that the information provided in this form will replace the information that currently reflects on the systems and records of Alexander Forbes Investments.
2. I confirm that all information and documentation, either signed or provided herein, is true and correct and I further understand that I am responsible for the correctness of all information provided in this form.
3. I agree that the Administrator may accept instructions from my financial adviser or another person authorised by me to act on my behalf in writing.
4. I understand that my financial adviser must be appropriately authorised in terms of the *Financial Advisory and Intermediary Services Act 37 of 2002*, and that if my financial adviser is not appropriately authorised, Alexander Forbes Investments is obliged by law to decline any instructions from the financial adviser.
5. I confirm that my appointed financial adviser will have access to my investments in electronic format as made available by the Administrator from time to time.
6. I agree to provide all documentation and information required in terms of the *Financial Intelligence Centre Act (FICA)*. 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.
7. 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.
8. 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.

Signature of investor _____

Date

d	d	/	m	m	/	y	y	y	y
---	---	---	---	---	---	---	---	---	---

Personal information, privacy and security

Find out [how we protect your personal information, privacy and security.](#)

CIS disclosures

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 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. 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 (click on the link to download the document).

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. (Click on the name to download the document.)

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 (3) 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.

Valuations and transaction cut-off times for unit trusts

The portfolio is valued daily, at the end of the day (18:00). The withdrawal instruction must be received before 13:00 on the pricing date, failing which, the next pricing date will apply.

Valuations and transaction cut-off times 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. The withdrawal instruction 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. (Click on the name to download the document.)

Alexander Forbes Investments Unit Trust Scheme

- [APPLICATION FORM FOR LEGAL ENTITIES](#)
- [APPLICATION FORM FOR INDIVIDUAL INVESTORS](#)
- [ANNUAL REPORT](#)
- [FEES 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 01 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 for unit trusts

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 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 representatives acting under supervision.

Investment Manager for hedge funds

Alexander Forbes Investments Administration (Pty) Limited
Registration number: 2005/043273/07
FSP number: 27584
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 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 representatives acting under supervision.