



ALLAN GRAY NAMIBIA BALANCED FUND
TERMS AND CONDITIONS

ALLAN GRAY

Allan Gray Unit Trust Terms and Conditions

This document sets out the Terms and Conditions applicable to your Allan Gray Unit Trust investment.

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01 | Definitions

Allan Gray

The company that administers the unit trust(s) is Allan Gray Namibia Unit Trust Management Limited. It is authorised to do so as a Manager in terms of the amended Unit Trust Control Act of 1981. In this form it is referred to as 'Allan Gray'.

Unitholder

The person/legal entity, including a trust, registered in Namibia for tax purposes who has invested in Allan Gray unit trusts and in whose name the investment is held – addressed as 'you'.

Investment Account

The account through which the unit trust(s) you choose is administered.

Portfolio of a Collective Investment Scheme

This is an arrangement that enables investors to pool their money and have it professionally managed and invested in a range of underlying assets. The underlying assets of a Portfolio vary depending on the Portfolio's investment objective. Portfolios are commonly referred to as 'unit trust(s)' or 'fund(s)'. In this document the term 'unit trust' is used.

Participatory interest in a Portfolio of a Collective Investment Scheme

A Portfolio of a Collective Investment Scheme is divided into equal parts, also referred to as 'units'. Each unit represents a direct proportionate interest in every underlying asset of the Portfolio. The number of units in your Investment Account depends on how much money you contribute and what the unit price is when the units are bought.

Business Day

A business day is any day other than a Saturday, Sunday or public holiday in Namibia or South Africa. In this document day and business day have the same meaning.

02 | Which legal entities are party to this agreement?

There are two legal entities that are party to this agreement. These are:

- You
- Allan Gray

03 | Which documents form part of the agreement?

The terms of your unit trust investment with Allan Gray is based on the application form, supporting documentation that you provide and this document. All other instructions which you provide and which Allan Gray accepts will also form part of the agreement.

04 | What are your rights and responsibilities?

All instructions need to be in the prescribed format and accepted by Allan Gray.

All instructions are subject to:

- the requirements of Allan Gray and applicable legislation at the time of the transaction
- the availability of the selected unit trusts,
- the processing requirements of Allan Gray (this includes cut-off times and time periods for processing),
- terms and conditions of Allan Gray,
- minimum amounts specified by Allan Gray, applicable at the time of the transaction.

Allan Gray may suspend, delay or withdraw your instruction due to any of the above.

a. Provide accurate information

You must ensure that all information in instructions and supporting documentation that Allan Gray receives from you is true and accurate.

b. Make informed financial decisions

If you require financial advice it is your responsibility to appoint a financial adviser. Allan Gray does not provide financial advice. It is also your responsibility to negotiate the fees payable for advice with your financial adviser.

c. Make contributions

You may make the following contributions:

- initial lump sum,
- additional lump sum,

d. Withholding tax on interest

Under section 34A of the Namibian Income Tax Act, Allan Gray is obliged to pay 10% withholding tax on interest on your behalf. Namibian companies and pension funds are not subject to 10% withholding tax.

e. Withdraw some or all of your investment

You may withdraw some or all of your investment by selling the units in the Investment Account.

f. Transfer ownership

You may request a transfer of some or all of your units in your Investment Account to another legal entity.

g. Report errors

You have 14 days after receipt of the investment confirmation or any statement from Allan Gray to report any errors.

h. Notify Allan Gray of changes in bank or contact details

You need to inform Allan Gray of any changes in your bank or contact details, including your postal and email address, and provide supporting documentation where appropriate.

i. Vote in a ballot

You may vote in any ballot that affects the unit trust(s) you selected. Allan Gray will not vote on your behalf.

05 | What are Allan Gray's rights and responsibilities?

a. Accept or reject instructions

Allan Gray may accept or reject your application or any subsequent instructions. Allan Gray may also reverse a transaction if it decides the circumstances justify it.

b. Communicate with you

Allan Gray will communicate with you. You are entitled to any information that the law requires a Manager or listed company to disclose.

c. Confirm changes

Allan Gray will confirm any changes made to your investment with you.

d. Provide statements

Allan Gray will provide you with monthly statements and certificates of income for taxation purposes where applicable.

e. Process all instructions

Allan Gray is responsible for processing your instructions. Allan Gray will process your instruction once all supporting documentation is received and requirements are met.

Unit prices are calculated daily in arrears by taking the total value of all assets of the unit trust, including any income accrual less permissible deductions, and dividing that by the number of units created for the unit trust. Because pricing takes place at the close of each business day, the price is only available the following business day.

Processing timelines for:

1. Buying and selling

The table below shows the timeline for buying and selling units in a unit trust:

Business cut-off to receive an instruction is 17:00	Process the instruction	Buy or sell units	Unit price received from the Manager	Shows on investor statement
Before 17:00 (Day 1)	Day 2	Day 2	The price at the close of Day 1	Day 3

f. Make payments

When you withdraw some or all of your units in your investment, payment will be made in the name of the investment account holder. All payments are made via electronic fund transfer only, into a current, transmission or savings account held in the name of the investment account holder.

g. Close a unit trust

Allan Gray may close a unit trust for new investments at any time.

h. Scrip-lending

Allan Gray is allowed to lend out the underlying assets of the unit trust.

i. Professional indemnity and fidelity insurance cover

Allan Gray is insured against fraud, negligent or dishonest behaviour.

j. Amend the terms of this agreement

Allan Gray may amend its terms and conditions. Please contact Allan Gray Namibia on +264 (61) 22 11 03 or www.allangray.com.na for the latest version of these.

06 | What is Allan Gray not responsible for?

a. Advice

Allan Gray does not give advice and does not employ financial advisers.

b. Certain losses suffered

Allan Gray is not responsible for any losses that may be suffered due to:

- the investment or market risk of the underlying investments;
- changes in tax or other legislation;
- the failure of any networks or electronic or mechanical devices;
- Allan Gray acting on information sent electronically;
- Allan Gray acting on incorrect information where you have failed to notify them of any changes to such information;
- the delayed sale of units in a unit trust due to ring-fencing:

Ring-fencing is the separation and delayed sale of units in a unit trust. Large sale of units in a unit trust above certain thresholds may cause ring-fencing. This ensures that the sale of a large number of units will not force Allan Gray to sell the underlying investments at a price in the market which could have a negative impact on investors. Allan Gray may delay the payment or reinvestment of the proceeds of the sale of units.

c. Delays in processing instructions

Allan Gray will carry out instructions at the earliest possible opportunity, subject to legislation, its own administration procedures and any unit trust limitations. Allan Gray does not accept responsibility for delays in processing instructions as a result of extraordinary events that cause disruptions.

07 | What does not apply to this agreement?

a. Cancellation

You cannot cancel the investment and there is no cooling-off period. However, you may sell the units of the Investment Account at the ruling unit price.

b. Investment guarantees

The market value of the units may go down as well as up, and past performance is not necessarily a guide to the future. Unit trusts are therefore generally medium- to long-term investments. You carry the investment risk, which includes the possibility of losing capital.

08 | What fees and charges do you pay?

If a fee or charge is levied, this is passed on to you by reducing the underlying investments of the Investment Account by the same amount.

a. Investment management fee

Investment management fees are charged based on the value of the fund and are included in published price of the unit trust.

b. Permissible deductions

There are other charges (in addition to unit trust management fees) that may be deducted from the unit trust. These are to cover bank charges, trustee/custodian fees, audit fees, securities transfer tax (STT), brokerage and value-added tax (VAT). These expenses are included in the published price of the unit trust.

c. Value added tax (VAT)

VAT may be added to any fees or charges relating to your investment.

d. Changes in fees or charges

The fees and charges that Allan Gray recovers from the Investment Account may change. Allan Gray will give you three months' written notice when new or additional charges or fees are added.

e. Reporting of fees

The monthly statement will indicate the applicable fees for this investment for that period.

More information about the fees and charges may be obtained from namibiaadmin@allangray.co.za.

09 | What legislation and regulations govern this contract?

The following are some of the main acts and regulations that govern this contract. Amendments to or replacements of the legislation and directives issued by the regulatory authorities may change these terms and conditions.

The Unit Trust Control Act

This act regulates management of Unit Trust Schemes.

Exchange Control Regulations

The availability of certain unit trusts are subject to these regulations.

The Namibian Income Tax Act

This act applies where we refer to taxation.

Financial Intelligence Act

This act requires that Allan Gray obtains certain information to verify who you are before it processes your application.

10 | Contact details

Administrator: Allan Gray Namibia Unit Trust Management Limited

Physical address:

2 Heritage Square
100 Robert Mugabe Avenue
Windhoek
Namibia

Postal address:

PO Box 230
Windhoek
Namibia

Tel: +264 (0)61 22 11 03

Fax: +264 (0)61 22 11 61

Email: info@allangray.com.na

Website: www.allangray.com.na

11 | Complaints

If you are not satisfied with this investment or the services from Allan Gray, you can write to the compliance officer at the address above. Remember to include all supporting documents. Allan Gray will acknowledge the complaint in writing and will inform you of the contact details of the person who should be able to resolve it.

If you are not satisfied with the response from Allan Gray, you can write to the Namfisa Complaints Department at:

Nanfisa Complaints Department
PO Box 21250
Windhoek
Alternatively delivered to: 8th floor, Sanlam Building, Windhoek

Tel: +264 61 290 5000