

ALLAN GRAY

**NAMIBIA UNIT TRUST
TERMS AND CONDITIONS**

EFFECTIVE AUGUST 2017
VERSION 1.0

Allan Gray Namibia Unit Trust - Terms and conditions

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

CONTENTS	PAGE
Definitions.....	1
Which legal entities are party to this agreement?.....	1
Which documents form part of the agreement?.....	1
What are your rights and responsibilities?.....	1
What are Allan Gray's rights and responsibilities?.....	2
What is Allan Gray not responsible for?.....	3
What does not apply to this agreement?.....	4
What fees and charges do you pay?.....	4
What legislation and regulations govern this contract?.....	5
Contact details.....	5
Complaints.....	5

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 document 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. Portfolio's 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.

WHICH LEGAL ENTITIES ARE PARTY TO THIS AGREEMENT?

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

- You
- Allan Gray

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.

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.

Provide accurate information

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

Make contributions

You may make the following contributions:

- initial lump sum
- additional lump sum

Select your unit trust(s)

You need to select one or more unit trusts that suit your investment needs and risk profile. At the discretion of Allan Gray, certain unit trusts may be subject to availability.

Monitor your unit trust(s)

You are responsible for regularly reviewing your unit trust(s) and ensuring that it suits your circumstances. Allan Gray does not take responsibility for your selection.

Select your income distribution preference

Unit trusts may earn interest and dividends from the underlying assets. This is declared as an income distribution if the interest and dividends exceed the total unit trust's expenses.

You need to indicate whether you prefer the income distribution to be paid directly into your bank account or re-invested, net of any applicable taxes.

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.

Switch between unit trusts

You may switch between the available unit trusts. All switch transactions have two components:

- sell units from your existing unit trust
- buy units in another unit trust

If the market value of a unit trust from which you wish to switch is less than the minimum amount prescribed by Allan Gray, Allan Gray will switch the whole amount. This amount must be switched into one unit trust.

Withdraw some or all of your investment

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

Report errors

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

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.

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.

WHAT ARE ALLAN GRAY'S RIGHTS AND RESPONSIBILITIES?**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.

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.

Confirm changes

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

Provide statements

Allan Gray will provide you with monthly statements and quarterly reports. Additional statements are available by contacting Allan Gray at +27 (21) 415 9380 or emailing us on namibiaadmin@allangray.co.za.

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 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, selling and switching

The table below shows the timeline for buying and selling units in a unit trust, and for switching between Allan Gray unit trusts:

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

Processing sequence of multiple instructions

If Allan Gray receives an instruction while another instruction is in progress, the second instruction may be delayed until the first is complete.

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 or savings account held in the name of the investment account holder.

Remove a unit trust

If for any reason a unit trust you selected is no longer available, Allan Gray will give you written notice. Allan Gray will ask you to select an alternative from the list of remaining unit trusts.

Close a unit trust

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

Scrip-lending

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

Professional indemnity and fidelity insurance cover

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

Amend the terms of this agreement

Allan Gray may amend its terms and conditions. Please contact Allan Gray on +27 (21) 415 9380 or namibiaadmin@allangray.co.za for the latest version of these.

WHAT IS ALLAN GRAY NOT RESPONSIBLE FOR?

Advice

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

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.

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.

WHAT DOES NOT APPLY TO THIS AGREEMENT?

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.

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 generally medium- to long-term investments. You carry the investment risk, which includes the possibility of losing capital.

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.

Your choice of unit trusts will determine certain aspects of the fee structure.

Where applicable, these fees and charges are levied proportionately across all unit trusts of the Investment Account.

Allan Gray may be required to pay any charges due to a change in:

- tax (including any new tax)
- legislation
- practice, or interpretation of any legal or regulatory authority

Annual fees

All annual fees are calculated daily, based on the market value of the investment at the end of each day.

1. Administration fee

A portion of the investment management fee may be used to cover administration costs.

2. Investment management fee

Annual investment management fees are charged. These fees vary per unit trust; they may be fixed or performance related. There are also other allowable expenses associated with unit trusts. These fees and expenses are deducted within the unit trust, and are therefore accounted for in the unit trust's published performance figures. Please refer to the relevant unit trust fund factsheets documents or unit trust brochure for more details.

Other fees

1. Termination or unit trust exit fee

There is no fee when you withdraw your investment from Allan Gray unit trusts.

2. Unit trust switching fee

Allan Gray does not currently charge a switching fee.

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.

Value added tax (VAT)

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

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
- there is a change in the method of calculation to any:
 - initial administration fee
 - annual administration fee
 - unit trust switching fee
 - unit trust exit fee, which leads to an increase in fees

Reporting of fees

The quarterly report 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.

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.

CONTACT DETAILS

Administrator: Allan Gray Namibia Unit Trust Management Limited

Postal and physical addresses of the head office and contact details of the Allan Gray Namibia Unit Trust Client Service Centre:

Physical address:

2 Heritage Square
100 Robert Mugabe Avenue
Windhoek
Namibia

Postal address:

PO Box 230
Windhoek
Namibia

Tel: +27 (0)21 415 9380
Fax: +27 (0)21 415 2489
Email: namibiaadmin@allangray.co.za
Website: www.allangray.com.na

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

ALLAN GRAY

2 Heritage Square 100 Robert Mugabe Avenue Windhoek Namibia
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