

## Ci Collective Investments (RF) (Pty) Ltd Terms and Conditions

### The companies involved with your investment

1. Ci Collective Investments (RF) (Pty) Ltd ("Ci") is the Manager as defined in terms of the Collective Investment Schemes Control Act ("the Act"). Ci is responsible for hosting and administering all Funds that are listed in the Fund Details section of the application form ("the Funds").
2. Ci has outsourced the client administration of the Funds to Silica Administration Services (Pty) Ltd ("Silica").
3. Ci has outsourced the portfolio administration of the Funds to Curo Fund Services (Pty) Ltd ("Curo").
4. FirstRand Bank Limited are the independent trustees of the Ci Collective Investments Scheme.

### The documents that form part of your agreement with Ci

5. The application and transaction forms, the Terms and Conditions, the Supplemental Deed of the relevant Fund/s and the Deed of the Ci Collective Investments Scheme all form part of the Agreement between the Investor and Ci ("the Agreement").
6. Ci is not aware of any material conflicts of interest between the interests of Ci and the interests of the Investor.
7. Ci undertakes to disclose to the Investor all material conflicts of interest as well as the manner in which Ci is managing such conflicts of interest.

### Submission and processing of the application form and transaction forms

8. Subject to the provisions of the Agreement, application forms and/or switch, additional investment, repurchase, change of investor details forms (collectively referred to as "transaction forms") that are received before 14h00 on any business day will be processed at the earliest possible opportunity, but within two business days.
9. Application forms will only be processed once Ci has received the total initial investment amount and when Ci is able to reconcile the application form amount with the deposited initial investment amount. A bank confirmation of any transfer will only be treated as a deposit when the investment amount reflects in the relevant bank account and a cheque deposit will only be treated as a deposit once it has been cleared in the relevant bank account.
10. Application forms and transaction forms will only be processed if they:
  - are current, standard Ci forms, unless otherwise agreed,
  - have been fully, clearly and unambiguously completed, and
  - are accompanied by all the relevant supporting documents.
11. Ci will not be responsible for any losses suffered by the Investor as a result of Ci rejecting or delaying the processing of any application form or transaction form. The Investor indemnifies Ci from such claims, damages and/or losses that may arise as a result of Ci rejecting or delaying the processing of any application form or transaction form.
12. Interest, less any applicable charges, earned on deposits in the relevant bank account, may be allocated to the investor's investment account.
13. The Investor and/or the Investor's appointed financial advisor ("the Instructor") must ensure that any application form or transaction form that is faxed or emailed to Ci is received and/or actioned by Ci. The Instructor indemnifies Ci against any losses suffered by the Investor as a result of the failure to ensure that any faxed or emailed application form or transaction form was received and actioned by Ci.
14. The Investor and/or the Instructor must ensure that all information completed on the application form or transaction form and any supporting documents required, are true and accurate.
15. No application form or transaction form with foreign banking details will be processed. The Investor must provide details of a South African bank account in their own name.
16. The Investor indemnifies and holds Ci harmless against any losses suffered by Ci as a result of the Investor's failure to ensure that the Initial Investment Amount or any subsequent additional investment amounts are received by Ci.
17. The value date of any purchase instruction to buy units either through an initial or additional investment, will be the date on which the initial or additional investment amount reflects in the relevant Fund's bank account, provided that Ci has received a correctly completed relevant form and all required supporting documents before 14h00 on that business day.
18. Ci cannot guarantee the value date of any instruction that has been rejected by Ci.

### FICA

19. The Investor indemnifies and holds Ci harmless against any loss or damage that the Investor may suffer as a result of anything that Ci does or does not do in relation to an obligation imposed on Ci by the Financial Intelligence Centre Act (FICA) and any other applicable anti-money laundering legislation.

20. Where applicable, copies of all verification documentation requested must accompany the application form or transaction form. Ci will not process the application form or the transaction form, until it has received the verification documentation. Ci will not be liable for any loss or damage because it could not process the application form or any transaction form due to the form not meeting the requirements of the anti-money laundering legislation.
21. The Investor acknowledges that Ci may obtain their required Customer Due Diligence / verification documents from the Investor's financial advisor or agent or any other legitimate third party sources.

#### **Processing of Personal Information**

22. The Investor acknowledges that Ci requires the Investor's personal information, as defined in the Protection of Personal Information Act of 2013 ("POPIA") to give effect to the Investor's rights and obligations contained herein.
23. By signing the Application Form, the Investor acknowledges, authorizes and consents to Ci collecting, using, processing and sharing, where necessary, the Investor's personal information to fulfill the appropriate purpose.
24. Ci will only collect, process, transfer, share and disclose Investor information for:
  - providing an Investor with products and services and complying with an Investor's instructions,
  - managing the Investor's investments, and sharing appropriate information with the investment managers of the portfolios,
  - accepting instructions on an Investor's behalf from their appointed financial advisor or appointed agent,
  - collecting information from the Investor, the Investor's financial advisor, appointed agent, any regulator, government department or from other third party sources to comply with anti-money laundering laws such as FICA, and any other applicable laws,
  - undertaking identity and fraud prevention checks and sharing information relating to this application with South African fraud prevention services,
  - monitoring and/or recording telephone calls and electronic transactions with the Investor to accurately carry out the Investor's instructions from the Investor or the Investor's financial advisor in the interest of security and crime prevention,
  - sharing the Investor's information where we are required to do so by law or contractual agreement,
  - sharing the Investor's information with third party service providers for the purposes of administering, storing and maintaining the Investor's personal information,
  - sharing the Investor's information to facilitate tracing if the investment becomes unclaimed, and
  - any other legitimate and appropriate purpose.
25. Should the Investor withhold withdraw or their consent, Ci will not be able to process and administer the Investor's investment.
26. Investor information may be stored or transferred to a country with a different level of data protection to that in place in South Africa. Where this occurs, Ci and its service providers will ensure that the appropriate contractual safeguards are added to ensure that the Investor's information is suitably protected.
27. Ci agrees that it will at all times comply with POPIA's Regulations and Codes of Conduct and that it shall only collect, use and process personal information it comes into contact with pursuant to the terms and conditions of this investment in a lawful manner, and only to the extent required to execute the services, or to provide the products and to perform its respective obligations.
28. Ci agrees that it will put in place and maintain appropriate physical, technological and contractual security measures to ensure the protection and confidentiality of personal information that it, or its employees, its contractors or other authorised individuals comes into contact with pursuant to this investment.
29. Ci may make use for cloud storage and systems which may result in the transfer and storage of personal information outside the Republic of South Africa.

#### **Unclaimed Assets**

30. The Investor shall remain responsible for ensuring that their contact information is kept up to date with Ci.
31. In the event of assets being unclaimed due to contact information not being kept up to date, Ci will be obliged to trace Investors. The obligation to trace an Investor is triggered within 6 months of:
  - an Investor's income distribution payment being returned;
  - an Investor's redemption payment being returned; or
  - an Investor's income statement and/or annual investor report being returned
32. Ci will attempt to contact the Investor to advise them of available funds by using the last known contact information and address.
33. If, after 10 years, Ci is unable to contact and trace the Investor, an external tracing company will be appointed to trace the Investor.
34. All direct administrative, tracing and management costs associated with unclaimed assets will be recovered by a deduction from the value of the Investor's investment with Ci once the Investor has been located.

#### **Debit order instructions**

35. The Debit Order commencing on the start date, as defined in the application, will continue until this authority is terminated by the Investor by giving Ci notice in writing before the 24th calendar day of the month.
36. In the event that the payment day falls on a Saturday or Sunday, or recognised South African public holiday, the payment day will automatically be the preceding ordinary business day.
37. The Investor agrees that although this authority may be cancelled by the Investor, such cancellation will not cancel the investment. The Investor will not be entitled to any refund of amounts which they have withdrawn while this authority was in force, if such amounts were legally owing to the Investor.
38. The Investor acknowledges that this authority may be ceded or assigned to a third party if the investment is also ceded or assigned to that third party, but in the absence of such assignment of the investment, this authority cannot be assigned to any third party.
39. A debit order instruction will be cancelled after the third consecutive time that it has failed.
40. The Investor indemnifies and holds Ci harmless against any losses or damages resulting from the cancellation or failure of any debit order through no fault of Ci. The Investor agrees to reimburse Ci for such losses or damages.

### **Electronic collections and payments**

41. If the Investor instructs Ci to collect any amount by way of a once-off collection and Ci receives the Investor's instruction before the cut-off time for instructions (14h00), then the collection and value date of the instruction will be the business day after the business day on which Ci received the instruction.
42. Ci has, at its discretion, the option to pay or collect any amount that the Investor owes Ci through the Automated Clearing Bureau or Electronic Funds Transfer (EFT), or by direct debit or credit against the Investor's bank by means of a debit or credit note addressed to the Investor's bankers. The amount will only be considered received by Ci and a transaction made when the amount of the debit order, cheque or EFT payment has been unconditionally credited to the Ci account with its bankers.

### **Restrictions in terms of receiving and paying money**

43. Ci will not accept any cash deposits or pay any amounts to third party bank accounts.

### **Reporting and notifications**

44. The Investor instructs Ci to use the address details specified in the application form to send any reports or notifications. Where the Investor has provided an email address, the investor agrees that Ci may use this address to send reports and notifications.
45. Investors who are invested directly with Ci will receive quarterly investment statements at the email address given, or alternatively at the indicated postal address. The Investor undertakes to notify Ci of any change to these details.
46. The Investor can access details relating to their investment online at [www.cicollectives.co.za](http://www.cicollectives.co.za).
47. A quarterly general investor report will be published on Ci's website [www.cicollective.co.za](http://www.cicollective.co.za) and will be available for the Investor to download.

### **Annual management fees ("AMF"), Total Expense Ratios ("TER") and Transaction Costs ("TCs")**

48. The initial and annual management fees are disclosed in the Fund Details section of the application form.
49. The Total Expense Ratios (TERs) and Transaction Costs (TCs) are calculated and disclosed on a quarterly basis in the relevant fund's Minimum Disclosure Document (MDD) and summed to indicate the Total Investment Charge (TIC).
50. Ci is entitled to increase the annual management fees by giving the Investor 90 days' notice.

### **Net Asset Value ("NAV") prices of Funds**

51. The NAV prices of all Funds will fluctuate according to the daily market value of the investment instruments that Funds are invested in from time to time. Ci does not guarantee the return of any Fund.
52. NAV prices are calculated on a net asset value (NAV) basis by determining the total market value of all investment instruments in the Fund, including any income accruals, less any permissible deductions.
53. The following costs may be deducted from the Fund: brokerage fees, security services tax, value added tax, auditor's fees, bank charges, trustee and custodian fees and the annual management fees of Ci which include investment management fees.
54. NAV prices will be published on the Ci website daily and in at least one national newspaper.

### **Valuation dates and times**

55. All Funds are priced daily at 17h00 on every business day. Because pricing takes place at the close of each business day, the price is only available the following business day.

### **Repurchase of investments**

56. Unless Ci has exercised its right to ring-fence the relevant Fund, it will process repurchase instructions received before 14h00 on any business day at the earliest opportunity, but within two business days of receipt of a correctly completed Ci repurchase form. The proceeds of the repurchase may only be paid once assets have been liquidated in the Fund and converted into cash.
57. In certain cases, there will be a delay in payment to the Investor. Electronic fund transfers of lump sum investments take 10 business days to clear, cheque deposits take 14 business days to clear and once-off collections and debit order investments take 30 business days to clear. No investment may be repurchased before the relevant bank has cleared these investment amounts. Furthermore, no regular withdrawals or financial advisory fees will be paid during these periods (although the financial advisory fees will still accrue during these periods).
58. When an investment amount is deposited into the relevant Fund deposit account(s), it is used to buy units in the relevant Fund(s). If the Investor wishes to either re-allocate the investment amount, or have it returned after units have already been bought, the Investor will receive the market value of the relevant units. The market value may be greater or less than the amount deposited.
59. Any repurchase transaction that shall cause the account balance to drop below R2000, and where there are no recurring transactions on the account, may result in a full redemption.
60. A repurchase instruction may cause a capital gain on your investment and you may, therefore, be taxed on the capital gain (CGT).

### **Borrowing and scrip lending**

61. Ci may borrow up to 10% of the market value of any Fund to provide liquidity, i.e. make sure that there is enough cash available for transactions relating to the Fund, such as repurchase instructions.
62. Ci may enter into scrip lending transactions (i.e. lend out the paper of the underlying assets in the Fund to generate more income for the Fund) subject to the provisions of the Deed and the Act.

## Fund closures

63. Ci may close any Fund to new business to ensure that the Fund is managed in accordance with their mandates.

## On the death of an Investor

64. In the event of the death of an Investor, Ci must be notified in writing along with the Investor's personal details, account number and a copy of the death certificate.

65. Ci may rely on external sources to confirm the death of an Investor.

66. The Investor's investment will be transferred to an Estate Late account until the estate has been wound up, or upon further instruction from the executor of the Estate.

67. Ci will only act on instructions received from the executor of the Investor's estate.

## Variations to the Terms and Conditions

68. Ci may change these Terms and Conditions from time to time. The investor acknowledges that by transacting on and maintaining their investment and/or accessing their online account from time to time, the Investor will be bound by the current version of the Terms and Conditions and all previous versions shall be superseded by the current version. We may change these Terms and Conditions to cater for amendments to applicable legislation and/or changes in our business process. Ci will ensure that the updated Terms and Conditions are available on our website [www.cicollective.co.za](http://www.cicollective.co.za) or from Ci Client Services on 0861 000 881 or e-mail [clientservices@cicollective.co.za](mailto:clientservices@cicollective.co.za).

## Tax consequences

69. Ci will not be responsible for any loss or damages arising from changes in tax or other legislation that may have an impact on the investment.

## Tax regulations

70. Tax regulations require Ci to collect additional information about each Investor's or controlling person's tax residency. In certain circumstances Ci may be obliged to report information of the Investor's income to the South African Revenue Service who may, in turn, share such information with the applicable foreign tax authority.

71. Where Ci does not receive sufficient information from an Investor or controlling person to ascertain the Investor's tax residency, Ci may request further information from the Investor in the form of a valid self-certification.

72. Failure to make the necessary declarations or provide sufficient information may result in the following:

- i. Dividends Withholding Tax being levied and withheld at the current rate;
- ii. Dividends Withholding Tax being levied and withheld on Real Estate Investment Trust (REIT) distributions;
- iii. Withholding Tax on Interest being levied and withheld at the current rate;
- iv. The investor becoming reportable to the applicable foreign tax authority due to South Africa's obligations to exchange financial account information between member countries.

73. Any interest earned by foreign investors from the funds may be subject to Withholding Tax on Interest ("WTI"). Unless a foreign investor submits a declaration to Ci to the effect that they are exempt or qualify for a reduced rate of tax, Ci will be obliged to withhold the withholding tax from the interest portion of the income earned by the investor for purposes of WTI.

74. The investor shall be responsible for notifying Ci promptly of any changes to the information provided by the Investor.

75. Ci will under no circumstances be liable for any costs, expenses or damages including, but not limited to, any direct, indirect, special, consequential or incidental damages caused by or arising from any late submission, omission or incorrect or incomplete information provided by the Investor.

## Complaints process

76. If an Investor is not satisfied with the service that they have received from Ci and wish to submit a complaint, they may submit a written complaint to the Ci Compliance Officer at the address below. Ci will acknowledge receipt of the complaint in writing and will inform the Investor of the person dealing with the complaint.

PO Box 412249, Craighall, 2024 Tel: 0861 000 881 Email: [brenda@cicollective.co.za](mailto:brenda@cicollective.co.za)

77. If an Investor is not satisfied with the response received from Ci or if an Investor has a complaint about the advice given by their financial advisor, the investor has the right to address their complaint in writing to the Ombud for Financial Services Providers at the address below. The objective of the FAIS Ombud is to investigate complaints by investors in a procedurally fair, informal, economical and expeditious manner.

PO Box 74571, Lynwood Ridge, 0040 Tel: (012) 470 9080 Fax: (012) 348 3447 Email: [info@faisombud.co.za](mailto:info@faisombud.co.za)

*Collective Investment Schemes in Securities ("CIS") are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Different classes of units apply to the portfolios and are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from Ci. Ci does not provide any guarantee either with respect to the capital or the return of the portfolio. A fund of funds is a portfolio that invests in portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure for the fund of 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. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. International Investments may include additional risks such as potential constraints on liquidity and repatriation of funds, macroeconomic risk, political risk, foreign exchange risk, tax risk, settlement risk as well as potential limitations on the availability of market information. Any portfolio may be closed from time to time in order to manage them more efficiently in accordance with their mandate. Additional information on the portfolios may be obtained, free of charge, directly from Ci. Ci retains full legal responsibility for the third-party named portfolios. Ci is a non-voting Ordinary member of the Association for Savings & Investment SA (ASISA).*

*Company/scheme: Ci Collective Investments (RF) (Pty) Limited, 54 Peter Place, 1st Floor, Blackburn House, Peter Place Park, Bryanston, 2024, South Africa. Tel: 0861 000 881. Email: [clientservices@cicollective.co.za](mailto:clientservices@cicollective.co.za) Website: [www.cicollective.co.za](http://www.cicollective.co.za)*