

(C) CHANGE DEBIT ORDER INSTRUCTIONS (if applicable)

My debit order on this account is to: (Please tick and complete)

remain unchanged for the fund from which I am switching **(for partial switches)**

be cancelled from

D	D	M	M	C	C	Y	Y
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be changed to the fund into which I am switching at per month commencing on

D	D	M	M	C	C	Y	Y
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be switched into a new fund.

REGULAR DEBIT ORDER AUTHORITY

I/We the undersigned, authorise Novare CIS (RF)(Pty) Ltd to draw against my/our bank account the debit order investment amounts in terms of this application I acknowledge that the transaction will take place on the 1st day of each month for the investment at the ruling price on that day. All such withdrawals from my/our account will be treated as though they have been signed by me/us personally, and I/ we request the bank to debit my/our account with these drawings starting.

I/ We warrant that the information contained herein is true and correct, and that I/we have power and authority to enter into and conclude this transaction.

Debit order authorisation signature

D	D	M	M	C	C	Y	Y
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Date

(D) CHANGE REGULAR WITHDRAWAL INSTRUCTIONS (if applicable)

(Please tick and complete)

remain unchanged for the fund from which I am switching **(for partial switches)**

be cancelled from

D	D	M	M	C	C	Y	Y
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be changed to the fund into which I am switching at per month commencing on

D	D	M	M	C	C	Y	Y
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- **For Retail Investor Funds** the first withdrawal payment will only be processed one calendar month after the initial investment amount was received, subject to a minimum regular withdrawal payment of R1 000 per month per fund.
- **For Qualified Investor Funds** the first withdrawal payment will only be processed three calendar months after the initial investment amount was received, subject to a minimum regular withdrawal payment of R100 000 per month per fund.

(E) FINANCIAL ADVISOR DETAIL AND DECLARATION

Contact name:

Financial advisor account number:

FSP license number:

FSP name:

Registration number:

I/We

- declare that I/we am/are a licensed Financial Service Provider(s) and have made the disclosures required in terms of the Collective Investment Schemes Control Act, 2002, and the Financial Advisory and Intermediary Services Act, No. 37 of 2002, and subordinate legislation thereto, to the investor.
- acknowledge and confirm that, in my/our capacity as the primary accountable institution with Novare being the secondary accountable institution, I/we have established and verified the identity of the client in accordance with Section 21 of the Financial Intelligence Centre Act, 2001 ("the Act"), and will keep records of such identification and verification according to the provisions of Section 22 of the Act.
- warrant that I/we have explained all fees that relate to this investment to the investor and I/we understand and accept that the investor may withdraw his/her authority for payment to me/us in writing to the fund.

Signed at: on

D	D	M	M	C	C	Y	Y
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Signature of financial advisor

(F) FINANCIAL ADVICE FEES

(Please select an option)

I acknowledge that I did not receive financial advice from either Novare or a financial advisor; OR

I hereby confirm that the Financial Advisor whose details are completed in the "Financial Advisor Details and Declaration"

Section above, is my appointed Financial Advisor and agree to payment of fees as follows:

Initial advice fee: . % (Negotiable to maximum 3% exclusive of VAT. Applied to each contribution and deducted before investment is made).

Ongoing advice fee: . % per annum of the market value of the investment portfolio, charged by way of unit reduction and paid to the Financial Advisor monthly in arrears (Negotiable to maximum 1% exclusive of VAT. If initial advice fee of greater than 1.5% is selected, then the maximum annual advice fee is 0.5%). This annual advice fee is not part of the normal annual management fee charged by the relevant Fund/s.

This authority may be withdrawn by written notice to Novare.

Authorised signature

Date

(G) DECLARATION BY QUALIFIED INVESTOR

TO BE COMPLETED WHEN INVESTING IN QUALIFIED INVESTOR FUNDS

A Qualified Investor, as defined by Board Notice 52 of 2015 is: any person who invests a minimum investment amount of R1 million per hedge fund and who –

(a) has demonstrable knowledge and experience in financial and business matters which would enable the investor to assess the merits and risks of a hedge fund; or

(b) has appointed a Financial Services Provider (FSP) who has demonstrable knowledge and experience to advise the investor regarding the merits and risks of a hedge fund investment.

Please tick appropriate boxes below:

I confirm that the minimum investment amount will be R1 000 000 or above.

I confirm that I have the required knowledge and experience in financial and business matters to choose this investment. I further confirm that I have read and understood the nature of a Qualified Investor Hedge Fund, including risk warnings.

OR

I hereby confirm that my knowledge is limited and that my financial advisor has been appointed to provide me with the necessary advice to take this investment. My financial advisor has been appointed to provide me with the necessary advice to take this investment. My financial advisor has explained this investment to me and I confirm that I understand the nature of a Qualified Investor Hedge Fund, including risk warnings.

Authorised signature

Date

(H) DECLARATION BY INVESTOR

I/We understand to be bound by the provisions of this application form and all documents referenced in this application form.

I/We understand and/or confirm that:

The information contained herein is correct, and that if this application form is signed in a representative capacity, I/we have the necessary authority to do so and that this transaction is within my/our powers.

I/We am/are acting for my/our own account and that I/we have made my/our decisions to enter into the investment and as to whether the investment is appropriate for me/us independently based upon my/our own judgement, and upon advice from such advisors as I/we may deem necessary. I/We declare that I am/we are not relying on any communication from Novare, whether written, oral or implied as investment advice or as a recommendation to enter into the investment. I/We understand that information and explanations relating to the terms of an investment shall not be considered investment advice or a recommendation to enter into the investment.

Novare will only be able to process investments on receipts of funds into the appropriate bank account, proof of deposit, and all relevant supporting documentation.

I/We have reviewed and understood the portfolio's Minimum Disclosure Document and Fee Schedule.

I/We have read, understood and agree to the the Novare Hedge Fund General Information and Conditions.

I/We declare, under any applicable penalties of perjury, that the information provided in this form and in any document accompanying this form is, to the best of my knowledge and belief, accurate and complete.

I/We undertake to advise Novare and provide an updated Self-Certification Form promptly (and in any event within 30 days) where any change in circumstances occurs which causes any of the information contained in this form to be incorrect or incomplete.

I/We consent to the sharing of this information with other members of the Novare Group for the purposes of any applicable EOI Rules, anti-money laundering or other reasonable information processing purposes, except where this is restricted by law.

I/We consent to my/our personal information being collected, used, shared or disclosed by Novare in the manner set out in the Novare Hedge Fund General Information and Conditions.

Where Novare reasonably believes it is obliged to do so, I/we understand that the recipient will disclose this information to the relevant tax authorities.

Novare will not be responsible for any failure, malfunction or delay of any networks, electronic or mechanical device or any other form of communication used in the submission, acceptance and processing of applications and/or transactions. Novare will not be liable to make good or compensate any investor or third party for any damages, losses, claims or expenses resulting there from.

I/We understand the Novare Fee Schedule which details the CIS in Hedge Funds and fee information and agree to the General Information and Conditions. (This document can be requested from the Client Service Centre on **0800 668 273 (0800 novare)**).

Novare accepts that the information herein provided by the investor is true and correct, and accepts no liability for any false and/or inaccurate information provided.

Name(s):

Nature of Authority/Capacity:

Authorised signature

Date

(I) HEDGE FUND RISK DISCLOSURE

PART A: PRESCRIBED HEDGE FUND FSP RISK DISCLOSURES

In terms of Board Notice 571 of 2008 published by the Registrar of Financial Services Providers on 14 July 2008, all hedge fund managers are required to disclose the risks and characteristics of hedge funds to their clients in the prescribed form set out in this Part A.

1. THE HEDGE FUND FSP RISK DISCLOSURES

The risks and characteristics contained in this Part A represent some of the more general risks and characteristics prevalent in hedge fund portfolios. The list below should not be seen as exhaustive. As more risks and characteristics are identified that were not initially mentioned in this Part A, then such risks and characteristics will, as they become more prevalent, be included herein.

Investment strategies may be inherently risky

Hedge fund strategies may include leverage, short-selling and short term investments. In addition, hedge fund portfolios often invest in unlisted instruments, low-grade debt, foreign currency and other exotic instruments. All of these expose investors to additional risk. However, not all hedge fund managers employ any or all of these strategies and it is recommended that investors consult their advisers in order to determine which strategies are being employed by the relevant manager and which consequent risks arise.

Leverage usually means higher volatility

Hedge fund managers may use leverage. This means that the hedge fund manager borrows additional funds, or trades on margin, in order to amplify his investment decisions. This means that the volatility of the hedge fund portfolio can be many times that of the underlying investments. The degree to which leverage may be employed in any given hedge fund portfolio will be limited by the mandate the client has with the manager. The limits laid down by the mandate should be carefully reviewed in making an investment decision.

Short-selling can lead to significant losses

Hedge fund managers may borrow securities in order to sell them short, in the hope that the price of the underlying instrument will fall. Where the price of the underlying instrument rises, the client can be exposed to significant losses, given that the manager is forced to buy securities (to deliver to the purchaser under the

(L) HEDGE FUND RISK DISCLOSURE (continued)

Unlisted instruments might be valued incorrectly

Hedge fund managers may invest in unlisted instruments where a market value is not determined by willing buyers and sellers. The hedge fund manager may have to estimate the value of such instruments, and these estimates may be inaccurate, leading to an incorrect impression of the fund's value. Investors should ensure that objective valuations are performed for all instruments in a portfolio and that the manager utilises the services of a competent administrator.

Fixed income instruments may be low-grade

Hedge fund managers may invest in low-grade bonds and other fixed interest investments. These investments are more likely to suffer from defaults on interest or capital. They are also more likely to have volatile valuations when the market changes its view on credit risk. The mandate should also limit the extent (i.e. lowest acceptable rating and maximum percentage exposure) to which low grade debt can be acquired by the client. Investors should review the mandate to gain an appreciation of the maximum possible exposure applicable to the relevant mandate.

Exchange rates could turn against the fund

A hedge fund manager might invest in currencies other than the base currency. For example, a South African hedge fund manager might invest in UK or US shares. The portfolio is therefore exposed to the risk of the rand strengthening or the foreign currency weakening.

Other complex investments might be misunderstood

In addition to the above, hedge fund managers might invest in complex instruments such as but not limited to futures, forwards, swaps, options and contracts for difference. Many of these will be derivatives, which could increase volatility. Many will be "over-the-counter", which could increase counterparty risk. Many exotic instruments may also be challenging for the manager to administer and account for properly. Investors should enquire into how these instruments are objectively and independently valued.

The client may be caught in a liquidity squeeze

Given their often short term nature, hedge fund managers need to be able to disinvest from or close certain positions quickly and efficiently. But market liquidity is not always stable, and if liquidity were to decrease suddenly, the hedge fund manager might be unable to disinvest from or close such positions rapidly or at a good price, which may lead to losses.

The prime broker or custodian may default

Hedge fund managers often have special relationships with so-called "prime" brokers. These are stock-brokers that provide the required leveraging and shorting facilities. Prime brokers usually require collateral for these facilities, which collateral is typically provided using assets of the relevant client, and consequently such collateral might be at risk if the prime broker were to default in some way. A similar situation could occur with the custodian of the client's funds.

Regulations could change

Legal, tax and regulatory changes could occur during the term of the investor's investment in a hedge fund portfolio that may adversely affect it. The effect of any future legal, tax and regulatory change or any future court decision on a hedge fund portfolio could be substantial and adverse.

Past performance might be theoretical

Hedge fund portfolios are on occasion marketed using theoretical or paper track records. Past performance is seldom a reliable indicator of future performance. Theoretical past performance is often an even less reliable indicator, and investors should place a lower significance on these.

The manager may be conflicted

The hedge fund manager might be managing other hedge fund portfolios or other traditional investment funds. The investor should ensure that sufficient controls are in place to manage any conflicts of interest between the different funds.

2. THE OTHER DIFFERENCES IN HEDGE FUND PORTFOLIOS

Hedge fund structures are often complex

As mentioned above, hedge funds structures are not fully regulated and they are often housed in legal structures not originally meant for pooled hedge funds, for example partnerships and companies. Given the many risks listed above, investors need to ensure that any structure is robust enough to contain any unlimited losses.

Manager accountability may be vague

Hedge fund portfolios are often managed by specific individuals and investors should ensure that sufficient controls are in place for the times when the manager is being covered for by colleagues. In addition, a hedge fund structure (for example, a fund of funds) and its managers or advisors may rely on the trading and/or investing expertise and experience of third-party managers or advisors, the identity of which may not be disclosed to investors. This constitutes an additional risk for investors, which they must take into account.

Fees might be high

Hedge fund structures' fees may be significantly higher than the fees charged on traditional investment hedge funds. Investments should be made only where the potential returns justify the higher fees.

Fees might be performance-based

Hedge fund manager's fees are usually performance-based. This means that the managers typically get a higher fee when their portfolios outperform specified performance targets, which might lead to riskier positions being taken. Investors need to ensure that performance fees allow for a fair sharing of both the good and the bad.

Transaction costs might be high

Given the often short term nature of investment positions, hedge fund portfolios are often traded more aggressively. This implies more stock-broking commission and charges being paid from the portfolio, which is ultimately for the client's account. Again, investments should be made only where the potential returns make up for the costs.

Transparency might be low

A hedge fund manager's performance is often the result of unique proprietary strategies or contrarian investment positions. For obvious reasons, managers will want to keep these confidential. Managers are therefore less likely to disclose trades to their investors, and holdings might be disclosed only in part or with a significant delay.

Dealing and reporting might be infrequent

A hedge fund manager's performance can often be disturbed by irregular cash flows into or out of the hedge fund structure. For this reason, hedge fund managers often limit the frequency of investments and withdrawals. Similarly, the manager may choose to report infrequently on performance and other statistics. Investors should ascertain, prior to investing, the nature and frequency of reporting.

Withdrawals might not be easy

As mentioned above, the frequency of withdrawals might be limited to monthly or quarterly dates. In addition, the manager may impose notice periods or lock-ins in order to ensure that he has the necessary time for his investment positions to deliver their desired results.

(J) INVESTOR SIGNATURE

I hereby acknowledge that this same terms and conditions that are applicable to my original investment apply to this investment.

Authorised signature

D	D	M	M	C	C	Y	Y
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Date

Novare CIS (RF) (Pty) Ltd

3rd Floor, The Cliffs Office Block 1, Niagara Way,
Tyger Falls, Carl Cronje Drive, Bellville, 7530
PO Box 4742, Tygervalley, 7536
Tel: 0800 668 273 (0800 novare) Fax: 0860 668 273 (0860 novare)
Website: www.novarecis.co.za E-mail: clientservice@novare.com

Novare CIS (RF) (Pty) Limited is a registered Manager in terms of the Collective Investment Schemes Control Act (Act 45 of 2002)

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