

#### HOW TO INVEST WITH FOORD

- Complete the relevant sections in full using BLOCK LETTERS. If you require any assistance in completing this form, please call us on 021 531 5085.
- Deposit your lump sum investment directly into the bank account set out below. Investors who wish to invest via a once-off direct debit or monthly debit order must complete section D.

ACCOUNT NAME	ACCOUNT NUMBER	BANK NAME	BRANCH NAME	BRANCH CODE
FOORD UNIT TRUSTS LTD	6204 4711 366	FIRST NATIONAL BANK	CAPE TOWN CORPORATE	20-41-09

- Please fax (021 531 5086) or email (unittrusts@foord.co.za) pages 1 to 3 of the Investment Application Form, together with the required supporting documentation in section H, proof of the deposit and a cancelled cheque or recent bank statement to Foord Unit Trusts Limited. These documents should then be mailed to Foord Unit Trusts Limited at PO Box 135, Howard Place, 7450.
- Business cut-off time for receiving all instructions is 14h00.

#### A. INVESTOR DETAILS

Title \_\_\_\_\_ First Name/s \_\_\_\_\_ Surname \_\_\_\_\_

Date of Birth \_\_\_\_\_ Identity No. \_\_\_\_\_

Passport No. (if foreigner) \_\_\_\_\_ Nationality \_\_\_\_\_

Income Tax No. \_\_\_\_\_ Male  Female

Residential Address \_\_\_\_\_

Postal code \_\_\_\_\_

Postal Address \_\_\_\_\_

Postal code \_\_\_\_\_

Tel Home ( ) \_\_\_\_\_ Tel Work ( ) \_\_\_\_\_

Fax ( ) \_\_\_\_\_ Cell \_\_\_\_\_

Email \_\_\_\_\_

Preferred method of communication:  postal (quarterly)  email  weekly  monthly  quarterly  six monthly  annually

#### B. INVESTMENT DETAILS

Subject to the conditions of the relevant Trust Deeds, I hereby apply to purchase units in the following funds, at the ruling fund prices:

FUND	MINIMUMS		LUMP SUM	MONTHLY	ANNUAL DEBIT ORDER INCREASE* (% or Rand value)	DISTRIBUTIONS** ( X to action)	
	Lump sums	Monthly				Pay out	Reinvest
Foord Flexible	R 20 000	R 1 000	R	R			
Foord Balanced	R 20 000	R 1 000	R	R			
Foord Equity	R 20 000	R 1 000	R	R			
Foord International	R 20 000	R 1 000	R	R			
TOTAL			R	R			

\* This facility allows you to automatically increase your investment amount by a set percentage or rand amount on each anniversary date.

\*\* Should you elect to have your February and August distributions paid out, they will be paid into the bank account specified in section D. All distributions below R1 000 will automatically be re-invested.

PAYMENT METHOD  Electronic Transfer  Cheque Deposit  Monthly Debit Order  Once-Off Direct Debit

MONTHLY DEBIT ORDER (fund minimums apply) Debit order date \_\_\_\_\_ Commencing month \_\_\_\_\_  
Please allow at least 3 days notice

SOURCE OF INVESTMENT FUNDS Savings / inheritance / bonus / other (please specify): \_\_\_\_\_

**C. TAX STATUS**

Are you exempt from having dividend tax withheld on distributions?  Yes  No

If yes, please complete the additional form "Dividends tax: Declaration and Undertaking for exemption."

**D. BANK ACCOUNT DETAILS**

MONTHLY DEBIT ORDERS / ONCE-OFF DIRECT DEBIT

We will use these bank details to make all future bank deductions. Persons acting on behalf of the investor must complete section D of the form.

Surname of the account holder \_\_\_\_\_ Initials \_\_\_\_\_

Bank \_\_\_\_\_ Branch \_\_\_\_\_

Branch code \_\_\_\_\_ Account No. \_\_\_\_\_

Account type:  Current  Transmission  Savings

Signature \_\_\_\_\_ (only if third party bank account holder is authorising the payment)

- NOTES:
- If the bank account holder is a third party individual, we require a copy of that person's Identity Document and specimen signature.
  - If the bank account holder is a third party legal entity, we require a copy of the resolution of signatories, Identity Documents and specimen signatures of all authorised representatives.

PAYOUT (If different from above)

We will use these bank details to make all future payments to you.

Proceeds resulting from the sale of units will only be paid into the unitholder's bank account, unless the unit holder is a minor.

Surname of the account holder \_\_\_\_\_ Initials \_\_\_\_\_

Bank \_\_\_\_\_ Branch \_\_\_\_\_

Branch code \_\_\_\_\_ Account No. \_\_\_\_\_

Account type:  Current  Transmission  Savings

- NOTES:
- The account holder must have a South African bank account.
  - Bank account confirmation must also be provided (For example: cancelled cheque or recent bank statement)
  - Three business day's written notice is required to change or cancel debit order instructions.
  - The onus is on the investor to inform Foord of any changes to the bank account details.
  - No payments will be made into third party bank accounts.

**E. DETAILS OF JOINT NAME REGISTRATION, OR A PERSON ACTING ON BEHALF OF AN INVESTOR**

(Including minor's parents/guardians)

Joint name registration OR  Person acting on behalf of an investor\*  
\*Legal guardian(s) or person(s) with power of attorney or mandate to act on behalf of an investor.

- NOTES:
- For joint name registrations, please indicate whether Foord may accept either one or all signatures for transactions (including redemptions) on the investment account. In the absence of such indication, Foord will require the authorisation of both parties.

For all transactions:

All investors to sign OR  Any investor to sign

Title \_\_\_\_\_ First Name/s \_\_\_\_\_ Surname \_\_\_\_\_

Date of Birth \_\_\_\_\_ Identity No. \_\_\_\_\_

Passport No. (if foreigner) \_\_\_\_\_ Nationality \_\_\_\_\_

Income Tax No. \_\_\_\_\_ Relationship \_\_\_\_\_

Residential Address \_\_\_\_\_

Postal code \_\_\_\_\_

Postal Address \_\_\_\_\_

Postal code \_\_\_\_\_

Tel Home ( ) \_\_\_\_\_ Tel Work ( ) \_\_\_\_\_

Fax ( ) \_\_\_\_\_ Cell \_\_\_\_\_

Email \_\_\_\_\_

## F. FINANCIAL SERVICES PROVIDER (FSP) DETAILS AND DECLARATION

This section should only be completed by Financial Services Providers (FSPs) registered with Foord when advice relating to this investment has been supplied to the client.

FSP name (natural person) \_\_\_\_\_

FSP institution name \_\_\_\_\_ Foord Code \_\_\_\_\_

VAT vendor status:  Registered  Not Registered

I declare that:

- I have made the disclosure required in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 (FAIS) and subordinate legislation thereto, to the investor/s.
- I have fully explained the meaning and implications of replacement (if applicable) to the investor/s and that I am fully aware of the possible detrimental consequences of replacement.
- I have established and verified the identity of the investor/s (and persons acting on behalf of the investor) in accordance with the Financial Intelligence Centre Act 38 of 2001 (FICA) and the regulations thereto, and I will keep records of such identification and verification according to the provisions of FICA.
- I have explained all fees that relate to this investment to the investor/s and I understand and accept that the investor/s may withdraw his / her authority for payment to me in writing to Foord.

Signed at \_\_\_\_\_ Date \_\_\_\_\_

Signature of the Financial Services Provider \_\_\_\_\_

## G. INVESTOR DECLARATION

All information in this application form, and in all documents that have been or will be signed by me in connection with this investment, whether in my handwriting or not, are accurate and complete and form the basis of this agreement.

I warrant that I have full power and authority to enter into and conclude this contract, with the necessary assistance where such assistance is a legal requirement.

I have read and fully understood all the pages of this application form and agree to the terms and conditions of this investment. I am aware of the charges and fees, the total expense ratio, investment objectives, risk factors and income distributions applicable to my investment as set out in this form and in other documentation provided to me. I know that there are no guarantees on my investment capital and that this product offers no cooling-off rights.

I authorise Foord to:

- accept instructions by facsimile and hereby waive any claim that I may have against Foord and indemnify Foord against any loss incurred as a result of Foord receiving and/or acting upon such facsimile;
- debit the specified bank account with the monthly amount / lump sum specified, if applicable.

Name \_\_\_\_\_ Date \_\_\_\_\_

Signature \_\_\_\_\_

## H. FINANCIAL INTELLIGENCE CENTRE ACT (FICA)

In terms of the Financial Intelligence Centre Act 38 of 2001, and the regulations thereto, Foord Unit Trusts Limited is compelled to identify and verify the identity of its clients.

Foord will only place investments once all the supporting documentation has been received. The persons listed below must attach to their Investment Application Form copies of the following required documentation:

1. South African Citizens and Residents
  - 1.1 ID document containing a photo, full names, date of birth and ID number (a passport containing the above information will only be accepted with written substantiation), or a valid driver's license.
  - 1.2 A document less than 3 months old containing residential address eg. a utility bill, bank statement, rates account or tax invoice.
2. Foreign Nationals
  - 2.1 A passport containing a photo, full names, date of birth and ID number.
3. Legal Incapacity or Third Party Representing another Individual
  - 3.1 ID document/passport as set out in 1.1 and 2.1 above in respect of both parties.
  - 3.2 A document less than 3 months old containing a residential address as set out in 1.2 above in respect of the representative individual.
  - 3.3 Proof of authority to act e.g. power of attorney, mandate, resolution or court order.
4. Any Other (Please contact Foord for the list)

## I. TERMS AND CONDITIONS

1. This application, together with the Main Deed and the relevant Supplemental Deeds, will govern the legal relationship between the investor and Foord Unit Trusts Limited ("Foord"). It is Foord's sole discretion to accept or reject the investor's application form.
2. Collective Investment Schemes in Securities (unit trusts) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from Foord. Commission and incentives may be paid and if so, are not borne by the investor. All of the unit trusts may be capped at any time in order for them to be managed in accordance with their mandates. A feeder fund is a portfolio that, apart from assets in liquid form, consists solely of units in a single portfolio of a collective investment scheme. A fund of funds invests only in other Collective Investment Schemes, which may levy their own charges, which could result in a higher fee structure for these portfolios. Forward pricing is used.
3. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. The investor furthermore agrees that Foord will not be liable for the consequences of market influences and consequent changes in unit prices.
4. Unit trust prices are calculated on a net asset value basis. This is the total value of all assets in the portfolio including any income accruals less any permissible deductions from the portfolio. Permissible deductions from the total portfolio include bank charges, trustee / custodian fees, audit fees, manager's annual fees, securities transfer tax and brokerage.
5. Units are traded at ruling prices and will be repurchased by Foord in accordance with the requirements of the Collective Investment Schemes Control Act and on terms and conditions set forth in the relevant Deed. The portfolios are valued daily at 15h00. The business cut-off time for receiving an instruction is 14h00. Should an instruction be received after 14h00, it will only be processed on the following business day, at the price determined on that day (excluding weekends and public holidays).
6. Investments will only be processed on receipt of monies, proof of deposit and all required documentation. No interest shall accrue to monies awaiting allocation.
7. Foord reserves the right to request documentary proof of source of funds.
8. Any units purchased as a result of a cheque deposit or debit order cannot be repurchased, switched or transferred within 14 days of each investment date.
9. Statements and reports are sent to all investors on a quarterly basis. Advice notes are sent on a transaction basis (excluding debit orders).
10. All redemptions must be requested on the prescribed form and will be executed following receipt and acceptance of such written instruction and subject to Foord's requirements having been met. Please note that in the case of redemptions, settlement may take up to 48 hours.
11. Investors wishing to redeem units amounting to more than 5% of the total market value of the relevant unit trust fund portfolio must provide Foord with at least 7 business days' written notice of such redemption. If this notice is not received by Foord, Foord may treat such withdrawal as only having taken place on the 7<sup>th</sup> business day after such instruction is received. However, where the amount to be redeemed exceeds 10% of the total market value of the portfolio, the parties shall determine the actual date of withdrawal through mutual agreement between them.
12. Foord may borrow up to 10% of the market value of a portfolio where insufficient liquidity exists in such portfolio to fund redemptions.
13. Security cessions in respect of investments will only be recorded based on a number of units, and not in respect of any Rand amount.
14. Foord will not be responsible for any loss, consequential or otherwise, arising from changes in tax or legislation that may have an impact on the performance of the investments.
15. Foord reserves the right to terminate this contract by giving 5 days notice to the investor. Units shall be repurchased on the 5th day after notification of termination at the ruling price on that day. Any proceeds from the termination shall be paid into the investor's bank account given in the application form.
16. No indulgence granted by Foord shall effect or prejudice the rights of Foord, nor shall it be regarded as a waiver of Foord's rights.
17. Foord holds both professional indemnity and fidelity insurance cover.  
  
Only applicable if appointing a Financial Advisor
18. Foord will only accept applications submitted on behalf of investors from FSP's who have been granted a license by the Financial Services Board. Foord will verify the existence of such FSP license but it is the responsibility of the FSP to ensure he /she acts within the license conditions.
19. Foord cannot be held responsible or liable for loss or damage suffered by the investor as a result of the FSP acting outside his / her license parameters or because of delays in the processing or rejection of this application form, caused by the fact that the investor's Financial Advisor is not authorised as a Financial Services Provider or is not approved by Foord.
20. The Financial Advisor is responsible for ensuring that the investor receives and understands all appropriate advice, product and fee information including changes in the working practices and procedures of Foord.

## J. COMPLIANCE AND COMPLAINTS

### Compliance

Please do not hesitate to contact us if you not satisfied with the service received from Foord. A complaint must be submitted to the Compliance Officer at the contact address set out below. Foord will acknowledge the complaint in writing and will inform the investor of the contact details of the persons involved in the resolution thereof.

PO Box 135, Howard Place, Pinelands, 7450 | Tel: 021 531 5085 | Fax: 021 531 5086 | Email: [unittrusts@foord.co.za](mailto:unittrusts@foord.co.za)

### Complaints

If an investor is not satisfied with the response from Foord Unit Trusts or if an investor has a complaint about the advice given by the Financial Advisor, he/she has the right to address his/her complaint in writing to the Ombud for Financial Services Providers at the address below.

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

	<b>FOORD FLEXIBLE FUND OF FUNDS</b>	<b>FOORD BALANCED FUND</b>	<b>FOORD EQUITY FUND</b>	<b>FOORD INTERNATIONAL FEEDER FUND</b>
Initial, exit and switching fees	0.0%	0.0%	0.0%	0.0%
Minimum fee	0.57% (0.5% plus VAT)	0.57% (0.5% plus VAT)	0.57% (0.5% plus VAT)	0.40% (0.35% plus VAT). A 1.35% fee is levied in the Foord International Trust.
Maximum fee	Uncapped	Uncapped	Uncapped	0.40% (0.35% plus VAT) A 1.35% fee is levied in the Foord International Trust.
Fee at benchmark	1.14% (1.0% plus VAT)	1.14% (1.0% plus VAT)	1.14% (1.0% plus VAT)	Not applicable.
Performance fee sharing rate	10%	10%	15%	Not applicable.
Benchmark	CPIX plus 5% per annum	Market value weighted average total return of the Domestic - Asset Allocation - Prudential Variable Equity unit trust sector, excl Foord Balanced Fund.	Total return of the FTSE/JSE All Share Index.	The ZAR equivalent of the MSCI World Equities Index.
Total Expense Ratio (TER)	The total expense ratio of a portfolio, which is set out in the latest Fund Fact Sheet, is a measure of the portfolio's annual operating costs expressed as a percentage of the daily average value of the portfolio. A higher TER does not necessarily imply a good return. The current TER is not an indication of future TERs.			
Mandate Restrictions	None - the fund is unconstrained	Maximum equity exposure of 75%. Maximum offshore exposure of 25%. Complies with pension fund investment regulations.	Minimum equity exposure of 75%.	Invests in the Foord International Trust.
Income Distributions	End-February and end-August each year	End-February and end-August each year	End-February and end-August each year	End-February and end-August each year, although distribution is unlikely (see Below)
Income Characteristics	Low to medium income yield depending on the asset allocation. The income yield is affected by the level of performance fees accrued.	Typically double that of the FTSE/JSE All Share Index dividend yield. The income yield is affected by the level of performance fees accrued.	Low income yield, typically similar to FTSE/JSE All Share Index dividend yield. The income yield is affected by the level of performance fees accrued.	Marginal to zero income yield as the Foord International Trust is a roll up fund and does not distribute its income.
Portfolio Orientation	Exploiting the benefits of global diversification, the portfolio continually reflects Foord's prevailing best investment view on all available asset classes in South Africa and around the world.	Typically a medium to high weighting in JSE shares, and includes exposure to bonds and money market instruments, listed property and foreign assets.	Fully invested equity portfolio of JSE shares that present compelling long-term investment value.	Fully invested in the Foord International Trust allowing South African investors to diversify investment risk and hedge against ZAR depreciation.
Risk of Loss	High in periods less than 6 months. Low in periods greater than 1 year.	High in periods shorter than 6 months. Low in periods greater than 1 year.	High in periods less than 1 year. Low in periods greater than 3 years.	Low in periods greater than 1 year. The rand dollar exchange rate adds volatility over the short-term.
Return Objective	To achieve a 5% real return over rolling 3 year periods.	To exceed the return of the Benchmark, over rolling 3 year periods.	To exceed the return of the Benchmark, over rolling 3 year periods.	To outperform the return of the MSCI world Equities Index in rand terms.
Suitable Investors	Investors with a moderate risk profile who require long-term inflation beating total returns, but who do not require a high income yield. It is appropriate for investors seeking a balanced exposure to domestic and foreign assets, according to Foord's best investment view.	Pension funds, pension fund members, holders of contractual savings products, medium-term investors and those investors who require the asset allocation decision to be made for them, within prudential investment guidelines.	Those requiring long-term capital growth and who are able to withstand investment volatility in the short- to medium-term.	Those seeking diversification into a conservatively managed offshore portfolio and those who seek a hedge against ZAR depreciation.
Fund Manager/s	Dave Foord	Dave Foord, Dane Schrauwen & William Fraser	Dave Foord, Dane Schrauwen & Nicholas Balkin	Dave Foord