

# Tax Free Savings Account Application Form

## 1. BEFORE YOU INVEST

Tax-free savings can be made into bank accounts, unit trusts, stockbroker accounts, retail savings bonds and life policies. Prescient offers tax-free savings into unit trusts.

### IS A TAX FREE SAVINGS ACCOUNT THE RIGHT PRODUCT FOR YOU?

The South African National Treasury has approved the implementation of a tax-free savings account (TFSA) as an incentive to encourage individuals to save. The aim is to increase saving over and above retirement based-savings through a more accessible, tax-free product. From 1 March 2015, individual investors can invest up to R33 000 a year in tax-free savings accounts. While the capital investment will be capped at R500 000 over the investor's lifetime, all proceeds earned (interest, dividends and capital growth) will be 100% tax free.

### WHAT ABOUT TAX?

All proceeds earned on investments within the allowed contribution limits, interest, dividends and capital growth will be tax free. If your contributions are more than the prescribed limit per tax year and lifetime limit, you will be liable to pay a penalty of 40% on any contribution that is over the limit. The penalty described above will be levied by SARS on assessment for the relevant tax year and will be payable by you.

### IMPORTANT PRODUCT INFORMATION

1. This is a Tax Free Savings Account managed in accordance with the Regulations in terms of Section 12T(8) of the Income Tax Act.
2. An individual can contribute a maximum of R33 000 during any tax year of assessment and a total of R500 000 (both in aggregate) over his/her lifetime.
3. Any contributions in excess of these limits will incur income tax at 40%.

Reliable analysis is built on decades of experience and in-depth learning.

## My options

### WHAT ARE MY OPTIONS?

- You can access a TFSA via Prescient Unit Trusts which offers a range of unit trusts managed by Prescient Investment Management.

## Completing the form

### COMPLETE THE FORM AND AGREE TO THE T&C'S

1. Please read the attached [Terms and Conditions](#), the Investment Option Brochure and the Minimum Disclosure Document (MDD).
2. Complete all relevant sections, and send it together with the required documents to Prescient by fax: +27 21 700 7333 or email [pmancoadmin@prescient.co.za](mailto:pmancoadmin@prescient.co.za)
3. Cut-off times for receiving instructions are 13:00, except for the Prescient Money Market Fund and Prescient Optimised Income Fund where the cut off time is 11:00.

### SUPPORTING DOCUMENTS

The following must be submitted with this application:

- FICA Documentation – details on page 13
- Proof of Deposit
- Proof of Banking Details
- Completed Compulsory Tax Annexure

# Tax Free Savings Account Application Form

## 2. PERSONAL DETAILS

Title \_\_\_\_\_ Surname \_\_\_\_\_

First name(s) \_\_\_\_\_ Male  Female

Date of birth \_\_\_\_\_ Nationality \_\_\_\_\_

Marital Status \_\_\_\_\_ Single  Ante Nuptial contract  In Community of Property

Occupation \_\_\_\_\_

ID or Passport Number (if Foreign National) \_\_\_\_\_

Income Tax number \_\_\_\_\_ Country of residence for tax purposes \_\_\_\_\_

Do you have a USA income tax number/tax residency/nationality? Yes  No

### Street Address

c/o \_\_\_\_\_

Unit \_\_\_\_\_

Complex \_\_\_\_\_

Street Number \_\_\_\_\_

Street \_\_\_\_\_

Suburb \_\_\_\_\_

City \_\_\_\_\_

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

Country \_\_\_\_\_

Telephone (H) \_\_\_\_\_

Telephone (W) \_\_\_\_\_

Email Address \_\_\_\_\_

### Postal Address

Same as Street Address Yes  No

c/o \_\_\_\_\_

Line 1 \_\_\_\_\_

Line 2 \_\_\_\_\_

Line 3 \_\_\_\_\_

Line 4 \_\_\_\_\_

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

Country \_\_\_\_\_

Fax \_\_\_\_\_

Cell \_\_\_\_\_

Specify your preferred method of receiving correspondence \* Email  Postal Address  Copy to Financial Advisor

\* If no selection is made, correspondence will be sent to the email address provided. If no email address is provided, correspondence will be sent to your postal address.

### 3. ACTING ON BEHALF OF INVESTOR \*

\* This is for Guardians/persons with Powers of Attorney, proof of authority and supporting verifying documentation required.

Title \_\_\_\_\_ Surname \_\_\_\_\_

First name(s) \_\_\_\_\_ Male  Female

Date of birth \_\_\_\_\_ Nationality \_\_\_\_\_

ID or Passport Number (if Foreign National) \_\_\_\_\_

Income Tax number \_\_\_\_\_

**Street Address**

c/o \_\_\_\_\_

Unit \_\_\_\_\_

Complex \_\_\_\_\_

Street Number \_\_\_\_\_

Street \_\_\_\_\_

Suburb \_\_\_\_\_

City \_\_\_\_\_

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

Country \_\_\_\_\_

Telephone (H) \_\_\_\_\_

Telephone (W) \_\_\_\_\_

Email Address \_\_\_\_\_

**Postal Address**

Same as Street Address Yes  No

c/o \_\_\_\_\_

Line 1 \_\_\_\_\_

Line 2 \_\_\_\_\_

Line 3 \_\_\_\_\_

Line 4 \_\_\_\_\_

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

Country \_\_\_\_\_

Fax \_\_\_\_\_

Cell \_\_\_\_\_

Capacity \_\_\_\_\_

#### 4. INVESTMENT OPTION DETAILS

Please complete the table below once you have made your selection from the latest Investment Option Brochure.

Minimum investment of R500 per month OR maximum of R 33 000 as lump sum.

- I hereby apply to purchase units in the selected portfolios subject to the conditions of the relevant Deed at the ruling fund prices.
- Prescient does not charge an initial fee.
- The **annual management fee** is the fee charged by Prescient for managing and administering the fund.
- Fees exclude VAT.

Unit Trust Portfolio	Annual Management Fee (%)	Investment Amount (R)	Debit Order (R)	Re-invest distributions?	
				'Yes'	'No'
Prescient Income Provider Fund – A2	0.50%	R	R		
Prescient Positive Return QuantPlus® Fund – A2	0.75%	R	R		
Prescient Absolute Balanced Fund – A2	0.65%	R	R		
Prescient Absolute Defensive Fund – A2	0.50%	R	R		
Prescient Balanced Fund – A2	0.30%	R	R		
Prescient Equity Fund – A2	0.65%	R	R		
Prescient Property Equity Fund – A2	0.40%	R	R		
Prescient Global Equity Feeder Fund – A2	0.50%	R	R		
Prescient Global Income Provider Feeder Fund – A2	0.50%	R	R		
Prescient China Balanced Feeder Fund – A2	0.50%	R	R		

\* If you selected to have your distributions paid out, they will be paid into the bank account specified. If your distribution is below R1 000 or no selection is made, your distribution will automatically be re-invested.

#### 5. SOURCE OF FUNDS INVESTED

Please specify the source of funds (e.g. salary; investment proceeds; sale of assets; inheritance etc.) Prescient reserves the right to request documentary proof.

#### 6. REGULAR WITHDRAWALS

Please only complete this section if you would like to receive a regular withdrawal from your investment. Your regular payment will be paid on the 25<sup>th</sup> of the relevant month. It is important to note that withdrawals cannot be replaced in a Tax Free Savings Account. All investments will be counted as part of the annual and lifetime contribution limits.

Payment frequency Monthly  Quarterly  Biannually  Annually

Unit Trust Portfolio	Regular Withdrawal Amount
	R
	R
<b>Total</b>	<b>R</b>

## 7. BANKING DETAILS OF INVESTOR

<b>Name of Account Holder</b>	
<b>Bank</b>	
<b>Branch Name</b>	
<b>Branch Code</b>	
<b>Account Number</b>	
<b>Account Type</b>	

Signature of Account Holder \_\_\_\_\_

- A cancelled cheque, bank statement or letter from the bank must be attached as proof of banking details.
- The account holder must have a South African bank account.
- Debit orders and electronic collections will be deducted from this account.
- The onus is on the investor to inform Prescient of any changes to the bank account details.
- No payments will be made into third party bank accounts or credit cards. (i.e. payments will only be made to the bank account in the name of the registered investor).

### BANKING DETAILS FOR DEBIT ORDER DEDUCTION/ELECTRONIC COLLECTION (IF DIFFERENT FROM INVESTOR'S BANK DETAILS):

<b>Name of Account Holder</b>	
<b>Bank</b>	
<b>Branch Name</b>	
<b>Branch Code</b>	
<b>Account Number</b>	
<b>Account Type</b>	

**Please note: Proof of ID required for account holder.**

Signature of Account Holder \_\_\_\_\_

## 8. METHOD OF PAYMENT

### LUMP SUM

Please deposit your lump sum investment directly into the following bank account:

<b>Account Name</b>	Prescient Management Company Ltd - Inflow
<b>Account Number</b>	1452026513
<b>Bank</b>	Nedbank
<b>Branch</b>	Corporate Client Services
<b>Branch Code</b>	198 765
<b>Reference Number</b>	Investor Name and Surname

Amount R \_\_\_\_\_ Date of deposit

Electronic/Internet Transfer  Electronic internet transfers may take up to two business days to appear in the bank account. Units may only be purchased upon receipt of documentation and funds into the account. Please insert investor's name and surname as reference. Please attach proof of transfer.

Cheque Deposit  All cheques need to be endorsed as "Non Transferable" and deposited directly into the unit trust inflow account by the investor. Banks do not accept cheques that exceed an amount of R500 000.00. The investment will only be made when cheques are cleared.  
**I/We agree to pay bank charges and costs incurred for any cash deposits made.**

### DEBIT ORDER/ELECTRONIC COLLECTION

I/We hereby authorise Prescient to deduct the stated amount for the investment from the bank account above. I/we agree to pay bank charges and costs incurred by this electronic collection or debit order. Any debit order amendment must be received in writing by Prescient prior to the 7<sup>th</sup> day of the month in order for it to be acted upon in the following month.

**Please note: A maximum contribution of R2 750 per month is allowed (R33 000 maximum per tax year of assessment), subject to a lifetime limit of R500 000 (both in aggregate).**

Electronic Collection  Funds are deducted from the investor's bank account on the receipt of this application form and all supporting documentation. Electronic collection by Prescient is restricted to a maximum of R1 000 000.00 per debit. Where a higher amount than this is requested, multiple debits will be processed daily.

Regular Debit Order  Funds are deducted from the investor's bank account on the **1<sup>st</sup> working day** of each month or **as soon as possible thereafter**.

Commencement date  Annual Escalation  %

**Please note: Funds invested via electronic collection or debit order may not be redeemed until after 40 days from the date on which such funds were invested into units on your behalf.**

## 9. FINANCIAL ADVISOR DETAILS (IF APPLICABLE)

Complete this section if you have an independent Financial Advisor.

Name of Financial Advisor \_\_\_\_\_

Name of Financial Services Provider (FSP) \_\_\_\_\_ FSP License Number \_\_\_\_\_

Contact Tel No \_\_\_\_\_ Email \_\_\_\_\_

### WHAT FEES MUST BE PAID TO YOUR FINANCIAL ADVISOR FOR THIS INVESTMENT?

I agree to pay the following negotiated fees on this investment and all future investments and associated transactions until otherwise specified:

Initial Fee \_\_\_\_\_ % (You may negotiate an **initial financial advisor fee**, to be paid to your financial advisor before your first contribution is invested. If it is agreed that no initial fee is payable, please insert 0%)

Annual Fee \_\_\_\_\_ % (You may negotiate an **annual financial advisor fee** to be paid to your financial advisor. Units will need to be cancelled to pay your advisor this fee. If no annual fee is payable, please insert 0%)

Signature of Investor \_\_\_\_\_

### AUTHORISATION

You may authorise the Financial Service Provider (FSP) to submit instructions for this investment on your behalf. If the FSP holds a 'Category II' licence with the Financial Services Board (FSB), it is licensed to exercise discretion and submit instructions on your behalf. To do this for all your investments the FSP will need a mandate (instruction) from you. Have you entered into a mandate with this FSP to exercise discretion and submit instructions on your behalf?

Yes  No

The mandate gives the FSP discretion to act on your behalf Full  Limited

**Please note: A copy of the signed mandate must accompany this application form.**

Alternatively, if your financial adviser holds a 'Category I' licence with the FSB, they are not licensed to exercise discretion and submit instructions on your behalf. However, you may authorise them to submit instructions for this investment only on your behalf.

• Do you authorise this financial advisor to submit instructions (excluding withdrawals and regular withdrawals) on your behalf? Yes  No

• Additionally, do you authorise this financial advisor to submit withdrawal instructions and set up and change regular withdrawals on your behalf? Yes  No

In all cases money will be paid into your bank account that Prescient has on record and the bank account can only be changed with your prior written consent. No third-party payments will be allowed.

### INVESTOR DECLARATION FOR CLIENTS WITH A FINANCIAL ADVISOR

- I confirm that the above details are correct.
- I confirm that this financial advisor, as authorised representative of the FSP above is my appointed financial advisor.
- I confirm that my appointed financial advisor and any other third parties with whom I have an agreement to manage this investment (e.g. a discretionary investment manager) will have access to my investment details.
- I understand and confirm that Prescient may redeem units in order to pay the agreed financial advisor fees. I understand that this authority may be withdrawn by me by written instruction to Prescient. I understand and agree that all instructions submitted by myself or my financial advisor will be governed by the relevant and latest Terms and Conditions in force as at the date of instruction submitted.
- I acknowledge and agree that Prescient will not be held liable for acting on any instructions submitted by myself or my financial advisor and I indemnify Prescient from all direct or indirect claims (including claims for consequential damages in this regard).
- I have read and agree to the Authorisation and Declaration.

Signature of Investor \_\_\_\_\_ Date \_\_\_\_\_

## 10. FINANCIAL ADVISOR DETAILS (IF APPLICABLE)

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Section to be completed by Financial Advisor.

I have a Prescient Advisor code \_\_\_\_\_ I am a new Advisor

**New Advisors need to complete a Prescient Advisor Agreement.**

**I, the appointed Financial Advisor for this investment application declare that:**

1. I am licensed to render services in respect of this product.
2. I have made the disclosures required in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 (FAIS) and subordinate legislation thereto, to the investor/s.
3. 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.
4. I am not aware of any activities in which the investor is involved which may lead us to suspect or reasonably suspect that the investor is or may be involved in any unlawful activities or money laundering. Should we subsequently become aware of suspicions of this nature, we shall immediately inform Prescient.
5. 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 and inform Prescient and me.
6. My personal information may be used by Prescient in the normal course of business to provide the products and services and Prescient may retain any information for purposes of investment transactions, processing and administration and to communicate directly with me. Personal information will not be given or sold to any third parties. Prescient will disclose or report personal information if and when required to do so by law or any regulatory authority, and to our employees, or agents who require such information to carry out their duties.

Signature of Financial Advisor \_\_\_\_\_ Date \_\_\_\_\_

## 11. AUTHORISATION AND DECLARATION

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1. I have read and fully understood all the pages of this application form and agree to the Terms and Conditions of this investment into the Unit Trust Option(s) and I understand that this application and any further documents, read with the Deed, constitutes the entire agreement between Prescient and me.
2. I warrant that the information contained herein is true and correct and that where this application is signed in a representative capacity, I have the necessary authority to do so and that this transaction is within my power.
3. 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.
4. I authorise Prescient to deduct any debit orders, electronic collections, any applicable taxes and also to pay all fees. If there are insufficient funds to pay the additional annual advisor fees to the Financial Advisor (FSP) from one portfolio, Prescient will sell units proportionately from the portfolios and pay the amounts to the advisor monthly. Permissible deductions from the portfolio include management fees, performance fees, bank charges, trustee/custodian fees, audit fees, securities transfer tax and brokerage.
5. I acknowledge that the responsibility in ensuring my instruction has been received and actioned by Prescient lie with me.
6. I acknowledge that Prescient will not be liable for any damages or loss of whatsoever nature arising out of Prescient's failure to action my instruction due to any occurrences beyond the control of Prescient, nor will Prescient be liable for any loss incurred due to incorrect information being supplied by my or by me sending completed documentation to the incorrect mailbox.
7. I acknowledge the transaction cut off times set out herein and agree to comply with such cut off times.
8. I acknowledge the inherent risk associated with the selected Unit Trust Option(s) and that there are no guarantees.
9. I understand and agree that no part of the services provided by Prescient constitutes a solicitation, recommendation, guidance or proposal, nor does it constitute financial, tax, legal, investment or other advice. I warrant to Prescient that I am acting for my own account, I have made my own independent decisions to enter into the investment and as to whether the investment is appropriate or proper for me, based upon my own judgment and upon advice from such advisors as I may deem necessary. I warrant that I am not relying on any communication from Prescient, whether written, oral or implied as investment advice or as a recommendation to enter into the investment; it being understood that information and explanations relating to the terms and conditions of an investment shall not be considered investment advice or a recommendation to enter into the investment. I warrant that I have not received from Prescient any assurance or guarantee as to the expected results of the investment.
10. I understand that Prescient will accept instructions from my FSP only if duly appointed and authorised in writing by me. Prescient will not be held liable for any losses that may result from unauthorised instructions given to Prescient by my FSP.
11. I hereby authorise Prescient to furnish written reports to my duly appointed FSP, if applicable.



12. If I have appointed an FSP I authorise the payment of the negotiated fees to be paid to my FSP from my portfolios. This authority to pay fees may be withdrawn by written notice to Prescient.
13. I authorise Prescient to accept and act upon instructions by facsimile or e-mail and hereby waive any claim that I have against Prescient and indemnify Prescient against any loss incurred as a result of Prescient receiving and acting on such communication or instruction.
14. Any personal information may be used by Prescient in the normal course of business to provide the products and services and Prescient may retain any information for purposes of investment transactions, processing and administration and to communicate directly with me. Personal information will not be given or sold to any third parties. Prescient will disclose or report personal information if and when required to do so by law or any regulatory authority, and to Prescient's employees (if relevant), or agents who require such information to carry out their duties.
15. I consent to Prescient making enquiries of whatsoever nature for the purpose of verifying the information disclosed in this application and I expressly consent to Prescient obtaining any other information concerning me from any source whatsoever to enable Prescient to process this application.
16. I confirm that I have received, noted and understood the following information:
- the Minimum Disclosure Document;
  - Effective Annual Cost (EAC can be obtained on request from [pmancoadmin@prescient.co.za](mailto:pmancoadmin@prescient.co.za)) and charges/fees;
  - investment objectives and risk factors;
  - the calculation of the NAV, dealing prices and distribution of income accruals.
17. I acknowledge that my investment is a tax free investment and that the following has been fully disclosed to me: the nature and general implications of a tax free investment, the maximum annual and lifetime investment limits, how these limits operate, and the consequences of exceeding these limits.
18. I confirm and warrant to Prescient that the amount invested in terms of this application form does not exceed my annual or lifetime contribution limits for tax free investments.
19. Political Exposed Person (PEP) is someone who is entrusted with a prominent public function, or a close relative.
- I consider myself to be, or to be associated with a PEP: Yes  No

**Please note: It is the clients responsibility to notify Prescient if this changes.**

If Yes, please provide details:

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

Full name of signatory \_\_\_\_\_ Capacity \_\_\_\_\_

Signature of Investor/Legal Guardian \_\_\_\_\_

Signature of investor's authorised representative\* (if applicable) \_\_\_\_\_

# Compulsory Foreign Tax Declaration and Self-Certification

## Instructions for completion:

1. This Declaration must be completed by all investors, including South African citizens.
2. We are obliged for Foreign Account Tax Compliance Act (FATCA) and the Common Reporting Standard (CRS) to collect certain information about each investor's tax arrangements. Please complete the sections below as directed and provide any additional information that is requested. Please note that in certain circumstances we may be obliged to share this information with the relevant tax authorities.
3. Unless otherwise stated, all relevant terms are as defined in the Agreement between the Government of South Africa and the Government of the United States of America to Improve International Tax Compliance and to Implement FATCA (the "Agreement"), and/or the OECD Standard for Automatic Exchange of Financial Account Information in Tax Matters ("the Standard") and, specifically, the Common Reporting Standard ("CRS").
4. If any of the information below about the Investor's tax residence or FATCA/CRS classification changes in the future, please ensure that we are advised of these changes promptly.
5. If you have any questions about how to complete this form, please contact your tax advisor.

## SECTION 1: INVESTOR IDENTIFICATION

Investor Name \_\_\_\_\_

### Current residential address

#### Street Address

c/o \_\_\_\_\_

Unit \_\_\_\_\_

Complex \_\_\_\_\_

Street Number \_\_\_\_\_

Street \_\_\_\_\_

Suburb \_\_\_\_\_

City \_\_\_\_\_

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

Country \_\_\_\_\_

#### Postal Address

Same as Street Address Yes  No

c/o \_\_\_\_\_

Line 1 \_\_\_\_\_

Line 2 \_\_\_\_\_

Line 3 \_\_\_\_\_

Line 4 \_\_\_\_\_

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

Country \_\_\_\_\_

### Place of birth

Town or City of Birth \_\_\_\_\_

Country of Birth \_\_\_\_\_

Date of Birth

## SECTION 2: FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA)

SA Tax Number (Issued by SARS) \_\_\_\_\_

Do you have a Tax Identification Number (TIN) issued by another country? Yes  No

If yes please list them:

Country of Tax Issue	Tax ID Number (TIN)

Are you considered a tax payer, or need to submit a tax return, in any other country for which you have not been issued a TIN?

Yes

No

If yes please list them:

List of Countries

### SECTION 3: CRS DECLARATION OF TAX RESIDENCY

Please indicate your/the investor's country of tax residence (if resident in more than one country please detail all countries of tax residence and associated taxpayer identification numbers ("TIN")).

Country of Tax Residence	Tax ID Number (TIN)

Please note: Provision of a Tax ID number (TIN) is required unless you are tax resident in a Jurisdiction that does not issue a TIN.

### SECTION 4: DECLARATIONS AND UNDERTAKINGS

I/We declare (as an authorised signatory if applicable) that the information provided in this form is, to the best of my/our knowledge and belief, accurate and complete.

I/We undertake to advise the recipient promptly and provide and updated Self-Certification where any change in circumstance occurs which causes any of the information contained in this form to be incorrect.

Authorised Signature(s) \_\_\_\_\_

Capacity in which declaration is made \_\_\_\_\_

Date \_\_\_\_\_

# Terms and Conditions

 **TO BE RETAINED BY INVESTOR**

## 1. GENERAL

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1. This application form together with the relevant Supplemental Deeds, will govern the legal relationship between the investor, the asset manager and Prescient Management Company (RF) Limited ("Prescient"). It is Prescient's sole discretion to accept or reject the investor's application form.
2. Any references to the singular shall include the plural.
3. Investors may have multiple tax free investments however the R33 000 maximum per tax year and R500 000 maximum per lifetime applies to all these investments in total.
4. Please note that all documents, notifications of deposit, investment, redemption and switch applications must be received by Prescient by or before 13:00 (SA), to be transacted at the net asset value price for that day. Where all required documentation is not received before the stated cut off time Prescient shall not be obliged to transact at the net asset value price as agreed to. Instructions received after these cut off times will only be processed on the next business day.
5. All redemptions must be submitted in writing and will be executed following receipt and acceptance of such instruction. Please note in the case of redemptions, settlement may take up to 48 hours. Funds invested via electronic collection or debit order may not be redeemed until after 40 days from the date on which such funds were invested into units on your behalf.
6. Investors wishing to redeem units amounting to more than 5% of the total market value of the relevant unit trust fund portfolio must provide Prescient with at least 7 business days' written notice of such redemption. If this notice is not received by Prescient, Prescient may treat such withdrawal as only having taken place on the 7th business date 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.
7. The net asset value price is calculated using the forward pricing methodology. The net asset value can be defined as the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio, divided by the number of units in issue.
8. Units will be bought and sold at the net asset value price in accordance with the requirements of the Collective Investment Schemes Control Act and the relevant Deed.
9. Prescient may, at its discretion, close portfolios to new investors and existing unit holders including the cessation of debit orders, if applicable.
10. Prescient reserves the right to terminate this contract by giving 30 days' notice to the investor. Units shall be repurchased on the 30<sup>th</sup> day after notification of termination at the ruling price on that day. Any proceeds from the termination shall be paid to the Investor's bank account given in this application form.
11. All material facts must be accurately and properly disclosed, and the accuracy and completeness of all answers, statements or other information provided by or on behalf of the investor, are the investor's own responsibility.
12. No indulgence granted by Prescient shall affect or prejudice the rights of Prescient, nor shall it be regarded as a waiver of Prescient's rights.
13. The Trustee's details are: Nedbank Ltd Investor Services, 2nd Floor, 16 Constantia Boulevard, Constantia Kloof, Roodepoort, 1709, South Africa. P.O. Box 1144, Johannesburg, 2000, South Africa.

## 2. TAX FREE INVESTMENT

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1. This investment is a tax free investment in terms of section 12T of the Income Tax Act. It is available to individuals only and is not subject to income tax, dividends tax or capital gains tax.
2. Your contributions to all tax free investments are limited to a maximum of R33 000 per tax year of assessment (R2 750 per month) and up to a maximum of R500 000 (both in aggregate) over your lifetime. Profits, accruals or gains that are reinvested do not form part of these limits. Please note that any contributions that exceed the annual or lifetime limits will incur income tax at 40%.
3. Investors may have multiple tax free investments however the combined value may not exceed R33 000 per tax year and R500 000 in your lifetime.
4. You may not transfer your tax free investment from one financial institution to another.
5. You will be allowed to withdraw from your tax free investment however you cannot replace any withdrawals and all investments will form part of your annual and lifetime contribution limits.

### 3. APPLICABLE IF APPOINTING A FINANCIAL ADVISOR/FSP

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1. Prescient will only accept applications, submitted on behalf of investors, from FSP's who have been granted a licence by the Financial Services Board.
2. Prescient cannot be held responsible or liable for loss or damage suffered by the investor as a result of the FSP acting outside his/her licence parameters or because of delays in the processing or rejection of this application form, caused by the fact that the investor's FSP is not authorised as a Financial Services Provider or is not approved by Prescient.
3. The FSP 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 Prescient.

### 4. INSTRUCTIONS

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1. Only signed written instructions (faxed copies included) from the unit holder or the FSP will be acted upon.
2. Prescient will not proceed with any transaction if there is any doubt as to the validity of any signatures/information or if it deems the application to be incomplete in any way and Prescient cannot be held liable for any resultant losses as a result thereof.

### 5. REPORTING

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Unit Holder statements will be issued quarterly. Transactional notes are sent on a transaction basis. Additional investor statements are available on request from Prescient.

### 6. FEES

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1. The fees that apply to this investment are set out in the latest Investment Option Brochure.
2. Prescient does not charge an initial management fee.
3. You may negotiate an initial advisor fee, subject to the relevant maximums, to be paid to your FSP before your first contribution is invested.
4. The annual management fee is the fee you pay to Prescient for managing and administering the portfolios.
5. You may negotiate an additional annual advisor fee to be paid to your FSP. Units will need to be cancelled to pay your advisor this fee.
6. All fees may be amended by Prescient from time to time, and in such event, a notification will be sent to the investor.
7. All fees are exclusive of VAT.

### 7. RISK WARNING

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Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's. During the phase in period TER's do not include information gathered over a full year.

A Money Market portfolio is not a bank deposit account and the price is targeted at a constant value. The total return is made up of interest received and any gain or loss made on any particular instrument; and in most cases the return will have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. The yield is calculated as a weighted average yield of each underlying instrument in the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed.

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 these portfolios.

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.

The Manager retains full legal responsibility for any third-party-named portfolio.

Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and potential limitations on the availability of market information.

The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. Prescient is a member of the Association for Savings and Investments SA.

## 8. FICA REQUIREMENTS FOR INVESTOR

### SOUTH AFRICAN CITIZENS AND RESIDENTS OR FOREIGN NATIONALS (NATURAL PERSON)

- ID document, drivers licence or a passport
- Proof of address. (e.g. utility bill or telephone account less than three months old)
- Proof of income tax number
- Proof of bank statement

## 9. CONTACT PRESCIENT MANAGEMENT COMPANY (RF) LTD

<b>Physical Address</b>	Prescient House, Westlake Business Park, Otto Close, Westlake, 7945
<b>Postal Address</b>	P.O. Box 31142 Tokai 7966
<b>Telephone</b>	+27 21 700 3600
<b>Fax</b>	+27 21 700 7333
<b>Email</b>	<a href="mailto:pmancoadmin@prescient.co.za">pmancoadmin@prescient.co.za</a>
<b>Website</b>	<a href="http://www.prescient.co.za">www.prescient.co.za</a>

## 10. COMPLIANCE DEPARTMENT

<b>Compliance Officer</b>	Denver Hendricks
<b>Physical Address</b>	Prescient House, Westlake Business Park, Otto Close, Westlake, 7945
<b>Postal Address</b>	P.O. Box 31142 Tokai 7966
<b>Telephone</b>	+27 21 700 5463
<b>Fax</b>	+27 21 700 7333
<b>Email</b>	<a href="mailto:compliance@prescient.co.za">compliance@prescient.co.za</a>
<b>Website</b>	<a href="http://www.prescient.co.za">www.prescient.co.za</a>

## 11. COMPLAINTS

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Please do not hesitate to contact us if you are not satisfied with this investment or the services received from Prescient. A complaint must be submitted to the Compliance Officer. Prescient will acknowledge the complaint in writing and will inform the investor of the contact details of the persons involved in the resolution thereof. Should you wish to lodge a complaint regarding the services being provided, an email can be sent to [complaints@prescient.co.za](mailto:complaints@prescient.co.za) or alternatively you can obtain our complaints policy, conflict of investment management policy from the compliance department (address above).

If an investor is not satisfied with the response from Prescient 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. The Ombud is legally empowered to investigate and adjudicate complaints in a procedurally fair, economical and expeditious manner.

<b>Postal Address</b>	P.O. Box 74571 Lynnwood Ridge 0040
<b>Telephone</b>	+27 12 470 9080
<b>Fax</b>	+27 12 348 3447
<b>Email</b>	<a href="mailto:info@faisombud.co.za">info@faisombud.co.za</a>