

## HEDGE FUND APPLICATION FORM | Daily Liquidity

SANNE Management Company (RF) Proprietary Limited ("SANNE") is approved as a manager in terms of the Collective Investment Schemes Control Act 45 of 2002 ("CISCA").

### Important Information

Please complete all the relevant sections on the form. Please initial any amendments or changes and initial the bottom of each page. In addition, please complete the following forms, available for download from our website and on request from SANNE:

1. Dividend Withholding Tax ("DWT") Declaration
2. Tax Residency Self-Certification Form ("TRSC")

All questions relating to the completion of the DWT and TRSC forms should be directed to your tax advisor.

The cut off time for an instruction submission is 14:00 on any business day. Instructions received after the cut-off time will be processed on the following business day.

The completed form, proof of payment, Financial Intelligence Centre Act 38 of 2001 ("FICA") and verification documentation and confirmation of banking details should be emailed to [SalientInvestmentManagement@sannegroup.co.za](mailto:SalientInvestmentManagement@sannegroup.co.za). Please note that the responsibility of ensuring that the instruction has been received and actioned by SANNE, will lie with the investor and/or financial advisor.

### Contact Information

Investor Services Department: (+27) 21 402 1600

Investment Manager: (+27) 21 650 2481

INVESTOR DETAILS							Section A					
<b>Natural Persons</b>												
Title:				Surname:								
First name(s):												
Landline:				Cell:								
Nationality:												
Identity or Passport Number:												
Occupation:												
Income Tax Number/s:												
Place of Birth:				Date of Birth:	d	d	m	m	y	y	y	y
Marital status:	Married ICOP		Married OCOP (with accrual)		Married OCOP (without accrual)							
	Single		Other (please specify)									

Individuals (Acting On Behalf Of Investor)										
For parents/guardians or person with power of attorney.										
Title:				Surname:						
First name (s):										
Nationality:										
Relationship:				Income Tax Number/s*:						

\*Please note that the parent/guardian's tax number should only be provided if the source of funds is linked to the parent/guardian. If not, the minor's tax number should be provided. All questions relating to this should be directed to your tax advisor.

Companies and Other Legal Entities										
Entity Name:										
Trading Name:										
Entity Type:	Private Co.	Listed Co.	CC.	Partnership	Other Entities					
Other Entities (please specify):										

Registration Number:			
VAT Registration Number:			
<b>Individual Acting On Behalf Of Entity</b>			
Title:		Surname:	
First name (s):			
Nationality:			
Identity or Passport Number:			
Capacity:			

<b>Trusts</b>	
Name of Trust:	
Trust Registration Number:	

<b>Contact Details</b>			
Physical Address:			Code:
Postal Address:			Code:
Title:		Surname:	
First name (s):			
Landline:		Cell:	
Email:			
Nationality:			
Please confirm your preferred method of communication*.	Post:	Email:	

\*Where no choice is made, all investor communications will be sent by email where an email address is supplied.

<b>For Institutional Investors Only:</b>						
<b>SARB Classification</b>						
Are you registered with the SARB Financial Surveillance Department?					Yes	No
Type of Business:	CIS	Retirement Fund	LT Insurer	LISP	Investment Manager	
Other (please specify)						
<b>FAIS Entity Classification (Assets Under Management)</b>						
CIS	Retirement Fund	LT Insurer	FoHF	ST Insurer	Other	

<b>INVESTMENT OPTION</b>				<b>Section B</b>	
Name of Portfolio	Class	Investment Management Fees	Investment Amount	Income Distribution	
				Re-invest	Pay-out
<i>SalientQuants SA SNN Retail Hedge Fund</i>					

## Method of Payment

Banking details to conduct the investment into the respected portfolio will be communicated once the potential investor is deemed FICA compliant.

Banking Details			
Please complete the below banking details and provide a cancelled cheque or a certified copy of your bank statement of no less than three months old, with this application.			
Name of Account Holder:			
Bank:		Branch Code:	
Account Number:		Account Type:	

Source of Wealth				
Source of Wealth <i>(The activities that have generated the total net worth of the client):</i>				
Salary	Savings	Sale of Assets	Inheritance	
Other (please specify):				

Source of Funds*				
Source of funds for this transaction <i>(The origin of the funds involved in a business relationship or single transaction, and includes both the activity that generated the funds as well as the means through which the funds were transferred):</i>				
Salary	Savings	Sale of Assets	Inheritance	
Other (please specify):				

\*SANNE reserves the right to request proof of the source of funds.

<b>FINANCIAL ADVISOR</b>				<b>Section C</b>	
<b>Contact Details</b>					
Name of Financial Advisor:					
Institution Name:					
VAT Number (if applicable):					
Address:					
				Code:	
FSP Licence Number:		Licence Category:			

### Declaration

I/ We declare, in respect of the relevant South African laws, regulations, industry guidelines that:

- I/We are licensed to render services in respect of this product and to act as the client's appointed Financial Advisor in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 ("FAIS").
- I/We have made the necessary disclosures under the CISCA and FAIS, and I/we have provided the client with the necessary Key Investor Information Documents ("KIID").
- I/We have read the application form and the terms and conditions of this investment and have explained them to the client. To the extent they apply to me, I/we agree to be bound by the contents of this application form.
- I/We will forward any and all client documents to the client as soon as I/we receive them.
- I/We have explained all fees relating to the investment to the client and I/we acknowledge that the client may instruct SANNE to cease paying the ongoing advisor fee at any time.

Signature of Financial Advisor:										
Name of Signatory:										
Place:		Date:	d	d	m	m	y	y	y	y

<b>FINANCIAL ADVISOR FEES</b>	<b>Section D</b>
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I/ We hereby confirm that the Financial Advisor whose details are recorded in Section C above is my appointed Financial Advisor and I/we agree to the payment of the following fees:

Initial Advice Fee: \_\_\_\_\_% (applied to each contribution received exclusive of VAT).

Ongoing Advice Fee: \_\_\_\_\_% (per annum of the market value of the portfolio, charges by means of unit reduction and paid to the Financial Advisor monthly in arrears, exclusive of VAT).

I/We may instruct SANNE to cease paying the ongoing advisor fee at any time.

Signature of the Investor or Authorised Representative: \_\_\_\_\_

\*Should you be investing in more than one portfolio with different fees having been agreed upon with your Advisor, please submit a signed letter detailing this, together with your application.

**SHAREHOLDING DETAILS**

**Section E**

**INFORMATION PERTAINING TO AUTHORISED PERSONS, FOUNDERS, TRUSTEES, BENEFICIARIES AND SHAREHOLDERS HOLDING 25% OR MORE OF THE VOTING RIGHTS AT A GENERAL MEETING**

**Natural Person/s**

The below needs to be completed by all authorised persons, founders of trusts, trustees, beneficiaries and individuals holding 25% or more of the voting rights at a general meeting of a company. Please duplicate as required.

Title:		Surname:	
First name (s):			
Landline:		Cell:	
Identity or Passport Number:		Date of Birth:	d d m m y y y y
Nationality:			
Designation:			
Residential Address:			
		Code:	
Email:			

Title:		Surname:	
First name (s):			
Landline:		Cell:	
Identity or Passport Number:		Date of Birth:	d d m m y y y y
Nationality:			
Designation:			
Residential Address:			
		Code:	
Email:			

Title:		Surname:	
First name (s):			
Landline:		Cell:	
Identity or Passport Number:		Date of Birth:	d d m m y y y y
Nationality:			
Designation:			
Residential Address:			
		Code:	
Email:			

Title:		Surname:	
First name (s):			
Landline:		Cell:	
Identity or Passport Number:		Date of Birth:	d d m m y y y y
Nationality:			
Designation:			
Residential Address:			
		Code:	
Email:			

Legal Person/s			
The below needs to be completed by all legal persons including persons holding 25% or more of the voting rights at a general meeting of a company, acting as founders of trusts, trustees or beneficiaries. Please duplicate as required.			
Registered Name:			
Registered Number:			
Registered Address:			
		Code:	
Trading Name:			
Registered Name:			
Registered Number:			
Registered Address:			
		Code:	
Trading Name:			
Registered Name:			
Registered Number:			
Registered Address:			
		Code:	
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Registered Address:			
		Code:	
Trading Name:			
Registered Name:			
Registered Number:			
Registered Address:			
		Code:	
Trading Name:			

## HEDGE FUND RISK DISCLOSURE

## Section F

In terms of Board Notice 571 of, all investment managers are required by the Financial Sector Conduct Authority (“Authority”) to disclose the risks and characteristics of CIS portfolios to their clients.

### 1. Specific Risk Factors

- 1.1 This document sets out certain risks peculiar to the South African investment market and any alternative investment strategies that the investment manager may employ in achieving the investment objectives of the portfolio.
- 1.2 The risks set out below are the risks which are considered to be material but are not the only risks relating to the portfolio. There may be additional risks that the portfolio does not currently consider to be material or of which the portfolio is not aware. Accordingly, this risk disclosure statement is simply a summary of perceived risks and is not comprehensive.
- 1.3 Investment in the portfolio carries a high degree of risk. An investment in the portfolio may not be appropriate for all investors and is only suitable for investors who fully understand and are capable of bearing the risk of an investment in the portfolio. In view of the risks noted below, investors should invest in the portfolio only if they can sustain a substantial loss of their investment.
- 1.4 Prospective investors should carefully consider the risks listed below before investing, and whether such type of investment is suitable for them in light of their financial circumstances and financial resources. Prospective investors should, in making their investment decision, also consult their own legal, tax and financial advisors as to all of these risks and their investment in the portfolio.

### 2. Nature of Investments and Exchange Control

South African securities involve certain factors not typically associated with investing in more established securities markets including risks, without limitation, relating to currency exchange matters, including fluctuations in the rate of exchange between the United States Dollar or other currencies (as the case may be) and the Rand (and costs associated with conversion of investment principal and income from one currency into another), potential exchange control regulations and potential restrictions on foreign investment and repatriation of capital, and the possible imposition of withholding taxes on income received from or gains with respect to any investment.

### 3. South African Regulatory Regime

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. The current South African regulatory regime requires that the investment manager and any other intermediaries be licensed. Furthermore, the Authority has certain powers if the investment manager contravenes any applicable law.

### 4. Leverage

The portfolio may use leverage techniques from time to time to purchase or carry investments. The interest expense and other costs incurred in connection with such leverage or borrowing may not be recovered by an appreciation in the investments purchased or carried. Gains realised with leveraged investments may cause the underlying fund’s net asset value to increase at a faster rate than would be the case without leverage. If, however, investment results fail to cover the cost of leverage or borrowings, the portfolio’s net asset value could also decrease faster than if there had been no leverage or borrowings. Because of the leveraged nature of certain of the investments, a relatively small movement in the market price of traded instruments may result in a disproportionately large profit or loss. The degree to which leverage may be employed in the hedge fund portfolio will be limited by the terms of this mandate. The limits laid down by this mandate should be carefully reviewed in making an investment decision.

### 5. Lack of Diversification

To the extent the investment manager recommends the concentration of the portfolio’s investments in a particular issuer, the portfolio may become more susceptible to fluctuations in value resulting from adverse economic or business conditions affecting that particular issuer.

### 6. The Client May Be Caught in a Liquidity Squeeze

Given their short term nature, investment 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 investment manager might be unable to disinvest from or close such positions rapidly or at a good price, which may lead to losses.

## 7. Reliance on Management

The continued success of the portfolio will depend, in large part, upon the skill and expertise of the management of the investment manager and its ability to successfully implement the portfolio's investment strategy. There is no assurance that the principals or other key members of the investment manager's management will continue to be employed by the investment manager for any period. In the event of the death, disability or departure of any of such individuals, the business and the performance of the portfolio may be adversely affected.

## 8. Derivative Instruments

The portfolio may use various derivative instruments primarily for both investment and hedging purposes. Many derivative instruments may also be challenging for the manager to administer and account for properly. All instruments are objectively and independently valued.

Use of derivative instruments presents various risks which include the following:

- 8.1 Tracking - When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the portfolio from achieving the intended hedging effect or expose the portfolio to the risk of loss.
- 8.2 Liquidity – Derivative instruments, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets the portfolio may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges on which the portfolio may conduct its transactions in derivative instruments may prevent prompt liquidation of positions, subjecting the portfolio to the potential of greater losses.
- 8.3 Leverage - Trading in derivative instruments can result in large amounts of leverage. Thus, the leverage offered by trading in derivative instruments will magnify the gains and losses experienced by the portfolio and could cause the portfolio's net asset value to be subject to wider fluctuations than would be the case if the portfolio did not use the leverage feature in derivative instruments.
- 8.4 Over-the-Counter Trading - Derivative instruments that may be purchased or sold by the portfolio may include instruments not traded on an exchange. The risk of non-performance by the obligor on such an instrument may be greater and the ease with which the portfolio can dispose of or enter into closing transactions with respect to such an instrument may be less than in the case of an exchange traded instrument. In addition, significant disparities may exist between "bid" and "asked" prices for derivative instruments that are not traded on an exchange. Derivative instruments not traded on exchanges are also not subject to the same type of government regulation as exchange traded instruments, and many of the protections afforded to participants in a regulated environment may not be available in connection with such transactions. Heavy reliance on "over-the-counter" derivatives could result in an increase in counterparty risk.

## 9. Unlisted Instruments Might Be Valued Incorrectly

The investment manager may invest in unlisted instruments where a market value is not determined by willing buyers and sellers. The investment manager may have to estimate the value of such instruments, and these estimates may be inaccurate, leading to an incorrect impression of the portfolio's value. Objective valuations are performed for all instruments and SANNE utilises the services of a competent administrator.

## 10. Effect of Substantial Withdrawals

In the event that there are substantial withdrawals of contributions by investors in the portfolio it may be more difficult for the portfolio to maintain its proposed investments or for the portfolio to generate the same level of profits operating on a smaller capital base. In the event that there are substantial withdrawals of contributions by investors on any date, the investment manager may find it difficult to adjust its investment strategies to the suddenly reduced amounts of assets under management. Under such circumstances, in order to provide sufficient funds to pay the relevant withdrawals, the investment manager might advise the liquidation of positions at an inappropriate time or on unfavourable terms.

## 11. Short Sales

The portfolio may sell securities short. Selling securities short creates the risk of losing an amount greater than the amount invested. Short selling is subject to the theoretically unlimited risk of loss because there is no limit on how much the price of a security may appreciate before the short position is closed out. A short sale may result in a sudden and substantial loss if, for example, an acquisition proposal is made for the subject company at a substantial premium over market price. In addition, the supply of securities which can be borrowed fluctuates from time to time. The portfolio may be subject to losses if a security lender demands return of the lent securities and an alternative lending source cannot be found or if the portfolio is otherwise unable to borrow securities which are necessary to hedge its positions.

## 12. Unexpected Volatility or Illiquidity

- 12.1 The success of any investment activity is influenced by general economic conditions including, but not limited to, changing supply and demand relationships, government trade and fiscal policies, national and international political



and economic events and changes in exchange rates and interest rates, that may affect the level and volatility of equity prices and the extent and timing of investor participation in the markets for both equity and interest-rate-sensitive securities. Unexpected volatility or illiquidity in the markets in which the portfolio directly or indirectly holds positions could impair the portfolio's ability to carry out its business and could cause the portfolio to incur losses by making it difficult to acquire or dispose of shares at the prices quoted on the various exchanges or at normal bid/offer spreads quoted off exchange. These and other factors mean that there can be no assurance that trading in the markets will be profitable.

12.2 If the market moves against the portfolio's position, the portfolio may, in a relatively short time, sustain more than a total loss of the portfolios placed by way of margin or deposit. The portfolio may be required to deposit a substantial additional sum, at short notice, to maintain its margin balances. If the portfolio does not maintain its margin balances its position may be closed out at a loss and the portfolio will be liable for any resulting deficit.

### 13. Counterparty Risk

The ability of any counterparty to meet its obligations in terms of its contractual arrangements with the investment manager and the investment manager's ability to enforce any claim that it may have in respect of any defaulting counterparty will be subject to matters relating to, inter alia, solvency of the defaulting counterparty, the nature of the contractual arrangements between the parties, whether the defaulting counterparty has tendered any security for its obligations to the investment manager and practical and substantive risks associated with the South African judicial system.

### 14. Right to Suspend Trading

Each securities exchange typically has the right to suspend or limit trading in all securities that it lists. Such a suspension would render it impossible for the portfolio or an underlying investment to liquidate positions and accordingly, could expose the portfolio to losses.

### 15. Currency Risk

To the extent any investment is denominated in a currency other than South African Rand, it should be remembered that changes in rates of exchange between currencies may cause the value of any Investment to diminish as well as increase.

### 16. Trading Risks

16.1 Substantial risks are involved in the trading of equity securities and equity related securities. Market movements can be volatile and are difficult to predict. Politics, recession, inflation, employment levels, trade policies, international events, war and other unforeseen events can also have significant impact upon the prices of securities. Such events, which may result in high market movements and volatile market conditions, create the risk of significant losses for the trading entities in which the portfolio will invest. The profitability of the portfolio depends on the ability of the investment manager to analyse correctly the markets in which the portfolio trades. These are influenced by many factors including (without limitation), world political and economic events, changes in interest rates, and supply and demand factors. Accordingly, the investments are subject to the general volatility and swings of all securities, bonds, money and other markets and a relatively small price movement may result in substantial losses. At various times, the markets for such securities may be "thin" or illiquid, making purchases or sales of securities at desired prices or in desired quantities difficult. In addition, options prices are extremely volatile. The value and volatility of trading in these markets depends in part on general public interest and public opinion concerning economic conditions as well as the liquidity provided by market-makers and specialists. The liquidity of the market may also be affected by a halt in trading on a particular futures or securities exchange or exchanges.

16.2 Where permitted, placing a stop-loss order will not necessarily limit your losses to the intended amounts as market conditions may make it impossible to execute such orders at the stipulated price.

16.3 A spread or straddle position may be as risky as a simple long or short position and can be more complex.

16.4 The investment 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 will limit the extent (i.e. lowest acceptable rating and maximum percentage exposure) to which low grade debt can be acquired by the client.

### 17. Lack of Limitations

17.1 There is no limitation on the size, operating experience or (subject to applicable law) geographical location of the companies in which the portfolio may invest. Some small companies in which investments may be made may lack management depth or the ability to generate internally or obtain externally the portfolios necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialise. Further, such companies may have, or may develop, only a regional market for products or services and may be adversely affected by purely local events. Such companies may be small factors in their industries and may face intense

competition from larger companies and entail a greater risk than investment in larger companies.

17.2 At any given time, the portfolio may have significant Investments in smaller and medium-sized capitalised companies of a less seasoned nature than so-called “blue chip” companies, whose securities are traded privately or in the over-the-counter market. These “small cap” or “mid cap” securities often involve significantly greater risks than the securities of larger, better-known companies. Additionally, the securities of such companies may be subject to more volatility and may be more likely to be thinly traded, increasing the risk that the portfolio may not be able to dispose of any securities at the time the investment manager deems best. Careful analysis and study of these companies and their prospects may reduce the risk of an investment having a negative outcome, but an unexpected development affecting a company or the industry or an economic downturn, might result in a particular investment sustaining a loss which could adversely affect the value of the portfolio.

#### 18. Legal Requirements

18.1 The portfolio must comply with various legal requirements, including requirements imposed by the securities laws, tax laws and pension laws in various jurisdictions. Should any of those laws change over the life of the portfolio, the legal requirements to which the portfolio and the investors in the portfolio may be subject could differ materially and adversely from current requirements. Any change in the portfolio’s tax status or in taxation legislation could affect the value of the investments held by the portfolio, affect the portfolio’s ability to provide returns, or alter the post-tax returns. It is recommended that an investor seek advice from his tax advisor before making an investment in the portfolio as to the potential tax consequences of such an investment.

18.2 The portfolio makes no representation, gives no warranty or undertaking, express or implied, and takes no responsibility for the tax treatment of the investors. Investors should consult their professional advisors with regard to their tax positions.

#### 19. Performance-Based Fee

The existence of the investment manager’s performance fee or performance participation, as the case may be, may create an incentive to make investments that are more speculative than would be the case in the absence of such a performance-based payment.

#### 20. No Assurance of Investment Return

The investment manager cannot provide assurance that it will be able to choose, make and realise investments or that the portfolio will be able to generate returns for its investors or that the returns will be commensurate with the risk of the investments described herein.

#### 21. Past Performance Return

Past performance of the investment manager is not necessarily indicative of future results.

#### 22. Failure of the Prime Broker

The portfolio may from time to time appoint a prime broker. In such event, the portfolio’s prime broker may provide a financing service to the portfolio, whereby any shortfall in the financing of the portfolio’s assets is provided by the prime broker. Any such financing will be collateralised from the assets of the portfolio. However, unlike a normal borrowing situation, the prime broker takes physical delivery of the portfolio’s assets and is permitted to deal with them for its own account. The portfolio’s assets are therefore treated as being indistinguishable from the assets of the prime broker and are not segregated as client money or assets. In the event of the insolvency of the prime broker, the assets of the portfolio that are held as collateral against money owed to the prime broker, are completely exposed to the prime broker’s creditors. In such instances, any action by the prime broker’s creditors may lead to the closing out of positions without the consent of the investment manager and at a loss.

#### 23. Portfolio Valuation

Valuations of investments may be based on unaudited financial records and in some cases, these may only be an estimate of the valuation of such investments. The portfolio may hold investments, which generally are not actively traded. Consequently, it may be relatively difficult for the investment manager to obtain reliable information on the investments for valuation purposes and to dispose of investments at the valuation level. Inherent uncertainties as to the valuation of investments held by the portfolio could have an adverse effect on the value of investments.

#### 24. Trading Costs Might Be High

The portfolio may engage in a high rate of trading activity resulting in correspondingly high costs being borne by the portfolio. Given the often short term nature of investment positions, the portfolios financial instruments 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.

#### 25. The Manager May Be Conflicted

The investment 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.

**26. Substantial Fees and Expenses**

The expenses, to which the portfolio will be subject, excluding performance fees payable due to appreciation of the portfolio's assets, could be substantial. Fund structure fees may be significantly higher than the fees charged on traditional investment funds.

**27. Transparency Might Be Low**

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

**28. Dealing and Reporting Might Be Infrequent**

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

**29. Experienced Investors**

While investment in the portfolio does offer the potential of high returns, it also involves a correspondingly high degree of risk and is only considered appropriate for sophisticated or professional investors who can afford the risk associated with the portfolio. Each potential investor in the portfolio must have enough knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of such an investment. Each investor represents that he satisfies these and other criteria set forth herein.

**30. Manager Accountability May Be Vague**

The portfolio managed by specific individuals will ensure that sufficient controls are in place for the times when the manager is being covered for by colleagues. In addition, the portfolio, its manager, investment manager and/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.

The risks identified in this section are not intended to be exhaustive and applicable in all circumstances and, where appropriate, investors should consult their own legal, tax and financial advisors to identify all the risks inherent in the portfolio.

<b>TERMS AND CONDITIONS</b>	<b>Section G</b>
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1. SANNE provides access to many portfolios offered by the market. Should you require any financial planning assistance, please consult your financial advisor as SANNE may not provide financial advice in respect of any investment.
2. This application form together with the Main Deed and Supplemental Deed will form the legal agreement between the investor and SANNE. The agreement will be administered in terms of CISCA.
3. Participatory interests are calculated on a NAV basis by determining the total market value of all assets in the portfolio, including any income accruals, less any permissible deductions from the portfolio. Participatory interests on investor statements are thus net of all fees.
4. Participatory interests will be purchased and repurchased by the manager at the NAV calculated in accordance with the requirements of CISCA and the relevant deeds.
5. Quarterly reports are available for download from the SANNE Website. SANNE will email monthly statements and contract notes on execution of transactions. Tax certificates are generated and distributed annually.
6. SANNE may, at its discretion, close portfolios to new investors and existing investors to enable the portfolios to be managed in accordance with their mandates.
7. SANNE reserves the right to terminate this contract by giving a calendar months' notice to the investor. Participatory interest shall be repurchased on the first business day of the following month after notification of termination at the ruling price of the last NAV. Any proceeds from the termination shall be paid to the investor recorded in this application form.
8. Commission and incentives may be paid and if so, would be included in the overall costs.
9. The responsibility of ensuring that the instruction has been received and actioned by SANNE will lie with the instructor (investor or financial advisor).
10. No cash payments will be accepted and a proof of payment must accompany all EFT payments.
11. SANNE will not be liable for any damages or losses of whatsoever nature arising out of SANNE's failure to action this instruction due to occurrences beyond the control of SANNE, nor will SANNE be liable for any loss incurred due to

- incorrect information being supplied by the investor or his/her financial advisor.
12. Copies of all verification documentation requested in this application form and a proof of payment must accompany this application form. SANNE will not be obliged to process this application form until it has received the verification documentation and SANNE will not be liable for any loss or damage of whatsoever nature arising from the inability of SANNE to process this application form due to the fact that the requirements of the FICA have not been complied with.
  13. The investor indemnifies and holds SANNE harmless against any loss or damage which the investor may suffer as a result of any commission or omission by SANNE, which is a result of an obligation imposed on SANNE by FICA. Deposits awaiting allocation may earn interest in line with the SANNE's Section 104 Bank Account Interest Policy. SANNE reserves the right to recoup the bank charges charged on the section 104 bank account from the interest earned in line with SANNE's Section 104 Interest Policy.

<b>DECLARATION BY INVESTOR</b>	<b>Section H</b>
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I/We understand and agree to be bound by the provisions of this application form. If on the date of signature of this application form an updated application form exists and the fees are different on that form, the fees on the updated application form will apply. 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 judgment, 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 SANNE, 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.
- SANNE will only be able to process investments on receipt of funds into the appropriate bank account, proof of deposit, and all relevant FICA documentation.
- I/ We will notify SANNE immediately if my/our tax residency or FATCA or equivalent classification changes in the future.
- SANNE 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. SANNE 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 have read, understand and acknowledge:
  - the Hedge Fund Disclosure Risk (as outlined in Section F);
  - the Terms of Conditions (as outlined in Section G).

I/We indemnify SANNE accordingly.

Authorised Signature:										
Name of Signatory:										
Capacity:		Date:	d	d	m	m	y	y	y	y

Authorised Signature:										
Name of Signatory:										
Capacity:		Date:	d	d	m	m	y	y	y	y

## MANDATORY DISCLOSURE

## Section I

Collective Investment Schemes are generally medium to long-term investments. The value of participatory interests may fluctuate. Past performance is not necessarily a guide to future performance. Collective investments are traded at ruling prices and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions, as well as a detailed description of how performance fees are calculated and applied, is available on request from SANNE.

SANNE does not provide any guarantee in respect of the capital or the return of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressure and in such circumstances, a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. Commission and incentives may be paid, and if so, are included in the overall costs. Prices are published in accordance with the valuation frequency of the portfolio, on our website and local media. Additional information, including Key Investor Information Documents, Minimum Disclosure Document, as well as other information relating to the portfolio is available, free of charge, on request from SANNE.

SANNE is registered and approved under CISCA. Salient Quantitative Investment Management Proprietary is an authorised Financial Services Provider (FSP Number 32647) under the FAIS Act to render investment management services. Rand Merchant Bank Trustee is the appointed trustee and can be contacted on 087 736 1732.

### Complaints

SANNE takes your concerns and queries very seriously. If you are unsatisfied with the investment or the services received from SANNE, please contact our compliance officer.

#### Contact details:

The Compliance Officer, SANNE Management Company (RF) Proprietary Limited

Post: PO Box 24, Cape Town, 8000.

Tel: (+27) 21 202 8282

Email: [complaints@sannegroup.co.za](mailto:complaints@sannegroup.co.za)

**If any investor is not satisfied with the response from SANNE, he/she has the right to address his/her complaint in writing to the Ombud of the 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.**

#### Contact details:

FAIS Ombud

Website: [www.faisombud.co.za](http://www.faisombud.co.za)

Email: [info@faisombud.co.za](mailto:info@faisombud.co.za)

Post: FAIS Ombudsman

P.O. Box 74571

Lynnwood Ridge

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## FICA Onboarding Checklist:

### Identification of Individuals

Individuals:

#### South African

- Copy of identity document
- Proof of physical address
- Proof of Bank Details
- Proof of Income Tax Number

#### Foreign National

- Copy of valid passport or identity document relevant in that country
- Proof of physical address
- Proof of Bank Details
- Proof of Income Tax Number

#### Third Party Representing another Individual/Power of Attorney

- Copy of identity document of the third party/representative individual and the client
- Proof of physical address of the third party/representative individual and the client
- Proof of Bank Details **of the client**
- Proof of Income Tax Number **of the client**
- Proof of authority to act e.g. power of attorney, mandate, resolution or court order

## Identification of Entities

### Unlisted Companies:

#### South African

- Certificate of incorporation (CM1 or CoR 15.1/CoR 14.1) or any other CIPC document that contains details of the incorporation of the entity, registration number, list of current directors and registered address)
- Copy of Change of Name, if applicable (CM9 or CoR 9.1/2)
- Proof of Operating Business Address
- Proof of Bank Details
- Proof of Income Tax Number
- Board resolution – delegation of Authority to act on behalf of the entity in transacting with Sanne
- Ownership and control structure signed by either the Company Secretary, Director and/or Head of Compliance
- Copy of Identity document for:
  - all directors
  - all authorized signatories
  - all beneficial owners
- Proof of physical address for:
  - all directors
  - all authorized signatories
  - all beneficial owners

#### Foreign Company

- Official Documents of Incorporation by foreign regulator containing registration number, trading name, board of directors etc.
- Proof of Operating Business Address
- Proof of Bank Details
- Proof of Income Tax Number
- Board resolution – delegation of Authority to act on behalf of the entity in transacting with Sanne



- Ownership and control structure signed by either the Company Secretary, Director and/or Head of Compliance
- Copy of Identity document for:
  - all directors
  - all authorized signatories
  - all beneficial owners
- Proof of physical address for:
  - all directors
  - all authorized signatories
  - all beneficial owners

**Sanne reserves the right to request additional evidential information in relation to above.**

#### **Listed Companies:**

- Registration certificate or confirmation of exchange the entity is listed on including ticker
- FICA compliant declaration letter
- Proof of Bank Details
- Proof of Income Tax Number
- Authorized Signatory list containing name of individual, ID number, physical address and specimen signature
- List of Board of Directors containing name of individual, ID number, physical address on company letterhead signed by Company Secretary and/or Head of Compliance
- Ownership and control structure signed by either the Company Secretary, Director and/or Head of Compliance
- Beneficial Owners (where applicable)
  - Copy of identity document
  - Proof of physical address

**Sanne reserves the right to request additional evidential information in relation to above.**

#### **Close Corporation (CC):**

- Founding Statement and Certificate of Incorporation (CK1 or as relevant)

- Amended Founding Statement, where applicable (CK2 or as relevant)
- Proof of Operating Business Address
- Proof of Bank Details
- Proof of Income Tax Number
- Board resolution – delegation of Authority to act on behalf of the entity in transacting with Sanne
- Ownership and control structure signed by either the Company Secretary, Director and/or Head of Compliance
- Copy of Identity document for:
  - all members of the CC
  - all authorized signatories
- Proof of physical address for:
  - all members of the CC
  - all authorized signatories

**Sanne reserves the right to request additional evidential information in relation to above.**

#### **Trusts:**

- Copy of the Trust Deed or other Founding Document
- A Foreign Trust: an official document reflecting appointment of Trustees issued by an authority in the country where the Trust is created
- Letter of Authority from the Master of the High Court
- Resolution authorising a designated Trustee or person to act on behalf of the Trust
- Proof of Bank Details
- Proof of Income Tax Number
- Copy of identity document for:
  - Trustees
  - Founder/Donor
  - All named beneficiaries
  - All persons authorized to act on behalf of the trust
- Proof of physical address for:
  - Trustees

- Founder/Donor
- All named beneficiaries
- All persons authorized to act on behalf of the trust
- Requirement for Testamentary trust: copy of will and Letter of Authority issued by the Master of the High Court
- Ownership and control structure signed by the Trustees

**Sanne reserves the right to request additional evidential information in relation to above.**

#### **Partnerships:**

- Copy of Partnership Agreement
- Proof of Bank Details
- Partners resolution – delegation of Authority to act on behalf of the entity in transacting with Sanne
- Ownership and control structure signed by either the Company Secretary, Head of Compliance and/or Partner
- Clear copies of all partner's identity documents, this includes every member of a partnership en commandite, an anonymous partnership or any similar partnership, person who exercises control and authorized person.
- Proof of address for all partner's, this includes every member of a partnership en commandite, an anonymous partnership or any similar partnership, person who exercises control and authorized person
- Proof of Income Tax Number for each partner

**Sanne reserves the right to request additional evidential information in relation to above.**

#### **Pension Funds:**

- Copy of Registration Certificate (Authority of Pension Funds)
- Proof of Bank Details
- Proof of physical address
- Trustees' Resolution - delegation of Authority to act on behalf of the pension fund in transacting with Sanne
- Copy of identity document for:

- Trustees
- All persons authorized to act on behalf of the pension fund
- Proof of physical address for:
  - Trustees
  - All persons authorized to act on behalf of the pension fund

Note: A list of the Trustees containing name of individual, ID number, physical address on company letterhead signed by Company Secretary and/or Head of Compliance will be accepted. Does not apply to the Principal Officer or any person authorized to act on behalf of the pension fund.

**Sanne reserves the right to request additional evidential information in relation to above.**

#### **Medical aids:**

- Copy of Registration Certificate (Council for Medical Schemes)
- Proof of Bank Details
- Proof of physical address
- Proof of Income Tax Number
- Trustees' Resolution - delegation of Authority to act on behalf of the medical aid in transacting with Sanne
- Copy of identity document for:
  - Trustees
  - All persons authorized to act on behalf of the medical aid
- Proof of physical address for:
  - Trustees
  - All persons authorized to act on behalf of the medical aid

**Sanne reserves the right to request additional evidential information in relation to above.**

#### **Other entities:**

Other legal entities include but not limited to: Burial Societies, Friendly Societies, Schools, Churches, Local Authorities and Government.

- Copy of the constituting, founding document or registration certificate

- Proof of Bank Details
- Proof of physical address
- Proof of Income Tax Number
- Ownership and control structure signed by Company Secretary, Head of Compliance and/or Trustee
- Authority Resolution - delegation of Authority to act on behalf of the entity in transacting with Sanne
- Copy of identity document for:
  - Trustee/Member
  - All persons authorized to act on behalf of the entity
- Proof of physical address for:
  - Trustee/Member
  - All persons authorized to act on behalf of the entity

**Sanne reserves the right to request additional evidential information in relation to above.**

#### **Regulated Portfolios:**

- Copy of the Supplemental Deed
- Proof of Bank Details
- Proof of physical address of the Management Company ("Manco")
- Proof of Income Tax Number
- Ownership and control structure signed by either the Company Secretary, Head of Compliance and/or Director/s for the Manco
- Authority Resolution - delegation of Authority to act on behalf of the Manco in transacting with Sanne
- Copy of identity document for:
  - All directors of the Manco
  - All persons authorized to act on behalf of the Manco
- Proof of physical address for:
  - All directors of the Manco
  - All persons authorized to act on behalf of the Manco

**Sanne reserves the right to request additional evidential information in relation to above.**

## Identification of Estate Late

### Estate Late:

- Copy of the Death Certificate
- Copy of the Letter of Executorship
- Copy of identity document for the named Executors
- Proof of physical address for the named Executors
- Proof of Bank Details of the Estate Late
- Copy of the will in instances where we don't distribute the cash to the late estate bank account.
- Where applicable, necessary FICA documents for beneficiaries

We do not need to obtain required FICA documents if the Executor is an Accountable Institution. We do however have to obtain a copy of the Executor/s identity document and a letter confirming they are not acting in their personal capacity.

**Sanne reserves the right to request additional evidential information in relation to above.**

## Identification of Minors

### Minors:

- Copy of the Birth Certificate (abridged or unabridged) / Identity document
- Copy of the identity document for the Guardian/Parent/s
- In the case of a guardian, provide documents confirming legal guardianship
- Proof of physical address for the Guardian/Parent/s
- Declaration stating minor resides with the Guardian/Parent/s
- Proof of Bank Details of the minor
- Proof of Income Tax Number of the minor

**Sanne reserves the right to request additional evidential information in relation to above.**

## Identification of Prime Broker

### Prime Broker:

- Copy of banking license number (if on the webpage of the prime broker/regulator then a screenshot maybe taken as evidence)
- FICA compliant declaration letter
- Authorized Signatory list containing name of individual, ID number, physical address and specimen signature.
- List of Board of Directors containing name of individual, ID number, physical address on company letterhead signed by Company Secretary and/or Head of Compliance
- Ownership and control structure signed by either the Company Secretary, Director and/or Head of Compliance
- Beneficial Owners (where applicable)
  - Copy of identity document
  - Proof of physical address

**Sanne reserves the right to request additional evidential information in relation to above.**

**Note: Please note that relevant FICA documents must be obtained for all beneficial owners (natural or legal) who hold 25% or more shareholding/ownership of the entity.**

## Acceptable Verification Documentation

### Identity Document

- Clear copy of barcoded identity document (Photo: facial features such as eyes, nose, chin and ears must be clear), full names, date of birth and ID number)
- Clear copy of smart Id Card (front and back)
- Valid passport (not less than 6 months remaining before the passport expires, containing a photo, full names, date of birth and passport number).
- Marriage certificate, where applicable, together with identity document
- Minor's birth certificate (where applicable)
- Any valid identity document in home jurisdiction

**Drivers licenses will not be accepted as proof of identity.**

## **Proof of Address**

- Utility bill bearing the client name and residential address (less than 3 months old)
- Bank statement bearing the client name and residential address (less than 3 months old)
- Home loan statement bearing the client name and residential address (less than 3 months old)
- Telkom telephone account bearing the client name and residential address (less than 3 months old)
- Salary advice bearing the client name and residential address (less than 3 months old)
- SA Revenue Services tax return bearing the client name and residential address (less than 12 months old)
- Lease agreement bearing the following details (Valid):
  - Name, particulars and signature of the lessee and the lessor
  - Date/term for which the lease applies
  - Physical address of the property being leased
  - Date the agreement is signed
- Body Corporate/Levy statement bearing the client name and residential address (less than 3 months old)
- Letter on letterhead or CIPC document, signed by board of trustees, directors, company secretary or Head of Compliance confirming physical address
- Proof of registered address of Master of High Court with stamp on letter from authority
- Affidavit from client (as a last resort) providing:
  - Name, identity number and physical address
  - Confirmation that client resides at the physical address
- Letter from bank manager, accountant, attorney, senior management etc (where relevant), on a formal letterhead, stating that they know the client for at least three years or that he/she has visited the client at the address and confirming physical address.
- Vodacom, Cell C, MTN, MWeb etc account (no less than 3 months old).



Original electronic versions of above, where applicable, will be accepted. These documents must however be in a format that is not susceptible to tampering and manipulation.

**TV license, clothing accounts or any other invoices will not be accepted as proof of address**

### **Spouse/partner**

Any of above documents for the spouse as proof of physical address, together with:

- copy of the marriage certificate
- letter from the spouse confirming that the client resides at the same address
- the Spouse needs to provide
  - Copy of Identity document

### **Co-habitant**

Affidavit from person co-habiting with client, providing:

- name, identity number and physical residential address of client and co-habitant
- relationship between client and co-habitant
- confirmation that residential address is shared

### **Parent/s**

Any of above documents for parents, together with:

- child's birth certificate (for a minor)

### **Bank Details**

- **Bank statement (not older than 3 months)**
- **Signed and stamped confirmation letter from the bank on bank letterhead (not older than 3 months)**

**No third-party bank details will be accepted**

Original electronic versions of above, where applicable, will be accepted. These documents must however be in a format that is not susceptible to tampering and manipulation.

## **Income Tax Number**

- **Documentation issued by SARS (not older than 2 years)**

**Should the client not have a tax number, the client must provide confirmation that they have applied to SARS for a tax number. On-boarding may continue (low and medium risk clients only) but no withdrawals may be actioned until the tax number have been obtained.**