THIS DOCUMENT (“OFFERING CIRCULAR”) CONTAINS IMPORTANT INFORMATION ABOUT THE NEWFUNDS COLLECTIVE INVESTMENT SCHEME AND ITS SECURITIES AND SHOULD BE READ CAREFULLY BEFORE INVESTING. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS OFFERING CIRCULAR YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISOR.

The directors of NewFunds (Proprietary) Limited, whose names are set out on pages 8 and 9 of this Offering Circular, collectively and individually accept full responsibility for the accuracy of the information contained in this Offering Circular and certify that, to the best of their knowledge and belief, no facts have been omitted, the omission of which would make any statement in this Offering Circular false or misleading and they have made all reasonable enquiries to ascertain such facts and the Offering Circular (as read together with the Applicable Portfolio Supplement) contains all information required by law and the Listings Requirements of the JSE Limited (“JSE”).

THE NEWFUNDS COLLECTIVE INVESTMENT SCHEME
(a collective investment scheme registered in terms of the Collective Investment Schemes Control Act, 2002)
(“NewFunds”)

OFFERING CIRCULAR

relating to the establishment of NewFunds and the issuing and listing on the JSE of participatory interests (“Participatory Interests”) in portfolios in NewFunds (“Portfolios”) from time to time. Each issue of Participatory Interests will be on the terms and conditions set out herein, as supplemented and amended by a portfolio supplement (“Applicable Portfolio Supplement”) issued in relation to the relevant Portfolio and Participatory Interests therein, which Applicable Portfolio Supplement will be delivered to and approved by the JSE in accordance with the JSE Listings Requirements.

Co-originators

Corporate Advisor and Sponsor

Legal Adviser

Date of issue: 3 September 2007

Prospective investors in Participatory Interests, as with any other exchange traded fund, should ensure that they fully understand the nature of the Participatory Interests and the extent of their exposure to risk and that they consider the suitability of the Participatory Interests as an investment in light of their own circumstances and financial position. The JSE’s approval of the listing of any Participatory Interests should not be taken in any way as an indication of the merits of either NewFunds or any Participatory Interests in any Portfolio thereof. The JSE has not verified the accuracy or truth of the contents of the documentation submitted to it and, to the extent permitted by law, the JSE will not be liable for any claim of whatever kind. Claims against the JSE Guarantee Fund may only be made in respect of trading in Participatory Interests on the JSE and in accordance with the rules of the Guarantee Fund and can in no way relate to the new issue of Participatory Interests by NewFunds.

A copy of this Offering Circular in the English language, accompanied by copies of the Applicable Portfolio Supplements, is available at the registered office of NewFunds.
Words used in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular, unless they are defined in this section or the use thereof is clearly inappropriate from the context.

The legal advisers of the Manager have not separately verified the information contained in this Offering Circular. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the legal advisers as to the accuracy or completeness of the information contained in this Offering Circular or any other information provided by the Manager in connection with NewFunds. The legal advisers do not accept any liability in relation to the information contained in this Offering Circular or any other information provided by the Manager in connection with NewFunds.

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Offering Circular or any other information supplied in connection with NewFunds and, if given or made, such information or representation must not be relied upon as having been authorised by the Manager or any of the professional advisers.

This Offering Circular and any other information supplied in connection with NewFunds does not constitute the rendering of financial or investment advice by the Manager or any of the professional advisers and is not intended to provide the basis of any credit or other evaluation. This Offering Circular and such information merely contains a description of certain facts as at the date of this Offering Circular and should not be considered as a recommendation by the Manager or any of the professional advisers that any recipient of this Offering Circular or any other information supplied in connection with NewFunds should purchase any Participatory Interests.

Each investor contemplating purchasing any Participatory Interests should make its own independent investigation of the financial condition and affairs and its own appraisal of NewFunds. Neither this Offering Circular nor any other information supplied in connection with NewFunds constitutes an offer or invitation by or on behalf of the Manager or any of the professional advisers to any person to subscribe for or to purchase any Participatory Interests, unless read in conjunction with an Applicable Portfolio Supplement.

Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of NewFunds since the date hereof.

The delivery of this Offering Circular does not at any time imply that the information contained herein is correct at any time subsequent to the date hereof.

This Offering Circular is to be read in conjunction with all documents incorporated herein by reference and should be read and understood on the basis that such documents are incorporated in and form part of this Offering Circular.

This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy any Participatory Interests in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. Neither the Manager nor any of the professional advisers represents that this Offering Circular may be lawfully distributed, or that any Participatory Interests may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Manager which would permit a public offering of any Participatory Interests or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Participatory Interests may be offered or sold, directly or indirectly, and neither this Offering Circular nor any advertisement or other offering material may be distributed or published in any jurisdiction, except in compliance with any applicable laws and regulations and the Manager has represented that all offers and sales by them will be made in compliance with this prohibition.

The distribution of this Offering Circular and the offer or sale of Participatory Interests may be restricted by law in certain jurisdictions. Persons into whose possession this Offering Circular or any Participatory Interests come must inform themselves about, and observe, any such restrictions. In particular there are restrictions on the distribution of this Offering Circular and the offer or sale of Participatory Interests in the United States, the United Kingdom and the RSA.

The Participatory Interests have not been and will not be registered under the United States Securities Act of 1933 (the “Securities Act”). Participatory Interests may not be offered, sold or delivered within the United States or to US persons except in accordance with Regulations under the Securities Act. Furthermore, persons who are not residents of the Common Monetary Area (being the RSA, the Republic of Namibia, the Kingdom of Swaziland and the Kingdom of Lesotho) may not invest in or acquire the Participatory Interests unless specific approval is sought and obtained from the relevant South African Exchange Control Authorities.
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OVERVIEW

Words in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular, unless they are defined in this section or the use thereof is clearly inappropriate from the context.

The following description of the structure of NewFunds, the parties thereto and their rights and obligations in respect thereof consists of a summary of NewFunds and is qualified by reference to CISCA and the Transaction Documents (which are available for inspection at the places and during the times described in the Applicable Portfolio Supplement).

The structure of NewFunds is set out diagrammatically below.

1. NewFunds is a collective investment scheme which was established by means of the Principal Deed concluded between the Manager and the Trustee on 17 July 2007.

2. Each Portfolio under NewFunds comprises or will comprise a separate ETF and has been or will be established by a Supplemental Deed, again concluded between the Manager and the Trustee, each Portfolio seeking to track the performance of a specified Index of securities as described in the Applicable Portfolio Supplement issued in relation thereto.

3. In order to track the specified Index, each Portfolio will acquire Constituent Securities in each of the Constituent Companies comprising the Index in the same weighting as the Index. The manner in which the Index will be composed and managed will be described in the Applicable Portfolio Supplement issued in relation to the relevant Portfolio.

4. The Trustee of NewFunds will be The Standard Bank of South Africa Limited or such other Trustee as may be appointed from time to time in accordance with CISCA. In terms of CISCA and the Principal Deed, all Constituent Securities acquired in relation to each Portfolio are to be registered in the name of the Trustee (or, with the consent of the Registrar, in the name of a nominee company of the Trustee) and are to be held by the Trustee as trust property for purposes of the Financial Institutions (Protection of Funds) Act, 2001.

5. NewFunds and each Portfolio thereunder will be managed by the Manager in accordance with the provisions of the Principal Deed, the relevant Supplemental Deed and CISCA. The Manager is a joint venture company, the issued share capital of which is held 50% by Absa and 50% by Vunani. Each of Absa and Vunani have, pursuant to the written Shareholders' Agreement concluded between them and the Manager, undertaken to make sufficient resources and personnel available to the Manager in order for the Manager to comply with its obligations in terms of CISCA, the Principal Deed and each Supplemental Deed.

6. An Investor invests in a Portfolio by acquiring a Participatory Interest in that Portfolio. A Participatory Interest is a beneficial interest issued by NewFunds in relation to a particular Portfolio which will be listed on the JSE. Each Participatory Interest will entitle the holder thereof to an equal proportionate interest in the assets of the Portfolio to which such Participatory Interest relates. The rights of an Investor in respect of a Participatory Interest will be governed by CISCA, the Principal Deed and the relevant Supplemental Deed relating to the Portfolio to which that Participatory Interest relates.

7. The Manager may appoint third party contractors required to perform various services to NewFunds that the Manager does not perform itself, including market making, broking, securities dealing and the like.
In this Offering Circular, unless the context clearly indicates a contrary intention, the following expressions shall have the following meanings and cognate expressions shall have a corresponding meaning:

“Absa” Absa Bank Limited (registration number 1986/004794/06), a public company duly incorporated in accordance with the laws of the RSA and registered as a bank in terms of the Banks Act, 1990;

“Absa Stockbrokers” Absa Stockbrokers (Proprietary) Limited (registration number 1973/010798/07), a private company duly incorporated and registered in accordance with the laws of the RSA;

“Accounting Period” in relation to a Portfolio, the accounting period of that Portfolio specified in the relevant Supplemental Deed and Applicable Portfolio Supplement;

“Applicable Portfolio Supplement” in relation to a Portfolio, the applicable Portfolio Supplement issued in relation to that Portfolio;

“Applicable Procedures” the rules and operating procedures for the time being of the JSE, Strate and/or the Settlement Agents, as the case may be;

“Applicant” a person or entity that makes an offer to NewFunds to subscribe for a Participatory Interest in a specific Portfolio on the basis described in this Offering Circular as read with the Applicable Portfolio Supplement;

“Auditors” the auditors of NewFunds and the Manager from time to time, being KPMG as at the date of this Offering Circular or such other internationally recognised auditing firm appointed by NewFunds and/or the Manager from time to time;

“Basket” in relation to a Portfolio, a collection of Constituent Securities which comprises the minimum number of securities issued in each of the Constituent Companies (in the weightings in which they are included in the Index) that can be acquired with an amount of money having a Rand value equivalent to a multiple of the average Index Level over the Ramp-Up Period in respect of an Initial Offer, as specified in the relevant Portfolio Supplement and as equates in Rand terms to a Block;

“Block” such number of Participatory Interests as specified in a Portfolio Supplement in relation to a particular Portfolio as may be exchanged for a Basket;

“Business Day” a day (other than a Saturday, Sunday or official public holiday within the meaning of the Public Holidays Act, 1994) on which commercial banks are generally open to settle payment in Rand in Johannesburg;

“Cash Subscription” a subscription for a Participatory Interest in a Portfolio pursuant to an Initial Offer which is to be settled in cash;

“CISCA” the Collective Investment Schemes Control Act, 2002 (as amended or replaced from time to time);

“Constituent Company” in relation to a Portfolio, the entities or companies whose securities are included in the Index that the ETF constituted by such Portfolio wishes to track;

“Constituent Security” in relation to a Portfolio, a security of a Constituent Company;

“Controlled Client” an Investor whose funds and uncertificated securities are in the control of a Settlement Agent and whose settlements take place via a CSDP as if the Investor’s funds or uncertificated securities were under the control of a Settlement Agent;

“Creation Fee” the upfront fee charged by the Manager in accordance with the provisions of CISCA and the Principal Deed on the creation of a Participatory Interest;

“CSDP” a participant (as defined in the Securities Services Act) duly accepted by Strate as a Central Securities Depository Participant in terms of the Securities Services Act;
“Declaration Date” in relation to a Portfolio, the date on which the declaration of an income distribution in relation to that Portfolio is made via SENS, which date must be in accordance with the JSE’s corporate actions timetable;

“Dematerialised” the process whereby physical certificates and other documents of title (including certificated transfer deeds and/or balance receipts or other acceptable documents of title) representing Participatory Interests are replaced with electronic records evidencing ownership of Participatory Interests for the purposes of the Strate System, as contemplated in the Securities Services Act;

“Distribution Account” in relation to a Portfolio, an account in the books of account of that Portfolio into which amounts are to be transferred from the Income Account of that Portfolio and from which distributions to Investors will be made;

“Distribution Date” in relation to a Portfolio, a date on which a distribution is to be made to the Investors in that Portfolio, which date must be in accordance in the JSE’s corporate actions timetable;

“ETF” an exchange traded fund established as a Portfolio by a Supplemental Deed and managed by the Manager, as more fully described in the Applicable Portfolio Supplement;

“In Specie Redemption” a redemption of one or more Blocks of Participatory Interests effected by the delivery of a Basket of Constituent Securities as opposed to cash;

“In Specie Subscription” a subscription for one or more Blocks of Participatory Interests effected by the delivery of one or more Baskets of Constituent Securities;

“Investor” a holder of a Participatory Interest;

“Java Capital” Java Capital (Proprietary) Limited (registration number 2002/031862/07), a private company duly incorporated in accordance with the laws of the RSA;

“JSE” JSE Limited (registration number 2005/022939/06), a public company duly incorporated with limited liability in accordance with the laws of the RSA and licensed as an exchange under the Securities Services Act;

“JSE Listings Requirements” the listings requirements of the JSE, as published by the JSE from time to time;

“KPMG” KPMG Incorporated (registration number 1999/021543/21), a company duly registered in accordance with the laws of the RSA;

“LDT” the last business day to trade in a Participatory Interest in order to settle by the Record Date in order to qualify for or participate in a distribution of income or other corporate action;

“Listing Date” in relation to a Portfolio, the date on which the first Participatory Interests issued in such Portfolio are listed on the JSE, as specified in the Applicable Portfolio Supplement;

“Manager” NewFunds (Proprietary) Limited (registration number 2005/034899/07) (previously known as Lexshell 667 Investments (Proprietary) Limited), a private company duly incorporated in accordance with the laws of the RSA or such other manager of NewFunds as may be appointed in accordance with the provisions of CISCA;

“NewFunds” the NewFunds Collective Investment Scheme, a collective investment scheme in securities registered in terms of CISCA by the Registrar on 2 August 2007;

“NewFunds CSDP” The Standard Bank of South Africa Limited (registration number 1962/00738/06), a public company incorporated in accordance with the laws of the RSA;
“Non-controlled Client” an Investor, other than a Controlled Client, who has appointed and whose settlements take place directly with a CSDP;

“Offering Circular” this offering circular (as amended, supplemented, novated and/or replaced from time to time) which, in relation to each Portfolio, is to be read with the Applicable Portfolio Supplement issued in relation thereto;

“Participating Brokers” Absa Stockbrokers and Vunani Securities as co-participatory brokers or, in relation to any particular Portfolio, the participating broker/s specified in the Applicable Portfolio Supplement;

“Participatory Interest” in relation to a Portfolio, a security issued by that Portfolio in accordance with this Offering Circular as read with the Applicable Portfolio Supplement, representing a beneficial interest in that Portfolio;

“Permitted Securities” shares, preference shares whether redeemable, convertible or perpetual, exchange depository receipts in public companies, stock, bonds, participatory interests in other collective investment schemes (excluding participatory interests in collective investment schemes in participation bonds), debentures, debenture stock, debenture bonds, unsecured notes, cash and certain listed financial instruments and liquid assets or such other securities as may be permitted in terms of CISCA from time to time;

“Portfolio” a portfolio established under NewFunds in terms of section 42 of CISCA by way of Supplemental Deed concluded between the Manager and the Trustee relating thereto;

“Portfolio Supplement” in relation to a Portfolio, a portfolio supplement (as amended, novated and/or replaced from time to time) issued by the Manager and approved by the JSE prior to the listing of any Participatory Interests in relation to such Portfolio;

“Principal Deed” the principal deed (as amended, novated and/or replaced from time to time) concluded between the Manager and the Trustee dated 17 July 2007, pursuant to which the Manager and the Trustee agree to establish NewFunds under CISCA and to create thereunder, by means of Supplemental Deed, one or more separate Portfolios;

“Ramp-Up Period” the period over which Constituent Securities are acquired by the Manager pursuant to Cash Subscriptions, as detailed in the relevant Portfolio Supplement;

“Rand” or “ZAR” Rand, the legal currency of the RSA;

“Record Date” in relation to a Portfolio, the date by which Investors in a Portfolio are to be recorded in the Register of that Portfolio, in order to qualify to receive a distribution or participate in a corporate action;

“Redemption Fee” the exit fee (if any) charged by the Manager in accordance with the provisions of CISCA and the Principal Deed on the redemption of a Participatory Interest;

“Register” in relation to a Portfolio, the register of Investors in that Portfolio;

“Registrar” the Registrar of Collective Investment Schemes referred to in section 7 of CISCA;

“Representative” a person duly authorised by a resolution of the board of directors or other governing body of a corporate holder of Participatory Interests to act as its representative in connection with any meeting or proposed meeting of Investors;

“RSA” the Republic of South Africa;

“Securities Services Act” the Securities Services Act, 2004;

“SENS” the Securities Exchange News Service, an office of the JSE;

“Settlement Agent” a CSDP approved in terms of the Applicable Procedures to perform electronic net settlement of both cash and securities on behalf of market participants;

“Shareholders’ Agreement” the written shareholders’ agreement (as amended, novated and/or replaced from time to time) concluded between the Manager, Absa and Vunani on 30 August 2006, in terms of which Absa and Vunani seek to regulate their relationship as shareholders in the Manager;
“Specified Cash Amount” \( \text{pro rata} \) the number of Participatory Interests being subscribed for \textit{in specie}, collectively:

- a portion of the income accruals in the Portfolio up to and including the date of subscription (nil in respect of the Initial Offer);
- any cash amount that arises as a result of rounding the number of Constituent Securities to be delivered;
- transfer duties and taxes (including UST, if applicable) (if any) arising on the acquisition by the Portfolio of the underlying Basket from the Investor; and
- any other cost that may be determined by the Manager from time to time;

“Sponsor”
Java Capital;

“Strate”
Strate Limited (registration number 1998/022242/06), a public company duly incorporated in accordance with the laws of the RSA and registered as a central securities depository in terms of the Securities Services Act;

“Strate System”
the electronic settlement system utilised by the JSE and administered by Strate, which facilitates the electronic clearing and settlement for all transactions concluded on the JSE;

“Subsequent Issue”
in relation to each Portfolio, an offer of Participatory Interests in that Portfolio made subsequent to the date of the Initial Offer in relation to that Portfolio;

“Supplemental Deed”
a written supplemental deed (as amended, novated and/or replaced from time to time) concluded between the Manager and the Trustee in relation to a specific Portfolio under NewFunds;

“Trading Day”
a day on which trading takes place on the JSE;

“Transaction Documents”
collectively:

- the Principal Deed;
- each Supplemental Deed, once concluded; and
- the Shareholders’ Agreement;

“Trustee”
the trustee of NewFunds appointed in terms of CISCA from time to time, being The Standard Bank of South Africa Limited (registration number 1962/000738/06) at the date of this Offering Circular;

“UST”
uncertificated securities tax levied in terms of the Uncertificated Securities Tax Act, 1998;

“Valuation Point”
the point in time on any date on which the price of Participatory Interests for purposes of creations and redemptions are to be calculated, which shall be the close of trading on each Trading Day;

“Vunani”
Vunani Capital (Proprietary) Limited (registration number 1998/001469/07), a private company duly incorporated in accordance with the laws of the RSA;

“Vunani Securities”
Vunani Securities (Proprietary) Limited (registration number 1997/010323/07), a private company duly incorporated and registered in accordance with the laws of the RSA; and

“Website”
the NewFunds website, the address of which is www.newfunds.co.za.

All references in this Offering Circular to any Act, regulation or other statutory provision shall be a reference to such Act, regulation or other statutory provision as amended and/or re-promulgated from time to time and for the time being.

All expressions in this Offering Circular which denote the singular shall include the plural, any gender shall include the other genders, and a natural person shall include an artificial or juristic person and \textit{vice versa}. 

6
DESCRIPTION OF NEWFUNDS

Words in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular, unless they are defined in this section or the use thereof is clearly inappropriate from the context.

The following description of the structure of NewFunds, the parties thereto and their rights and obligations in respect thereof consists of a summary of NewFunds and is qualified by reference to CISCA, the Principal Deed and each Supplemental Deed (which are available for inspection at the places and during the times described in this Offering Circular read with the Applicable Portfolio Supplement).

NewFunds

NewFunds is a collective investment scheme established by the Principal Deed and registered under CISCA on 2 August 2007. Broadly speaking, a collective investment scheme is a scheme established under CISCA in terms of which members of the public are invited or permitted to invest money or other assets in one or more funds (known as portfolios) and to share the risk and benefit in the underlying assets of that particular portfolio. NewFunds has been established as a collective investment scheme in securities and as such NewFunds may only invest in Permitted Securities. NewFunds has been established as an umbrella type fund which may house various Portfolios. The Participatory Interests in each Portfolio will be listed on the JSE as a separate exchange traded fund. There is no limit on the number of Portfolios that may be established under NewFunds.

An exchange traded fund (or an index tracking fund) is a listed, passively managed investment fund, the principal aim of which is to track, as closely as possible, the performance of a particular index or portfolio of assets. In this instance, all units of beneficial interest in the funds (i.e. the Participatory Interests) will be listed on the JSE.

Trustee

The Standard Bank of South Africa Limited has, at the date of this Offering Circular, been appointed as the trustee of NewFunds. The responsibilities and duties of the Trustee are set out both in the Principal Deed and in CISCA. All Constituent Securities held by NewFunds from time to time are to be registered in the name of the Trustee (in its capacity as such) or, with the consent of the Registrar, in the name of a nominee company of the Trustee. Such Constituent Securities are to be regarded as being trust property for purposes of the Financial Institutions (Protection of Funds) Act, 2001 and the Manager and the Trustee are to deal with such securities in terms of CISCA and the Principal Deed in the best interests of Investors.

The obligations of the Trustee include, inter alia:

- ensuring that the sale, issue, repurchase and cancellation of Participatory Interests are carried out in accordance with CISCA and the Principal Deed;
- ensuring that the price of Participatory Interests for purposes of creations and redemptions is calculated in accordance with CISCA and the Principal Deed;
- carrying out the instructions of the Manager (unless they are inconsistent with CISCA or the Principal Deed);
- verifying that all proceeds of transactions involving the Constituent Securities in each Portfolio are remitted to that Portfolio within time limits which are acceptable market practice in the context of the particular transaction;
- verifying that income accruals of each Portfolio are applied in accordance with CISCA and the Principal Deed;
- in relation to each Portfolio, enquiring into and preparing a report on the administration of NewFunds by the Manager during each Accounting Period, which report is to contain a statement as to whether or not NewFunds has been administered in accordance with the provisions of CISCA and the Principal Deed and, if the Manager has not complied with the provisions of CISCA or the Principal Deed, a statement as to the reasons for such non-compliance and the steps taken by the Manager to rectify the situation;
- sending the annual report referred to above to the Registrar and the Manager in good time so as to enable the Manager to include a copy of the Trustee's report in the Manager's annual report;
- ensuring that there is legal separation of the assets held under custody and that the legal entitlement of Investors to the Constituent Securities is assured; and
- ensuring that appropriate internal control systems are maintained in relation to NewFunds and that the records clearly identify the nature and value of all Constituent Securities under custody, the ownership of each such Constituent Security and the place where documents of title pertaining to such Constituent Security are kept.
The Trustee is not obliged to furnish security to the Master of the High Court or to any other official for the due performance by it of any of its obligations in terms of CISCA or the Principal Deed.

Should the Trustee wish to retire as trustee of NewFunds, the Trustee is obliged, in terms of CISCA, to give the Manager and the Registrar not less than six months notice of such intention. During such six month period, the Manager is obliged to take all such steps as may be necessary to appoint a new trustee, failing which the Registrar, after consultation with the Manager, may direct the Manager to appoint a trustee nominated by the Registrar. This will ensure that there is at all times a trustee of NewFunds in place.

The Manager

NewFunds is managed by NewFunds (Proprietary) Limited, a company approved and registered by the Registrar to manage collective investment schemes in terms of section 42 of CISCA. The Manager is a special purpose company incorporated in the RSA on 28 September 2005. The shares in the issued share capital of the Manager are owned 50% by Absa and 50% by Vunani.

The relationship between NewFunds and the Manager is governed by the Principal Deed, each Supplemental Deed and the provisions of CISCA.

The business of the Manager (as described in both its memorandum and articles of association and the Shareholders’ Agreement) is to:

- act as a manager of collective investment schemes in accordance with CISCA and to render administrative, clerical, supervisory and other services to collective investment schemes in relation to which it has been appointed as manager;
- create and cause to be registered under CISCA, collective investment schemes and for that purpose to enter into one or more deeds with trustees in terms of which the Manager is appointed the manager of such collective investment schemes;
- perform all investment and asset management functions necessary or desirable in order to manage the assets of each of the portfolios in each collective investment scheme managed by the Manager; and
- enter into all such agreements and to do all such things as may be necessary or desirable in order to act as a manager of collective investment schemes and an asset manager of the assets comprised therein in terms of CISCA and all other applicable laws and to provide all services ancillary thereto.

In terms of CISCA and the Principal Deed, the Manager is granted various powers in relation to the administration and management of NewFunds so as to ensure that each ETF achieves its investment objectives. The powers of the Manager are more fully described in the section of this Offering Circular entitled “Powers and obligations of the Manager”.

In terms of the Principal Deed, the Manager may, with the prior written approval of the Trustee and the Registrar, retire by appointing a substitute manager to whom all the Manager’s rights and obligations under the Principal Deed and each Supplemental Deed will be assigned. In addition, if the Manager is liquidated, the Trustee is obliged to take immediate steps to appoint a new manager.

The directors of the Manager are set out below:

ALAN JONATHAN MILLER

(i) Age: 37;
(ii) Nationality: South African;
(iii) Qualifications: B.Econ.Sc, B.Sc(Hons), FIA, FASSA, CFA;
(iv) Business address: 180 Commissioner Street, Johannesburg, 2001;
(v) Occupation and experience: Managing Executive – Absa Financial Services Investments;
(vi) Function and capacity: Non-executive director;
(vii) Names of companies and partnerships in which director has been a director or partner at any time in the previous five years, indicating whether the position is still held: See Annexure A hereto;
(viii) Term of office: No fixed term of office;
(ix) Direct/Indirect interest in share capital of Manager: None.
ETHAN GILBERT DUBE

(i) Age: 45;
(ii) Nationality: South African;
(iii) Qualifications: M.Sc. (Statistics), Executive MBA;
(iv) Business address: Vunani House, Freestone Park, 135 Patricia Road, Sandown, Sandton, 2196;
(v) Occupation and experience: Chief Executive Officer of Vunani Group (Proprietary) Limited;
(vi) Function and capacity: Non-executive director;
(vii) Names of companies and partnerships in which director has been a director or partner at any time in the previous five years, indicating whether the position is still held: See Annexure A hereto;
(viii) Term of office: No fixed term of office;
(ix) Direct/Indirect interest in share capital of Manager: indirect via interest in Vunani.

BUTANA MANGALISO KHOZA

(i) Age: 39;
(ii) Nationality: South African;
(iii) Qualifications: B.Com., CA(SA);
(iv) Business address: Vunani House, Freestone Park, 135 Patricia Road, Sandown, Sandton, 2196;
(v) Occupation and experience: Managing Director, Vunani Securities;
(vi) Function and capacity: Non-executive director;
(vii) Names of companies and partnerships in which director has been a director or partner at any time in the previous five years, indicating whether the position is still held: See Annexure A hereto;
(viii) Term of office: No fixed term of office;
(ix) Direct/indirect interest in share capital of Manager: indirect via interest in Vunani.

ANDRIES BENJAMIN (ANDRÉ) LA GRANGE

(i) Age: 56;
(ii) Nationality: South African;
(iii) Qualifications: M.Com. (Finance and Economics);
(iv) Business address: 180 Commissioner Street, Johannesburg, 2001;
(v) Occupation and experience: General Manager, Absa Capital;
(vi) Function and capacity: Non-executive director;
(vii) Names of companies and partnerships in which director has been a director or partner at any time in the previous five years, indicating whether the position is still held: See Annexure A hereto;
(viii) Term of office: No fixed term of office;
(ix) Direct/Indirect interest in share capital of Manager: None.

No director of the Manager shall be entitled to any remuneration payable by the Manager in consideration for his appointment as such. The remuneration of the directors shall from time to time be determined by the directors or by the Manager in general meeting.

In terms of the articles of association of the Manager and CISCA, no director shall be appointed unless the prior written approval of the Registrar has been obtained in respect of such appointment.

The directors of the Manager may exercise all the powers of the Manager to borrow money and to mortgage or bind its undertaking and property or any part thereof and to issue debentures, debenture stock and other securities, provided that the Manager shall not lend or borrow any money save as permitted in terms of CISCA.

Directors of the Manager shall not retire at annual general meetings of the Manager but shall continue in office until terminated in terms of the articles of association of the Manager.

Unless disclosure has been made as contemplated in the Companies Act, 1973, no director shall vote in respect of any contract or proposed contract with the Manager in which he is interested, or any matter arising therefrom.
None of the directors of the Manager has been involved in or has been subject to any:

– bankruptcies, insolvencies or individual voluntary compromise arrangements;
– receiverships, compulsory liquidations, creditors’ voluntary liquidations, administrations, company voluntary arrangements, or any compromise or arrangement with creditors generally or any class of creditors of any company which the director is or was a director with an executive function at the time of or within 12 months preceding such events;
– compulsory liquidations, administration or partnership voluntary arrangements of any partnerships where the director was a partner at the time of or within 12 months preceding such events;
– receivership or any asset/s of such person or of a partnership of which the individual is or was a partner at the time of or within the 12 months preceding such event;
– public criticism by statutory or regulatory authorities or disqualified by a court from acting as a director or in the management or conduct of the affairs of any company; or
– offence involving dishonesty.

Asset Management and Administration

Subject to the approval of the Registrar (if required), the Manager may appoint suitably qualified parties as the asset manager and/or administrator of any Portfolio if it deems this appropriate. In such event this will be disclosed in the Applicable Portfolio Supplement.

Participatory Interests

A Participatory Interest is a security issued by NewFunds in a particular Portfolio and will be listed on the JSE. A Participatory Interest in each Portfolio entitles the holder thereof to a beneficial interest in all the Constituent Securities held by that Portfolio. It entitles each holder thereof to an equal proportionate interest in the Portfolio to which it relates and to an equal proportionate share of the risk in and benefit of the assets (including the Constituent Securities) in the relevant Portfolio (including a proportionate share in the distributions thereof). As such, an Investor who holds a Participatory Interest in a Portfolio is effectively, together with all other holders of Participatory Interests therein, the co-owner of that Portfolio. However, no Investor is entitled to any particular asset (or Constituent Security) of a particular Portfolio and every Participatory Interest ranks pari passu with all other Participatory Interests in that Portfolio.

There will be no preferential conversion and/or exchange rights applicable to any Participatory Interests.

The rights of the holders of Participatory Interests are set out in CISCA, the Principal Deed and the relevant Supplemental Deed, which will be available for inspection at the places and during the times described in the Applicable Portfolio Supplement. The salient features of the Supplemental Deed will be set out in the Applicable Portfolio Supplement.

The provisions of the Principal Deed are binding on the Trustee, the Manager and each Investor and any person claiming through them as if such Investor or person had been a party to the Principal Deed.

As a general rule the Principal Deed may not be amended other than with the prior written consent of the JSE and with the consent of Investors on the basis described below. Where the consent of Investors is to be obtained for any amendment to the Principal Deed, such consent is to be obtained in the following manner:

– where the proposed amendment affects only Participatory Interests in a particular Portfolio, Investors (excluding the Manager) holding not less than 25% in value of the total number of Participatory Interests in that Portfolio must respond in writing to a ballot conducted by the Manager. In order for the amendment to be approved, the amendment must be consented to by Investors holding a majority in value of the Participatory Interests held by the Investors who have responded in writing;
– where the proposed amendment affects more than one or all Portfolios, Investors, excluding the Manager, holding not less than 25% in value of the total number of Participatory Interests then issued in the affected Portfolios must respond in writing. In order for the amendment to be approved, the amendment must be consented to by Investors holding a majority in value of the Participatory Interests held by the Investors who have responded in writing;
– in either of the situations described above, if Investors holding less that 25% in value of the total number of Participatory Interests in the relevant Portfolio or Portfolios (as the case may be) have responded in writing to the ballot conducted by the Manager, a second ballot must be conducted by the Manager and in such second ballot, in order for the proposed amendment to be approved, Investors holding a majority in value of the Participatory Interests held by the Investors who have responded must consent in order for the amendment to be approved.
For purposes of the ballots referred to above, the following principles will apply:

– each Investor whose name appears in the Register of the affected Portfolio/s may vote in respect of each relevant Participatory Interest held by it, provided that an Investor or its Representative is not obliged to exercise all of its voting rights in the same way;

– the Manager is obliged to despatch to each Investor referred to above whose name appears in the Register of the affected Portfolios, a ballot paper together with a memorandum approved by the JSE and the Registrar containing the reasons for the proposed amendment;

– only ballot papers which are received by the Manager within thirty Business Days after despatch to Investors will be taken into account for purposes of determining the number of Investors who have responded in writing to the ballot;

– ballot papers will be counted by the Auditors and their finding, as conveyed in writing to the Manager, shall be final and binding; and

– where an Investor is holding a Participatory Interest as nominee, such nominee is to obtain written instructions from the owner of the relevant Participatory Interest as to how to respond to the proposed amendment.

Notwithstanding the aforesaid, the Principal Deed may (with the approval of the Registrar) be amended without the consent of Investors if the amendment:

– is required only to enable the provisions of CISCA or the Principal Deed to be given effect to more conveniently or economically;

– will benefit Investors;

– will not prejudice the interests of Investors;

– does not amend the fundamental provisions or objects of the Principal Deed; and

– does not release the Trustee or the Manager from any responsibility it owes to Investors.

Indices

The composition of and the basis of the calculation of each Index will be set out in the Supplemental Deed in relation to each particular ETF and the Applicable Portfolio Supplement issued in relation thereto. The Manager will be responsible for ensuring, to the extent possible, the tracking of the Index by ensuring the purchase and holding by the Portfolio of the required number of Constituent Securities in the relevant Index in the correct weightings. Each Portfolio will be passively managed in that there will be no buying and selling of Constituent Securities based on economic, financial or market analyses or particular investment judgment but rather the buying and selling of Constituent Securities will only occur as a result of Index tracking or rebalancing of the Index. Further, no investment analysis will be made in and to the Constituent Securities acquired by any Portfolio and the only securities acquired will be the Constituent Securities of the particular Index, provided that the Portfolio shall be entitled in its discretion and only on a temporary basis, to employ such other investment techniques and instruments as will most effectively give effect to the object or the investment policies of the Portfolio.

Applicable law

The Principal Deed, each Supplemental Deed, all Participatory Interests and all applications by Investors to acquire Participatory Interests will be governed by, construed and interpreted in accordance with the laws of the RSA and each Investor will be deemed, by applying for Participatory Interests, to have consented and submitted to the jurisdiction of the Witwatersrand Local Division of the High Court of the RSA in relation to all matters arising out of or in connection with Participatory Interests and the offer made to acquire same.
POWERS AND OBLIGATIONS OF THE MANAGER

Words in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular, unless they are defined in this section or the use thereof is clearly inappropriate from the context.

The following description of the powers and obligations of the Manager constitutes a summary of the powers and obligations of the Manager and is qualified by reference to CISCA, the Principal Deed, and each Supplemental Deed (which are available for inspection at the places and during the times described in the Applicable Portfolio Supplement).

General
The Manager has been appointed in terms of the Principal Deed, subject to the provisions of CISCA and the Principal Deed, to:

– do all such things and enter into all such agreements as are necessary for the administration of NewFunds and to achieve the investment objectives of each Portfolio of NewFunds;

– select, purchase, sell, exchange or change any of the assets in a Portfolio;

– appoint persons to exercise powers and perform duties on its behalf, which appointments are to be in writing;

– act on the advice or information obtained from professional advisors and others considered by the Manager to be experts;

– in relation to any specific Portfolio to borrow money under section 96 of CISCA subject to the limits and conditions more fully described under the section entitled “Restrictions on Lending or Borrowing of Money” contained in the section of this Offering Circular entitled “Powers and Obligations of the Manager”; and

– engage in securities lending in relation to the assets of any specific Portfolio under section 85 of CISCA subject to the limits and conditions set out in the Principle Deed, as summarised in the section of this Offering Circular entitled “Securities Lending” below.

Securities lending
The Manager is, pursuant to the provisions of CISCA and the Principal Deed, entitled (either itself or through an agent appointed by the Manager for such purpose) to engage in securities lending transactions in relation to the Constituent Securities held by any specific Portfolio subject to certain limits and conditions, including:

– the securities lending must be beneficial to all Investors in that Portfolio;

– the Manager may lend or offer to lend Constituent Securities having a value not exceeding 50% of the market value of the Constituent Securities in that Portfolio;

– the Constituent Securities that may be lent to one borrower are limited in accordance with the limits determined by the Registrar for the inclusion of money market instruments in a particular Portfolio;

– collateral security for the Constituent Securities lent must have an aggregate value that exceeds the market value of the Constituent Securities loaned by not less than 5% at all times and may only consist of cash or other securities or combination of securities;

– Constituent Securities may not be lent for a period longer than 12 months;

– Constituent Securities may not be lent unless subject to a right of recall;

– all fee income earned from securities lending, less necessary expenses, must be administered for the benefit of the Investors in the relevant Portfolio;

– the Manager must disclose, in the quarterly and annual financial statements in relation to each Portfolio, the Constituent Securities that are subject to a securities lending transaction and the nature of the collateral security which is held in respect of such loan; and

– each securities lending agreement and each agreement relating to the security furnished by the borrower in relation thereto must be in writing and must at least provide for:

  – the period of notice for the termination of the loan;

  – payments to be made by the borrower to the Manager for the benefit of the relevant Portfolio in lieu of dividends accrued or paid in respect of the loaned Constituent Securities;
– charges payable by the borrower to the Portfolio to compensate Investors for additional taxes in respect of taxable earnings in the form of payments by the borrower to the Manager in lieu of dividends accrued or paid on the Constituent Securities loaned;

– fees or charges payable by the borrower to the Manager for the benefit of the relevant Portfolio in respect of the loaned Constituent Securities;

– reservation of the right of execution without court order and immediate transfer to the Manager of the ownership of and all rights, including voting rights, attached to the collateral security if the borrower defaults or becomes insolvent; and

– an undertaking by the borrower to deliver to the Manager, for the benefit of the relevant Portfolio, securities equivalent to any right in respect of which the loaned Constituent Securities that may become exercisable before the redelivery of the loaned Constituent Securities.

Restrictions on lending or borrowing of money

In terms of CISCA and the Principal Deed, the Manager may not:

– sell or offer for sale any Participatory Interests except on terms requiring payment of the full selling price in respect thereof to be made on acceptance by the Manager of the Investor's offer to purchase; or

– lend or advance money.

However, the Manager may, where insufficient liquidity exists in a Portfolio or where assets cannot be realised to repurchase or cancel Participatory Interests, borrow such funds as may be necessary for such repurchase or cancellation on security of the assets and for the account of the Portfolio in question. Such borrowing is to be made from a registered financial institution at the best commercial terms available until the assets can be realised to repay such loan, provided that the maximum amount that a Manager may borrow on behalf of a Portfolio at any time shall not exceed 10% of the market value of such Portfolio at the time of the borrowing.

In terms of the Principal Deed the Manager may only borrow money under section 96 of CISCA on the following terms and conditions:

– the Manager must obtain the prior consent of the Trustee to the borrowing;

– the term of the loan may not exceed sixty one days, provided that if insufficient liquidity continues thereafter the loan may be renewed with the consent of the Trustee;

– the loan may not bear a penalty for early settlement;

– the loan must be serviced in sequence of priority out of:
  – inflows to the Portfolio to which it relates; and
  – realisation of assets of the Portfolio to which it relates;

– the outstanding capital amount of the loan must be used when computing the net asset value of any Participatory Interest in that Portfolio;

– as security for the repayment of the loan, the Manager may:
  – cede a proportionate share of the assets in the relevant Portfolio to the lender on condition that ownership of the ceded assets will only be transferred to the lender if the Manager is in default; or
  – grant an option to the lender to purchase a proportionate share of the assets in that Portfolio, equal in value to the outstanding amount of the loan, at the end of the term of the loan;

– the Manager may only borrow funds in relation to a Portfolio if liquidity can not reasonably be obtained without encumbering the assets of that Portfolio;

– the amount borrowed must be limited to the amount necessary to repurchase or cancel Participatory Interests (subject always to the limit prescribed by section 96 of CISCA); and

– the Manager must disclose in its point of sale documents that an Investor is required to sign, that the Manager may borrow up to 10% of the market value of the Portfolio at the time of the borrowing to bridge insufficient liquidity.

Reporting duties

The Manager is obliged, not later than ninety days after the close of its financial year (currently 31 March), to send to the Registrar a copy of the Manager’s audited financial statements and those of every Portfolio of NewFunds.

All financial statements prepared by the Manager are required to reflect, inter alia, the following information:

– the amount of dividends, interest and any other income for distribution which has accrued to the assets in every Portfolio, indicating the classes of income, the amount derived from each class and how the income has been, or is intended to be, allocated;
– in respect of each Portfolio, the amount of the proceeds of capital gains, rights and bonus issues and any other accruals or receipts of a capital nature which have been, or are to be, invested in the Portfolio for the benefit of Investors, indicating the classes thereof and the amount derived from each class;

– the total Rand value and number of Participatory Interests in respect of each Portfolio at the beginning of the financial year, sold during the year, repurchased during the year and at the end of the year;

– the Manager's income derived from all sources in the operation of NewFunds, indicating the sources, the amount derived from each source and the net profit or loss derived from such operation, provided that a distinction must be made between gross profit derived from an appreciation in value of Participatory Interests disposed of by the Manager and the gross profit derived from the buying and selling of Participatory Interests for the Manager's own account; and

– in respect of securities lending transactions, a list of such transactions, the value thereof, and the composition and nature of the collateral security held in respect thereof.

In addition to the financial statements, the Manager must within thirty days of the end of each calendar quarter furnish the Registrar (electronically or otherwise), with a full list of underlying assets included in any Portfolio administered by it, reflecting in respect of every Portfolio, the market value of each of the Constituent Securities (and any other assets included in the Portfolio) and the value of each of those Constituent Securities (and other assets, if any) expressed:

– as a percentage of the total value of the assets in the Portfolio concerned; and

– as a percentage of the total amount of the Constituent Security in question (or other asset, if applicable), and indicating which of such assets are listed and authorised to be dealt with in or on a licensed exchange and on which exchange such securities are listed and where any asset is not listed on an exchange the mechanism used by the Manager to price such asset.

In addition to the foregoing, the Manager must disclose the following information to Investors, in the manner and on the basis indicated below:

The Manager will disclose the following information on SENS:

– the amount of each distribution by the relevant Portfolio and the date thereof, on a quarterly basis;

– abridged annual financial statements, on an annual basis;

– information regarding new creations and redemptions as they occur;

– details of any qualification made by the Auditor in his report on the annual financial statements of the Manager and the relevant Portfolio; and

– details of any changes in the composition of and/or weightings of the Constituent Securities in the Index.

The Manager will disclose on its website, at all times:

– the latest abridged annual financial statements (including reports by the auditors and chairman) in respect of each Portfolio;

– the amounts of distributions made by each Portfolio and the dates thereof;

– historical performance figures of each Portfolio;

– details of all charges levied by the Manager;

– the composition of the assets of the Portfolio; and

– a statement that copies of the audited financial statements are available from the Manager, free of charge on the request of any Investor.

Voting

In terms of section 91 of CISCA as read with the Principal Deed, the Manager (or its nominee) will exercise all voting power conferred by virtue of any Constituent Securities held in a particular Portfolio. In terms of section 91 of CISCA, the Manager is obliged to exercise such voting power in the best interests of the Investors in that Portfolio.

The Trustee is obliged to execute such proxies, powers of attorney or other documents as the Manager may require in order to enable the Manager (or its nominee) to attend or vote at any meeting and to take part or consent to any relevant corporate action.
FEES AND EXPENSES

Words in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular, unless they are defined in this section or the use thereof is clearly inappropriate from the context.

Fees and expenses attributable to a Portfolio

In terms of section 93 of CISCA, the following amounts may be deducted from each Portfolio:

– charges payable on the buying and selling of assets for the Portfolio such as brokerage, UST, value-added tax or stamp duties;
– auditor’s fees, bank charges, trustee and custodian fees and other levies or taxes;
– share creation fees payable to the Registrar of Companies for the creation of authorised capital;
– the agreed and disclosed service charges of the Manager; and
– such other amounts determined by the Registrar from time to time.

Any amounts not specifically provided for in section 93 of CISCA may not be deducted by the Manager from any Portfolio unless otherwise determined by the Registrar. Accordingly, any cost and expense over and above those permitted to be deducted in terms of section 93 of CISCA will be borne and paid for by the Manager.

Manager’s fees

The Manager is entitled to charge the Investors in each Portfolio upfront and exit charges as provided for in the Principal Deed and permitted in terms of CISCA.

The amount of the Manager’s charges in this regard, if any, must be determined by the Manager in its discretion; and

– may be expressed as a percentage of the amount received or proceeds paid; or
– may be calculated in accordance with a sliding scale; or
– may be a fixed amount per specific type of transaction, which amount must be disclosed to the Investor; or
– may be a combination of the above.

The Manager must give not less than three months’ written notice to Investors in respect of any particular Portfolio of any increase in the Manager’s charge or any change in the method or calculation thereof that could result in an increase thereof in relation to that Portfolio.

Details of the Manager’s fees applicable to a particular Portfolio will be set out in the Applicable Portfolio Supplement.

Manager’s service charge

As soon as practicable after the end of each calendar month, the Trustee must pay to the Manager, from the Income Account of each Portfolio, the Manager’s service charge in respect of that Portfolio, for that month, as provided for in the relevant Supplemental Deed, details of which will be set out in the Applicable Portfolio Supplement.

Preliminary expenses in relation to each Initial Offer

Preliminary and issue expenses in relation to each Initial Offer will be borne by the Manager. These fees and expenses will be set out in the Applicable Portfolio Supplement issued in relation to such Initial Offer and will include JSE documentation inspection fees, listing fees, printing and postage costs and corporate advisor, legal advisor and sponsor fees.

Details of all costs incurred in relation to each ETF will be published on NewFunds’ website daily.

Publication of the “total expense ratio”

The total expense ratio of a Portfolio will be calculated on an annual basis and published by the Manager. The total expense ratio of a Portfolio refers to the total costs (less securities lending revenue) incurred by that Portfolio (i.e. at the level of the Portfolio and not the costs incurred by the Manager for its own account) as a percentage of the closing net asset value of the Portfolio during the year in question.
Words in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular, unless they are defined in this section or the use thereof is clearly inappropriate from the context.

Receipts and accruals

The Trustee and the Manager must ensure that the following cash receipts are deposited into a separate trust account under the control of and supervision of the Trustee for each of the Portfolios with a bank, registered in terms of the Banks Act, 1990, or the Mutual Banks Act, 1993:

- all monies which are received for investment as a result of the sale or issue of Participatory Interests;
- all dividends, interest or other income which accrue to the assets of the Portfolio; and
- the proceeds of all capital profits, rights and bonus issues.

All assets received as a result of the sale or issue of a Participatory Interest must be taken into account as an investment for the benefit of the relevant Portfolio and new Participatory Interests must be created in terms of the Principal Deed to represent such investments.

All income accruals received in respect of the assets of a Portfolio during an Accounting Period must be credited to the Income Account of that Portfolio, which Income Account must also be under the supervision and control of the Trustee. If a Portfolio receives any bonus, right or benefit in respect of any of its assets, whether in cash or scrip or by warrant, cheque, credit or otherwise, which is in the nature of income, the Manager must convert such bonus, right or benefit into cash for the credit of the relevant Income Account. Any other bonus, right or benefit must be treated as a capital gain and must be included and re-invested in the relevant Portfolio. No new Participatory Interests may be created out of income accruals or such capital gains.

All amounts received as income accruals or in lieu of income accruals from the sale or issue of Participatory Interests in a Portfolio during an Accounting Period must be credited to the Income Account of that Portfolio and must be available for distribution to Investors in that Portfolio at the next Distribution Date.

Manager's decision on nature of bonus conclusive

If any doubt arises as to whether any bonus, right or benefit constitutes an income accrual or a capital gain, such question will be resolved by the Manager after consulting the Trustee and the Auditors, and such resolution is conclusive.

Distribution of income

The Manager must, on each Declaration Date, publish an announcement in compliance with the JSE Listings Requirements notifying Investors (including the Manager in respect of any Participatory Interests to which it is entitled) of the amount verified by the Trustee as being available for distribution to Investors registered as such in the Register of that Portfolio as at the close of business on the relevant LDT pro rata to the number of Participatory Interests then held by Investors in respect of the Accounting Period immediately prior to such Declaration Date.

On each ex dividend date (being the first Trading Day from which trades in Participatory Interests exclude the right to receive dividends and other entitlements in respect of a relevant Accounting Period), the amount required to effect the distribution must be set aside and may no longer be taken into account in determining the market value of a Portfolio for the purpose of calculating the selling and repurchase price of a Participatory Interest (in respect of creations and redemptions). By no later than each Declaration Date the said amount will be transferred from the Income Account to a Distribution Account under the supervision and control of the Trustee, which must be distributed for the benefit of Investors as provided in the Principal Deed. The aggregate balance (if any) remaining to the credit of the Distribution Account on completion of the distribution after effecting rounding will be carried forward and added to the amount available for distribution in the next Accounting Period.

The amount available for distribution will be paid to Investors on the Distribution Date.

Determination of amount available for distribution

In relation to each Portfolio, an amount equal to the income accruals during each Accounting Period, plus all payments in lieu of income accruals received by that Portfolio during that Accounting Period, and any balance carried forward, less any permissible deductions, must be distributed to Investors in that Portfolio.

Details of all accrued reserves distributable to Investors will be published daily on the Website.
SUBSCRIPTION, TRANSFER AND REDEMPTION OF PARTICIPATORY INTERESTS

Words in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular, unless they are defined in this section or the use thereof is clearly inappropriate from the context.

The following description of the procedures relating to subscription, purchase and redemption of Participatory Interests constitutes a summary of the relevant provisions and is qualified by reference to CISCA, the Principal Deed and each Supplemental Deed (which will be available for inspection at the places and during the times described in the Applicable Portfolio Supplement).

Initial Offers

In relation to each Portfolio, the initial offer of Participatory Interests in the Portfolio of that ETF will be done as an initial public offering to Investors, the details of which will be set out in the Applicable Portfolio Supplement issued in relation to such ETF. The Portfolio Supplement will set out, inter alia:

– what type of Investors will qualify to participate in the Initial Offer;
– the manner in which the issue price of a Participatory Interest may be discharged, ie the details of Cash Subscriptions and In Specie Subscriptions;
– whether there is any minimum or maximum number of Participatory Interests an Investor may acquire;
– the period of the Initial Offer;
– the date of listing of the Participatory Interests on the JSE; and
– the manner in which an Investor may participate in the Initial Offer.

In terms of CISCA, where Participatory Interests in a new Portfolio are offered to the public for the first time, the Participatory Interests (if any) which are created prior to the Listing Date of the Participatory Interests in such Portfolio may be offered at a fixed price based on the price of the Participatory Interests on a previous date not more than 28 days prior to the closing date of the Initial Offer.

Subsequent subscriptions, sales, purchases and/or redemptions of Participatory Interests

In all instances, should any Investor wish to trade in Participatory Interests, it should contact its JSE broker who will be able to assist it in this regard. However, should any Investor not have a broker, it can contact the Participating Brokers whose details are set out on page 24 of this Offering Circular. Alternatively, such Investor should contact the JSE who will be able to furnish all Investors with details of JSE members who will be able to assist.

Should any Investor wish to subscribe for new Participatory Interests in any particular Portfolio after the Initial Offer in respect of that Portfolio has been closed, or should any Investor wish to redeem its Participatory Interests, it should contact the Manager at the address set out on page 23 of this Offering Circular. After the Initial Offer, no Cash Subscriptions will be permitted. In addition, no In Specie Subscriptions will be permitted otherwise than in one or more Blocks by the delivery by the investor of one or more Baskets of Constituent Securities, together with the Specified Cash Amount and payment of the applicable Creation Fee to the Manager. Similarly no In Specie Redemptions will be permitted unless effected in Blocks and against payment of the applicable Redemption Fee and such other amounts specified by the Manager.

Trading in Participatory Interests on the open market

All Participatory Interests issued by NewFunds will be listed on the JSE, and as such may be freely traded on the JSE on Trading Days during market hours. Participatory Interests will be issued in Dematerialised form. As such, all trades will be settled through the Strate System.

Strate

Participatory Interests may only be traded on the JSE in electronic or Dematerialised form and will be trading for electronic settlement in terms of Strate immediately following the listing. Strate is a system of “paperless” transfer of securities. If any Investor has any doubt as to how it works, such Investor should consult its broker, CSDP or other appropriate advisor or the Strate website at www.strate.co.za. Some of the principal features of Strate are as follows:

– electronic records of ownership replace certificates and physical delivery of certificates;
– trades executed on the JSE must be settled within five Business Days;
– all Investors owning securities or wishing to trade their securities on the JSE are required to appoint either a broker or a
CSDP to act on their behalf and to handle their settlement requirements; and

– unless Investors owning dematerialised securities specifically request their CSDP to register them as an “own name” holder (which entails a fee), the CSDP or broker holding securities on their behalf will be the registered holder of the relevant security and not the Investor. Subject to the agreement between the Investor and its CSDP or broker, generally in terms of Strate, an Investor is entitled to instruct the CSDP or broker as to how it wishes to exercise the rights attaching to the dematerialised securities as regard to voting at any relevant meetings of Investors.

All costs incurred in respect of secondary market trades will be for the account of the relevant Investor.

Cancellation of Participatory Interests

Only the Manager may effect a reduction of a Portfolio by means of a cancellation of a Participatory Interest or by requiring the Trustee to cancel a Participatory Interest, subject to confirmation by the Manager that the appropriate Participatory Interest has been cancelled and struck from the Register. The Manager must retain records, which may be inspected by the Trustee, of the number of Participatory Interests so cancelled and the amount paid by the Trustee to the Manager in respect thereof. Before effecting a reduction, the Manager must ensure that the relevant Portfolio includes (or will include upon completion of the sale of assets which may have to be sold as a result of the cancellation of the Participatory Interest) sufficient cash to pay the amount payable to the Manager (which will in turn pay the Investor) upon such reduction.

If the Manager cancels a Participatory Interest, the Manager is entitled to receive out of the Portfolio in respect of the Participatory Interest cancelled, an amount determined in accordance with the Principal Deed on the date of the notice of cancellation. The said amount must be paid to the Manager out of cash forming part of the Portfolio concerned and against delivery to the Trustee of the particulars of the Participatory Interest to be cancelled. Upon such payment and surrender or delivery the Participatory Interest in question shall be cancelled.

Manager’s obligation to repurchase Participatory Interests

As Participatory Interests are to be listed on the JSE, Investors will be able to sell their Participatory Interests on the secondary market. However, in terms of the Principal Deed, it is incumbent on the Manager to repurchase any number of Participatory Interests offered to it by an Investor for cash or one or more Baskets, at the election of the Investor, provided that the Manager can never be obliged to deliver part of a Basket. In practice, the Manager will facilitate the sale of the Investor’s Participatory Interests on the secondary market via the market maker.

If, pursuant to a request from an Investor for the delivery of one or more Baskets, the Manager is unable to deliver any of the Constituent Securities comprising a Basket to an Investor exercising its repurchase rights:

– as a result of the suspension or de-listing of one or more of the Constituent Securities on the relevant exchange, then such Constituent Securities will be excluded from the Portfolio and delivered within three Business Days after the suspension is lifted or after the de-listed Constituent Securities become available, as the case may be;

– for any reason other than a suspension or delisting, then the Constituent Security in question will be excluded from the Basket delivered to the Investor and such Investor will instead be paid an amount in cash equal to the value of the Constituent Securities in question (being the ruling price quoted on the relevant exchange at close of trade on the date on which the repurchase notice was received by the Manager).

The point in time by when repurchase requests must be received by the Manager shall be 17:00 on the relevant Business Day, which time may not be changed unless the Deed has been amended accordingly and 30 days’ written notice has been given to Investors in a form acceptable to both the JSE and the Registrar.

The repurchase of Participatory Interests may, subject to CISCA and the Principal Deed, be suspended on a temporary basis in circumstances determined from time to time by the Registrar. For example, the Manager may, with the consent of the Trustee, suspend the repurchase of Participatory Interests if offers for repurchase of Participatory Interests are received, the aggregate amount of which is more than 5% of the market value of the particular Portfolio as at the last Valuation Point. Such condition does not, however, preclude the Manager from entering into an agreement with an Investor in determining a more restrictive basis on which repurchase offers will be honoured.

The repurchase of Participatory Interests, irrespective of their aggregate amount or value, may not be suspended if ten Business Days’ valid notice of the offer for repurchase has been given to the Manager. Repurchases where the aggregate amount or value of the offer does not exceed R50 000 on the date of such offer may also not be suspended.
The Manager must forthwith notify Investors that repurchasing has been suspended and an Investor must be given the option to withdraw its offer for repurchase on the day of such notification or to accept assets equivalent in value to the offer for repurchase. Where the Manager has notified an Investor of any such suspension, the Manager must also notify the Investor concerned that it will endeavour to honour the repurchase request within twenty Business Days from the date of the suspension. Should the Manager fail to meet the offer for repurchase within twenty Business Days, it must tender assets to that Investor for payment, provided that the Investor may consent to an extension of the twenty Business Day period to enable the Manager to liquidate the relevant assets.

The Manager is obliged to notify the Registrar of any suspension in its repurchase obligations, the reasons for such suspension and how it is to be dealt with.

**Calculation of the net asset value of Participatory Interests**

The net asset value of a Portfolio is calculated by deducting all permissible deductions from the value of the assets held by the Portfolio (which is determined with reference to the market value of the Constituent Securities on the JSE and takes into account both income for distribution received by the Portfolio on behalf of Investors and amounts which Investors must pay the Manager on the creation of new Participatory Interests to afford them equal participation in the income which has accrued in the Portfolio). The net asset value per Participatory Interest is calculated by dividing the net asset value of a Portfolio by the number of Participatory Interests in issue at the time of the calculation. This information is determined at close of trading on each Trading Day.

**Availability of information concerning Participatory Interests**

The information set out below will be published on each business day on the Website:

- the NAV of the Participatory Interests;
- a history of the market price of the Participatory Interests;
- the income accruals (if the information is available) in respect of each Portfolio;
- the costs applicable to each Portfolio and Investors;
- the Constituent Securities in respect of each Index; and
- any change in the composition of any Index.
REGISTER OF INVESTORS

Words in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular, unless they are defined in this section or the use thereof is clearly inappropriate from the context.

The following description of details relating to the register in relation to each Portfolio constitutes a summary of the relevant provisions of the Principal Deed and is qualified by reference to CISCA, the Principal Deed and each Supplemental Deed (which will be available for inspection at the places and during the times described in the Applicable Portfolio Supplement).

Register

The Register of Investors will be the register maintained by Strate together with the sub-register maintained by any CSDP, all in accordance with the rules of Strate from time to time.

The contents of the Register must be as required by the rules of Strate from time to time.

The Register is proof that a registered Investor is the owner of the Participatory Interests registered in his or her name.

The Manager need not recognise any trust or other right affecting the ownership of a Participatory Interest or the rights incidental thereto unless such trust or such other right is recorded in a trust instrument as defined in the Trust Property Control Act, 1988.

If an Investor wishes to register a change of name or address such Investor must give notice thereof in writing to the Investor’s broker or CSDP in accordance with the agreement between the Investor and his broker or CSDP as the case may be.

The Trustee may at all reasonable times during business hours inspect a Register. Any other person may inspect the Register during business hours on payment of a fee determined by the Manager.

The Manager may require such evidence of the death, insolvency or other disability of an Investor as it may think fit.

On the death of any one or joint Investors, the survivor(s) will be the only person(s) recognised by the Manager as having a title to or interest in the Participatory Interest in respect of which they are registered.

The executor or administrator of a deceased Investor, or the trustee of an insolvent Investor, or the curator of an Investor under a legal disability (not being one of several Investors) including the Trustee in respect of this scheme (if appointed as executor, administrator, trustee or curator) will be the only persons recognised by the Manager as having any title to or interest in a Participatory Interest held by the deceased, insolvent or disabled Investor.

Any person becoming entitled to a Participatory Interest in the circumstances contemplated in the preceding paragraphs, upon producing such evidence as sustains the capacity in which he or she seeks to act or of his or her title as the Manager considers sufficient and on delivery of the relevant certificate (if any) to the Manager for cancellation, may (subject to the rights of any joint Investor) elect either to be registered himself or herself or to have some other person nominated by him or her to be registered as an Investor. If the person so becoming entitled elects to be registered himself or herself, he or she will deliver or send to the Manager a notice in writing in a form prescribed by the Manager, signed by him or her, stating that he or she so elects. If he or she elects to have his or her nominee registered he or she must testify his or her election by executing in favour of his or her nominee, a transfer of such a Participatory Interest. All the provisions of the Principal Deed relating to the transfer of a Participatory Interest are applicable to any such notice of transfer as if the death, insolvency or other disability of the Investor had not occurred and the notice of transfer were a notice of transfer executed by such Investor.

Furthermore, any person becoming so entitled to a Participatory Interest may receive and may give a discharge for all monies payable in respect of such Participatory Interest: provided that he or she may not receive notices of or take part in any ballot of Investors until he or she has been registered as an Investor.

The Trustee may hold in trust any monies payable in respect of a Participatory Interest in respect of which any person is entitled to be registered, or a Participatory Interest in respect of which a person is entitled to transfer, until such person or his or her nominee has been registered as an Investor.

The Manager is deemed to hold Participatory Interests, and is treated for all purposes of the Principal Deed as an Investor, during such times as there is no other person registered or entitled to be registered as an Investor in respect of such Participatory Interests. All such Participatory Interests are deemed to be in issue. Nothing contained in the Principal Deed prevents the Manager from becoming an Investor.

In all cases where the transfer of Participatory Interests between an Investor and the Manager is effected, the Manager is liable for the payment of all costs necessarily incurred in connection with such transfer. In all other cases the costs so incurred are the liability of the persons concerned and not of the Manager and the Manager may charge a fee determined by the Manager, for each such transfer.
INVESTMENT CONSIDERATIONS

Words used in this section shall have the same meaning as defined on pages 3 to 6 of this Offering Circular unless they are defined in this section or the use thereof is clearly inappropriate from the context.

Investors’ attention is drawn to the investment considerations relating to an investment in Participatory Interests in all Portfolios of NewFunds some of which are set out below. This does not purport to be an exhaustive list of the risk factors relating to the investment in Participatory Interests in NewFunds and in particular will, to the extent necessary, be supplemented in relation to each Applicable Portfolio Supplement issued in relation to each ETF.

General market risk
General movements in local and international markets and facts that affect or could affect the investment climate and investor sentiment could affect the level of trading and therefore the market price of the Participatory Interests.

These risks are generally applicable to any investment in listed securities and Investors should be aware that the value of Participatory Interests can go down in price as well as up.

There can be no guarantee that any Portfolio in NewFunds will achieve its investment objectives and perfectly track its particular Index. As such, each Portfolio may not be able to perfectly replicate the performance of the Index to which it relates, since the Portfolio is liable for certain costs and expenses not taken into account in the calculation of the Index, certain Constituent Securities comprising the Index may be or become temporarily unavailable, and/or other extraordinary factors may result in the deviation from the precise Index weightings.

Secondary market trading risk
At any time, the price at which a Participatory Interest trades on the JSE may not accurately reflect the price of that Participatory Interest represented by the Constituent Securities in that Portfolio. The structures and procedures set out in this Offering Circular (as read with each Portfolio Supplement) attempt to limit this difference (or tracking error), however, this risk cannot be fully eliminated since the market price of Participatory Interests will be a function of supply and demand amongst Investors wishing to buy and sell Participatory Interests.

There can be no certainty that a liquid market in Participatory Interests will develop on the JSE or, once Participatory Interests are listed on any stock exchange, that they will remain listed. If any Participatory Interests are to be de-listed, such delisting will be subject to the provisions of the JSE Listings Requirements.

Index risk
In relation to each Index, there can be no assurance that such Index will continue to be calculated and published on the same or similar basis for an indefinite period. If an Index for any reason ceases to exist, the assets of the Portfolio to which such Index relates will be distributed to the Investors in that Portfolio either in specie or by way of a cash distribution.

In addition, note that the past performance of any Index should not necessarily be considered to be a guide to its future performance.

Taxation and regulatory risk
Each Investor should seek its own independent advice in relation to the taxation and regulatory risk of holding and trading in Participatory Interests.

Securities lending risk
The Manager may engage in securities lending transactions on the terms and conditions permitted in terms of CISCA and the Principal Deed. If, pursuant to such a securities lending transaction, a borrower of securities fails to perform its obligations thereunder, then the relevant Portfolio in which such lending has been effected may be unable to recover the loaned Constituent Securities. This risk is, however, mitigated in that, in terms of the Principal Deed, the Manager is only entitled to engage in securities lending transactions on the basis, inter alia, that collateral security for the loaned Constituent Securities must be obtained having an aggregate value that exceeds the market value of the loaned Constituent Securities by not less than 5% at all times and may only consist of cash or other securities or a combination of securities.
**GENERAL**

**King Code of Corporate Practice and Conduct**

The directors of the Manager endorse the Code of Corporate Practice and Conduct as set out in the King Committee Report on Corporate Governance (the “Code”) and recognise their responsibility to conduct the affairs of NewFunds with integrity and accountability in accordance with generally accepted corporate practices.

The directors have, accordingly, established procedures and policies appropriate to NewFunds’ business in keeping with its commitment to best practices in corporate governance. These procedures and policies will be reviewed from time to time.

Although NewFund’s Portfolios will be listed on the JSE, NewFunds is a statutory entity and is regulated in terms of CISCA. Certain of the requirements of the Code are therefore not directly applicable to NewFunds. However, the Manager will adopt the principles of the Code, being fairness, accountability, responsibility and transparency. The directors of the Manager recognise that they are ultimately responsible for the performance and affairs of NewFunds.

The Standard Bank of South Africa Limited has been appointed as Trustee of NewFunds. Its responsibilities are governed by CISCA and the Principal Deed and encompass protecting the interests of Investors of Participatory Interests, acting as the trustee of NewFund’s assets and ensuring compliance by the Manager with the Principal Deed.
CORPORATE INFORMATION

Co-originator
Absa Bank Limited
(Registration number 1986/004794/06)
acting through the Absa Capital division
Absa Towers North
180 Commissioner Street
Johannesburg, 2001
(PO Box 5013, Johannesburg, 2000)
Contact: Vladimir Nedeljkovic
Telephone No: (011) 350-2632

Legal advisor
Werksmans Inc.
155 – 5th Street, Sandown
Sandton, 2196
(Private Bag 10015, Sandton, 2146)
Contact: Mr W du Plessis/Mr A Heeger

Registered office of NewFunds
Absa Secretarial Services (Proprietary) Limited
(Registration number 1973/014516/07)
3rd Floor, Absa Towers East
170 Main Street
Johannesburg, 2001
(PO Box 5438, Johannesburg, 2000)
Contact: Judith Chinkumbi
Telephone No: (011) 350-3098

Manager
NewFunds (Proprietary) Limited
(Registration number 2005/034899/07)
3rd Floor, Absa Towers East
170 Main Street
Johannesburg, 2001
(PO Box 5438, Johannesburg, 2000)
Contact: Batsile Ngomane
Telephone No: (011) 350-8395

Auditors
KPMG Incorporated
(Registration number 1999/021543/21)
85 Empire Road
Parktown, 2193
(Private Bag 9, Parkview, 2122)
Contact: Pierre Fourie
Telephone No: (011) 647-7083

Co-originator
Vunani Capital (Proprietary) Limited
(Registration number 1998/001469/07)
Vunani House
Freestone Park
135 Patricia Road
Sandton, 2196
(PO Box 652419, Benmore 2010)
Contact: Butana Khoza
Telephone No: (011) 263-9500

Corporate advisor and sponsor
Java Capital (Proprietary) Limited
(Registration number 2002/031862/07)
2 Arnold Road
Rosebank 2196
(PO Box 2087, Parklands, 2121)
Contact: Marian Gaylard/Travis Green
Telephone No: (011) 283-0144/0171

Trustee
The Standard Bank of South Africa Limited
(Registration number 1962/000738/06)
20th Floor, Main Tower
Standard Bank Centre
Heerengracht
Cape Town, 8001
Contact: Mary Geale
Telephone No: (021) 401-2286

Market maker
Absa Capital, a division of Absa Bank Limited
(Registration number 1986/004794/06)
3rd Floor, Absa Towers North 3S
180 Commissioner Street
Johannesburg, 2001
(PO Box 5013, Johannesburg, 2000)
Contact: Frank Fornasari
Telephone No: (011) 350-2374

Company Secretary of the Manager
Absa Secretarial Services (Proprietary) Limited
(Registration number 1973/014516/07)
3rd Floor, Absa Towers East
170 Main Street
Johannesburg, 2001
(PO Box 5438, Johannesburg, 2000)
Contact: Judith Chinkumbi
Telephone No: (011) 350-3098
Registrar of Collective Investment Schemes

c/o Financial Services Board
446 Rigel Avenue
Erasmusrand, 0181
(PO Box 35655, Menlo Park, Pretoria, 0102)

Co-participating broker

Vunani Securities (Proprietary) Limited
(Registration number 1997/010323/07)
Vunani House
Freestone Park
135 Patricia Road
Sandton, 2196
(PO Box 652419, Benmore 2010)
Contact: Tracy Cornelius
Telephone No: (011) 263-9528

Issuing agent

Absa Bank Limited, acting through its
Absa Capital Investor Services section
(Registration number 1986/004794/06)
Absa Towers North
180 Commissioner Street
Johannesburg, 2001
(PO Box 5013, Johannesburg, 2000)
Contact: Legan Whittaker
Telephone No: (011) 350-7672

Co-participating broker

Absa Stockbrokers (Proprietary) Limited
(Registration number 1973/010798/07)
65 Empire Road
Parktown, 2193
(PO Box 1133, Auckland Park, 2006)
Telephone No: (011) 647-0830

NewFunds CSDP

The Standard Bank of South Africa Limited
(Registration number 1962/000738/06)
25 Sauer Street
Johannesburg
2001
1. **ALAN JONATHAN MILLER**

Currently holds the following directorships:

- Absa Fund Managers Limited
- Absa Mortgage Fund Managers (Proprietary) Limited
- Absa Portfolio Managers (Proprietary) Limited
- Absa Stockbrokers (Proprietary) Limited
- Alvest Associates (Proprietary) Limited
- Alvest Holdings (Proprietary) Limited
- Fradey Nominees (Proprietary) Limited
- The Investment Management Association of SA (IMASA)

Other directorship held in the past five years:


2. **ETHAN GILBERT DUBE**

Currently holds the following directorships:

- African Harvest Finance (Proprietary) Limited
- African Partnerships Management Company (Proprietary) Limited
- Bassap Investments Trust (Proprietary) Limited
- Before The Wind Investments 178 (Proprietary) Limited
- Cape Town Central City Improvement District (Proprietary) Limited
- Coresource Investments (Proprietary) Limited
- Denbridge Investments (Proprietary) Limited
- Erf 8106 Kronenzicht (Proprietary) Limited
- Friedshelf 641 (Proprietary) Limited
- Getgood Investments (Proprietary) Limited
- Gidani (Proprietary) Limited
- Hyprop Investments Limited
- Infinity Securities Trading (Proprietary) Limited
- Izinyoni Trading 215 (Proprietary) Limited
- Lexshell 630 Investments (Proprietary) Limited
- Pennystocks Bear Sales (Proprietary) Limited
- Pennystocks Investments Limited
- Peregrinequant (Proprietary) Limited
- Propup Investments (Proprietary) Limited
- Pytrade 219 (Proprietary) Limited
- Sanski Investments 52 (Proprietary) Limited
- Sibetha Financial Services (Proprietary) Limited
- Tresso Trading 864 (Proprietary) Limited
- V- Correspond (Proprietary) Limited
- Vector Equities (Proprietary) Limited
- Vector Nominees (Proprietary) Limited
- Vector Securities And Derivatives (Proprietary) Limited
- Velocity Asset Management Company (Proprietary) Limited
- Vunani Capital (Proprietary) Limited
- Vunani Capital Holdings (Proprietary) Limited
- Vunani Corporate Finance (Proprietary) Limited
- Vunani Dougall Insurance Brokers (Proprietary) Limited
- Vunani Group (Proprietary) Limited
- Vunani Nominees (Proprietary) Limited
Vunani Properties (Proprietary) Limited
Vunani Property Investment Fund (Proprietary) Limited
Vunani Resources (Proprietary) Limited
Vunani Securities (Proprietary) Limited
Vunani Staffing Solutions (Proprietary) Limited
Wolfsberg Arch Investments (Proprietary) Limited

Other directorships held in the past five years:
African Harvest (Proprietary) Limited
African Harvest Alternative Investments Holdings (Proprietary) Limited
African Harvest Fund Managers Holdings (Proprietary) Limited
African Harvest Fund Managers (Proprietary) Limited
African Harvest Life Assurance Company Limited
African Harvest Management Company Limited
African Harvest Strategic Investments (Proprietary) Limited
Bravura Equity (Proprietary) Limited
Bravura Equity Services (Proprietary) Limited
Erl 8094 Kronenzicht (Proprietary) Limited
I C F G Hout Bay Property Holding (Proprietary) Limited
Lexshell 638 Investments (Proprietary) Limited
Vunani Capital (Proprietary) Limited

3. BUTANA MANGALISO KHOZA

Currently holds the following directorships:
African Harvest Finance (Proprietary) Limited
African Partnerships Management Company (Proprietary) Limited
Getgood Investments (Proprietary) Limited
Infront One Forty One Investments (Proprietary) Limited
Injectrade 145 (Proprietary) Limited
Mayisane Investments (Proprietary) Limited
Newshelf 392 (Proprietary) Limited
Newshelf 413 (Proprietary) Limited
Onaghan Investments No. 20 (Proprietary) Limited
Pennystocks Bear Sales (Proprietary) Limited
Pennystocks Investments Limited
Poncell Holdings (Proprietary) Limited
Safika Telecommunications And Media Holdings (Proprietary) Limited
Sibetha And Associates (Proprietary) Limited
Sibetha Financial Services (Proprietary) Limited
South African Empowerment Fund Investment Trust Company (Proprietary) Limited
Tobbogan Leisure Investments (Proprietary) Limited
Tresso Trading 854 (Proprietary) Limited
Vector Equities (Proprietary) Limited
Vector Nominees (Proprietary) Limited
Vector Securities And Derivatives (Proprietary) Limited
Velocity Asset Management Company (Proprietary) Limited
Vunani Capital (Proprietary) Limited
Vunani Capital Holdings (Proprietary) Limited
Vunani Group (Proprietary) Limited
Vunani Nominees (Proprietary) Limited
Vunani Resources (Proprietary) Limited
Vunani Securities (Proprietary) Limited

Other directorships held in the past five years:
Phambili Investment Corporation (Proprietary) Limited
Faritec (Proprietary) Limited
Faritec Holdings Limited
African Harvest Alternative Investments Holdings (Proprietary) Limited
4. **ANDRIES BENJAMIN (André) LA GRANGE**

Currently holds the following directorships:

- Absa Trading & Investment Solutions Holdings Limited
- Absa Trading & Investment Solutions Limited
- ACMB Specialised Finance Nominees (Proprietary) Limited
- ACMB Specialised Finance Preferred Investments (Proprietary) Limited
- ACMB Specialised Finance Shelfco (Proprietary) Limited
- ACMB Specialised Finance Strategic Investments (Proprietary) Limited
- ACMB Structured Products (Proprietary) Limited
- Bakmill Investment Company (Proprietary) Limited
- Bevlink Financing (Proprietary) Limited
- Biprops 36 (Proprietary) Limited
- Biprops 39 (Proprietary) Limited
- Biprops 44 (Proprietary) Limited
- Bluelink (Proprietary) Limited
- Cementlink (Proprietary) Limited
- Comfort Investments (Proprietary) Limited
- Conbros (Proprietary) Limited
- Corpinvest 2 (Proprietary) Limited
- Corpinvest 16 (Proprietary) Limited
- Corpinvest 32 (Proprietary) Limited
- Corpinvest 33 (Proprietary) Limited
- Corpinvest 36 (Proprietary) Limited
- Corpinvest 39 (Proprietary) Limited
- Corpinvest 47 (Proprietary) Limited
- Corpinvest 48 (Proprietary) Limited
- Corpinvest 55 (Proprietary) Limited
- Damifin Financing (Proprietary) Limited
- Durbfin Financing (Proprietary) Limited
- Duro Financing (Proprietary) Limited
- Durovest 1 (Proprietary) Limited
- Durovest 5 (Proprietary) Limited
- Durovest 9 (Proprietary) Limited
- Durovest 12 (Proprietary) Limited
- Edlink Financing (Proprietary) Limited
- Englink Leasing (Proprietary) Limited
- Erfrad 1 (Proprietary) Limited
- Erfrad 2 (Proprietary) Limited
- Erfrad 4 (Proprietary) Limited
- Erfrad 6 (Proprietary) Limited
- Erfrad 12 (Proprietary) Limited
- Erfrad 16 (Proprietary) Limited
- Erven 473 – 476 Isando Shareblock Company (Proprietary) Limited
- Fanfarode (Proprietary) Limited
- Farsinium (Proprietary) Limited
- Fasdirect Investments (Proprietary) Limited
- Finanz Link (Proprietary) Limited
- Gaslink (Proprietary) Limited
- Gauret Investments No. 1 (Proprietary) Limited
- Hallong Investment Company (Proprietary) Limited
- Kangrove (Proprietary) Limited (previously Gauret Investments No. 2)
Kunene Finance Company (Proprietary) Limited
Libertas Consolidated Holdings (Proprietary) Limited
Lichtenberg Leasing (Proprietary) Limited
Lodel (Proprietary) Limited (previously Gauret Investments No. 3)
Marquette (Proprietary) Limited
Maximus Financial Services Limited
Mechfin (Proprietary) Limited
Mergess Admin Services (Proprietary) Limited
Mergess (Proprietary) Limited
Mergess Strategic Investments (Proprietary) Limited
Modillion (Proprietary) Limited
Modillion Admin Services (Proprietary) Limited
Modillion Strategic Investments (Proprietary) Limited
Mohonia (Proprietary) Limited
Mortlink (Proprietary) Limited
MPF Management Services (Proprietary) Limited
Murrob Investment Company (Proprietary) Limited
NBL Financing (Proprietary) Limited
Newfunds (Proprietary) Limited
Noble Cellular Investments (Proprietary) Limited
Noble Trading (Proprietary) Limited
Radtrade 3 (Proprietary) Limited
Radtrade 7 (Proprietary) Limited
Real Africa Durolink Holdings (Proprietary) Limited
Real Africa Durolink Property Holding (Proprietary) Limited
Real Africa Durolink Property Trading (Proprietary) Limited
Real Africa Durolink Securities Limited
Real Africa Durolink Securities Nominees (Proprietary) Limited
Ronclare (Proprietary) Limited (previously Gauret Investments No. 6)
Sablink (Proprietary) Limited
Saclo Properties (Proprietary) Limited
Saslink Leasing (Proprietary) Limited
Slurrylink Leasing (Proprietary) Limited
Squillion (Proprietary) Limited
Sugarlink (Proprietary) Limited
Tradeprops 63 (Proprietary) Limited
TPI Developments (Proprietary) Limited
TPI Holdings (Proprietary) Limited
TPI Investments (Proprietary) Limited
Trackhedge (Proprietary) Limited
Tridance (Proprietary) Limited (previously Gauret Investments No. 5)
United Towers (Proprietary) Limited

Other directorships held in the past five years:
Keynes Rational Holdings Limited
Parclose (Proprietary) Limited
PSG Capital Finance (Proprietary) Limited
PSG Corporate Finance (Proprietary) Limited
PSG Escher Group Limited
PSG Group Limited
PSG Investment Bank Holdings Limited
PSG Investment Bank Limited
PSG Investment Bank Nominees (Proprietary) Limited
PSG Noble Capital Limited
PSG Noble Cellular Investments (Proprietary) Limited
PSG Noble Trading (Proprietary) Limited
PSG Preferred Investments
PSG Strategic Investments (Proprietary) Limited
PSG Trade Finance (Proprietary) Limited