

ETF DUAL-LISTING PROSPECTUS OF ETFs

CLOUD ATLAS COLLECTIVE INVESTMENT SCHEME IN SECURITIES ("CA CISIS")



THIS DOCUMENT ("DUAL-LISTING PROSPECTUS") CONTAINS IMPORTANT INFORMATION ABOUT CLOUD ATLAS (RF) PROPRIETARY LIMITED AND SHOULD BE READ IN ITS ENTIRETY BEFORE INVESTING. IF YOU HAVE ANY QUESTIONS ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISOR.

This Prospectus forms the basis for a number of proposed future ETF's ("Cloud Atlas ETF's") that Cloud Atlas (RF) (Proprietary) Limited intends establishing in the local market. Each Cloud Atlas ETF will be registered under the Cloud Atlas Collective Investment Scheme in Securities, as a collective investment scheme portfolio, and listed on the Botswana Stock Exchange ("BSE") as an ETF over a specific Index. Each Cloud Atlas ETF will be listed on the Main Board of the BSE in the ETF sector. These separate Cloud Atlas ETF's will be issued on the terms set out in this Prospectus, which will be submitted to and approved by the BSE prior to listing.

The directors of Cloud Atlas (RF) (Proprietary) Limited, whose names are set out on page 19 of this Prospectus, collectively and individually, accept full responsibility for the accuracy of the information contained in this Prospectus 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 Prospectus false or misleading, that they have made all reasonable enquiries to ascertain such facts and that the Prospectus contains all information required by law and the BSE Listings Requirements. The directors of Cloud Atlas (RF) (Proprietary) Limited shall accept full responsibility for the accuracy of the Prospectus, future Prospectus and the annual financial statements, the amendments to the annual financial statements or any future Supplements from time to time, except as otherwise stated therein.

Date of issue: Wednesday, 21 July 2021

Copies of this Prospectus are available in English only at the registered office of Cloud Atlas (RF) (Proprietary) Limited and at the local office of the local executing broker and have been registered with the Register of Companies where necessary.

Prospective investors in CA Participatory Units should ensure that they fully understand the nature of the CA Participatory Unit as well as the inherent risks associated with investments in ETF's and that they consider the suitability of the CA Participatory Unit as an investment in light of their own circumstances and financial position.

It is envisioned that the securities will be made available for trading from **Wednesday, 08 September 2021.**

The BSE's approval of the listing of the CA Participatory Units should not be taken in any way as an indication of the merits of any of the ETF's to be established by the CA CISIS or of the associated CA Participatory Units. The BSE has not verified the accuracy and truth of the contents of the documentation submitted to it and, to the extent permitted by law, will not be liable for any claim of whatever kind. Claims against the BSE Security Fund may only be made in respect of trading in CA Participatory Units on the BSE and in accordance with the rules of the Security Fund and can in no way relate to the issuance of CA Participatory Units by the issuer. The BSE takes no responsibility for the contents of the Prospectus, future Prospectus, or the annual financial statements (as amended or restated from time to time) or the amendments to the annual financial statements, makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the Prospectus, future Prospectus, or the annual financial statements (as amended or restated from time to time).

The distribution of this Prospectus and the offering for sale of the CA Participatory Units may be restricted by law in certain jurisdictions and as such individuals who obtain a copy of the Prospectus must inform themselves about and adhere to such restrictions.

The Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by any person in any jurisdiction in which the offer or solicitation is not authorised or to any person to whom it is unlawful to make an offer or solicitation.



Manager and market maker
Cloud Atlas (RF) Proprietary Limited



Botswana Executing broker, Sponsor and transaction adviser
Motswedi Securities Proprietary Limited



Botswana Nominated Transfer Secretary
Transaction Management Services (Pty) Ltd t/a
Corpserve Botswana



South Africa Transfer Secretary
Computershare Investor Services Proprietary Limited

CORPORATE INFORMATION AND ADVISERS

Manager	Executing broker, Sponsor and transaction adviser
Cloud Atlas (RF) Proprietary Limited (Registration number: 2013/078/096) First Floor Victoria Gate West Hyde Park Lane Hyde Park, 2196	Motswedi Securities Proprietary Limited Plot 113, Unit 30 Kgale Mews2 Gaborone Botswana
Botswana Nominated Transfer secretaries Transaction Management Services (Pty) Ltd t/a Corpserve Botswana Unit 206 Showgrounds Close Plot 64516, Fairgrounds, Gaborone Botswana	South Africa Transfer secretaries Computershare Investor Services Proprietary Limited (Registration number: 2004/003647/07) Rosebank Towers 15 Biermann Avenue Rosebank, 2196
Trustee and custodian FirstRand Bank Limited (acting through its RMB Custody and Trustee Services Division) (Registration number: 1929/001225/06) FNB Bank City, Simmonds Street, Johannesburg, 2001 Place of incorporation: Johannesburg in 1929.	Auditors BDO South Africa SA Inc. (Registration number: 1995/002310/21) Wanderers Office Park 52 Corlett Drive Illovo, 2196
Banker Standard Bank of South Africa Limited (Registration number: 1962/000738/06) 5 Simmonds Street, Johannesburg, 2001 South Africa	Legal practitioner TFK Attorney Inc. (Legal Practise Council firm number: 65370) 377 Rivonia Boulevard Rivonia, 2128 South Africa

Definitions and Interpretations

In this Prospectus, unless the context clearly indicates a contrary intention, the following expression shall have the meanings stated opposite them, all expressions in this Prospectus which denote the singular shall include the plural, any gender shall include the other genders and a natural person shall include artificial or juristic persons and vice versa.

"the Act" or "CISCA"	Collective Investment Schemes Control Act, Act 45 of 2002, as amended
"AMI series"	a set of 12 indices that track the performance of 11 sectors across selected African countries. "AMI" meaning African Markets Index;
"applicant"	an investor who applies to subscribe for CA Participatory Units on the basis described in this Prospectus and the relevant Supplements;
"ASEA"	African Securities Exchange Association;
"BSE"	BSE, a public company duly registered and incorporated with limited liability under the company laws of Botswana and licensed as an exchange under the Securities Services Act;
"BSE Listings Requirements"	the Listings Requirements of the BSE;
"basket" or "basket of Securities"	a portfolio of Securities which comprises the minimum number of Securities/assets contained in the Index (in the same weighting as they are included in the Index) that can be acquired by an applicant to subscribe for CA Participatory Units. The composition of a basket on any given day may be obtained from the Manager or the website;
"blocked Rand"	money which, in terms of the Exchange Control Regulations, is not permitted to be taken out of South Africa or paid into a non-South African resident's bank account);
"Botswana"	The Republic of Botswana;
"business day"	a day other than a Saturday, Sunday or gazetted public holiday in South Africa;
"CA CISIS"	Cloud Atlas Collective Investment Scheme in Securities;
"CA Participatory Units"	in relation to a Cloud Atlas ETF, a Security and/or other Security instruments representing a beneficial interest in that Cloud Atlas ETF;
"cash subscriptions"	Collectively, Rand cash subscriptions and foreign currency cash subscriptions (if applicable);
"Closing date"	the date on which the Initial Offer/Subsequent Offer closes, as set out in the relevant Supplement;
"Cloud Atlas ETF" or "Fund"	fund of assets established, with the prior approval of the relevant regulators, for one or more classes of Securities which is invested in accordance with the investment objectives applicable to such Fund;

“Cloud Atlas (RF) Proprietary Limited” or “the Manager”	Cloud Atlas (RF) Proprietary Limited ((Registration number 2013/078/096), an approved manager for collective investment schemes in securities in terms of the Collective Investment Schemes Control Act, 2002, and is a member of the Association for Saving and Investment SA;
“common monetary area”	includes South Africa, the Kingdoms of Swaziland and Lesotho and the Republic of Namibia;
“Companies Act”	the Companies Act, act 71 of 2008;
“constituent securities”	the securities/assets included in the Index or predefined group of assets, which will be held by the Cloud Atlas ETF in substantially the same proportions in which they are held in the Index;
“controlled clients”	clients of a broking member of the BSE whose funds and uncertificated Securities are under the control of such broking member. A controlled client does not have a direct relationship with a CSDP, the client’s Securities being held in the broker’s nominee account with the broker’s CSDP;
“CSDB”	a wholly owned subsidiary of the BSE incorporated in accordance with the laws of Botswana, being the entity operating the electronic share settlement and clearing system as implemented by the BSE and the Transfer Secretary of securities on the BSE;
“CSDP”	a participant duly accepted by CSDB as a Central Securities Depository Participant operating in terms of the Financial Markets Act, No. 19 of 2012;
“distribution”	any distribution declared by a constituent, whether in the form of interest, dividends, rent or otherwise;
“ETF”	an Exchange Traded Fund, being an open-ended fund listed on a stock exchange and traded like an ordinary share, enabling investors to gain exposure to an Index or a specific group of assets through the purchase of one Security;
“exchange control regulations”	the Exchange Control Regulations promulgated in terms of section 9 of the South African Currency and Exchanges (Act 9 of 1933), as amended;
“Executing Broker”	The responsibility of the Executing Broker in terms of the Prospectus m shall be the execution of orders received from the Manager;

"FSCA"	the Financial Sector Conduct Authority, a juristic entity established in terms of section 2 of the Financial Services Board Act, 1990 (Act No. 97 of 1990);
"Ground Rules"	the published ground rules of the Index, as amended from time to time;
"holder"	in relation to CA Participatory Units, the person or entity whose name is recorded in the register as the holder of such Participatory Units;
"income accruals"	any dividends or interest or any other income for distribution: (i) received by the Cloud Atlas ETF in the course of any accounting period of a portfolio; and/or (ii) carried forward from a previous accounting period of a portfolio and/or (iii) due to investors in a portfolio in respect of dividend, interest or any other income declarations made but not yet distributed out of a portfolio;
"Index"	the Index as described in the relevant Supplement;
"Index Constituents"	the Securities comprising the Index in the same proportion in which they are represented in the Index;
"Index currency" or "foreign currency"	the currency in which the Index is domiciled, as set out in the relevant Supplement;
"Index level"	the level of the Index calculated by the Index Calculation Agent periodically during a trading day;
"Index Calculation Agent"	the authority responsible for the calculation of the Index as described in the relevant Supplement;
"Initial Offer"	the first offer made to potential Investors to subscribe for CA Participatory Units, as set out in this Prospectus and the relevant Supplement;
"Initial offer period"	the period during which the Initial Offer will be open, being 09:00am on the Opening date until 12:00pm on the Closing date;
"investors"	holders of "Cloud Atlas ETF" Securities;
"JSE"	JSE Limited, a public company duly registered and incorporated with limited liability under the company laws of South Africa (Registration number 2005/022939/06) and licensed as an exchange under the Securities Services Act;
"JSE Listings Requirements"	the Listings Requirements of the JSE;
"Last Practicable Date"	the last practicable date prior to the finalisation of this Prospectus, being Wednesday, 30 June 2021;
"LDT"	The last business day to trade in a CA Participatory Unit in order to settle by the Record Date in order to qualify for or participate in a distribution of income;
"management fee"	the fee to be paid to the Manager in respect of its management of the "Cloud Atlas ETFs";

“Market Maker”	Cloud Atlas (RF) Proprietary Limited (Registration number: 2013/078/096);
“Memorandum of Incorporation” or “MOI”	the memorandum of incorporation of Cloud Atlas (RF) (Proprietary) Limited (Registration number 2013/078096/07), an approved manager for collective investment schemes in securities in terms of the Collective Investment Schemes Control Act, 2002, and is a member of the Association for Saving and Investment SA and subsidiary of Harrington Stone (Registration number 2012/000329/07);
“NAV”	the net asset value of a Fund;
“non-controlled clients”	clients of a broking member of the BSE who have appointed their own CSDPs and have a direct relationship with the CSDP account in the client’s name. No funds are held by the broking member in such a case;
“offering circular”	this Prospectus, together with all the annexures hereto contained in this bound document, as read together with the relevant Supplement;
“Opening date”	the date on which the Initial Offer/Subsequent Offer opens, as set out in the relevant Supplement;
“Participating Broker”	The broker responsible for execution of trades and client KYC in the local market;
“Prospectus”	this Prospectus, including all the annexures, as read together with the relevant Supplement;
“public holiday”	includes public holidays in South Africa and other countries in which the Index is domiciled, as set out in the relevant Supplement;
“Pula” or “P” or “BWP”	Pula, the legal currency of Botswana;

“Qualifying Institutional Investors”	South African retirement funds, long-term insurers, collective investment scheme managers, investment managers and corporate entities which are eligible for a foreign portfolio investment allowance, comply with reporting and application requirements laid down by the Exchange Control Department and who have obtained Exchange Control approval;
“Rand” or “R” or “ZAR”	Rand, the legal currency of South Africa;
“Record Date”	Means the number of days after the LDT as determined by the BSE from time to time in accordance with the BSE Listings Requirements.
“register”	the register of “Cloud Atlas ETF” Securities, which register shall be maintained by Strate;
“secondary market”	a market in which an investor purchases a Security from another investor rather than the issuer, subsequent to the Initial Offer in the primary market;
“Securities”	shares, stocks and depository receipts in public companies and other equivalent equities, notes, derivative instruments, bonds, debentures, participatory interests in a collective investment scheme as defined in the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002), and units or any other form of participation in a foreign collective investment scheme approved by the Registrar of Collective Investment Schemes in terms of section 65 of that Act; units or any other form of participation in a collective investment scheme licensed or registered in a foreign country, and instruments based on an Index;`
“SENS”	The Securities Exchange News Service of the BSE;
“South Africa”	The Republic of South Africa;

“Subsequent Offer”	offers made to investors and potential investors, post the Initial Offer, to subscribe for further Cloud Atlas ETF Securities, as set out in the relevant Supplement;
“Supplement”	any Supplement issued with or after this Prospectus which sets out the terms and conditions relating to a specific Cloud Atlas ETF;
“trading day”	day on which the BSE is open for trading;
“transaction costs”	the costs payable by the investor in respect of the transfer of ownership of Securities, including the BSE’s Insider Trading levy plus any other costs or levies as determined by the BSE from time to time, including, but without being limited to any other brokerage and other transaction charges;
“Trustee” or “the Independent trustee”	the trustee of Cloud Atlas ETFs appointed in terms of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002; and
“Dollar” or “US\$” or “USD”	Dollar, the legal currency of the United States of America; and;
“website”	www.cloudatlasinvesting.com .

1. INTRODUCTION

1.1 Cloud Atlas (RF) (Proprietary) Limited

Cloud Atlas (RF) (Proprietary) Limited (“Cloud Atlas” or “the Manager”) (formerly Cloud Atlas Proprietary Limited) was incorporated in South Africa on 14 May 2013 in terms of the Companies Act, with registration number 2013/078/096. Cloud Atlas was incorporated for the sole function of managing the Cloud Atlas ETF’s. Cloud Atlas’ registered address is First floor, Victoria Gate West Hyde Park Lane, Johannesburg.

Cloud Atlas has an issued share capital consisting of 150 million ordinary shares. The share capital in Cloud Atlas is held by Harrington Stone Proprietary Limited (88%) and Mtizamo Africa Proprietary Limited (12%). The registered address of Harrington Stone Proprietary Limited is 3 Rowland Johnson Street, Malanshof, Johannesburg.

1.2 The dual-listed ETFs

Cloud Atlas intended to establish the dual listing of its primary listed JSE ETFs on the BSE by mean so of introduction.

The proposed ETFs are:

Name	ISIN	Proposed ticker	Description
Cloud Atlas S&P Africa Sovereign Bond Fixed Income	ZAE000297354	BASBI	The portfolio offers investors access to listed African Hard Currency Bonds by tracking an index developed in conjunction with S&P which offers investors a basket of quality credit-rated, high-yielding, and long-dated debt issued by African Sovereign countries. The portfolio consists of USD bonds issued by: Egypt, Ghana, Kenya, Morocco, Namibia, Nigeria, and South Africa, paying a ~6.8% yield per annum in USD.
Cloud Atlas AMI Big50 ex-South Africa	ZAE000242582	BAMIB50	The Big50 portfolio offers investors exposure to African equity, ex- South Africa, and tracks 15 sectors across 14 different countries. The portfolio is designed to reflect a liquid basket of constituents for investors looking for Pan African exposure without the hassles of deciding what to buy. It provides investors with the benefit of being exposed to the growth potential of the continent’s stock markets. The portfolio consists of stocks from Botswana, BRVM (Ivory Coast), Egypt, Ghana, Kenya, Mauritius, Morocco, Nigeria, Tunisia.

A letter of confirming primary listing of each ETF on the JSE has been submitted. The intended dual listing of the ETFs is intended to offer participatory units to the market which will be priced in Dollars.

2. Overview of collective investment schemes, ETF's, Indexes, and CA CISIS

2.1 Collective investment scheme

A collective investment scheme is a type of investment vehicle used by managers to pool investors' money to enable them to access investments which they might not otherwise be able to access in their individual capacities.

One of the main characteristics of a collective investment scheme is that investors get to share the risks and benefits of their investment in a scheme in proportion to the participatory units in the scheme.

Every collective investment scheme must be approved by and registered with the Registrar of Collective Investment Schemes at the Financial Services Board in terms of the Act and must comply with the provisions of the Act.

2.2 ETF

An Exchange Traded Fund is an investment fund that trades on a stock exchange similarly to a stock of a listed corporate. ETFs provide an easy, safe way to invest in Africa.

Its goal is to provide investors with a benchmark return at minimal cost and as such usually tracks an underlying benchmark or index. ETF's which track an index will invest primarily in the component securities of the index which is being tracked.

ETFs are generally open ended so new participatory units can be created when required. The price of an ETF should reflect the underlying NAV of the fund.

2.3 Index

An index is a representation of a portfolio of stocks. It is designed to provide a proxy of the returns to be generated from the whole or a portion of a market. Each index has its own calculation methodology and is usually expressed in terms of a change from a base value.

The Cloud Atlas ETF's will track selected Indices as described in paragraph 2.4 and 2.5 below.

2.4 S&P Africa Hard Currency Sovereign Bond Index

The S&P Africa Sovereign Bond Index is comprised of a universe of sovereign bonds denominated in local currency from the following 13 African countries: Botswana, Kenya, Namibia, Tanzania, Zambia, Egypt, Mauritius, Nigeria, Tunisia, Ghana, Morocco, South Africa, Uganda.

The S&P Africa Hard Currency Sovereign Bond Index is comprised of bonds issued by African sovereign governments denominated in Euros, Japanese Yen, and U.S. Dollars from the 13 African countries listed above. The index is a broad, transparent and independent benchmark which is a Parent index to the African single country and single currency sub-indices.

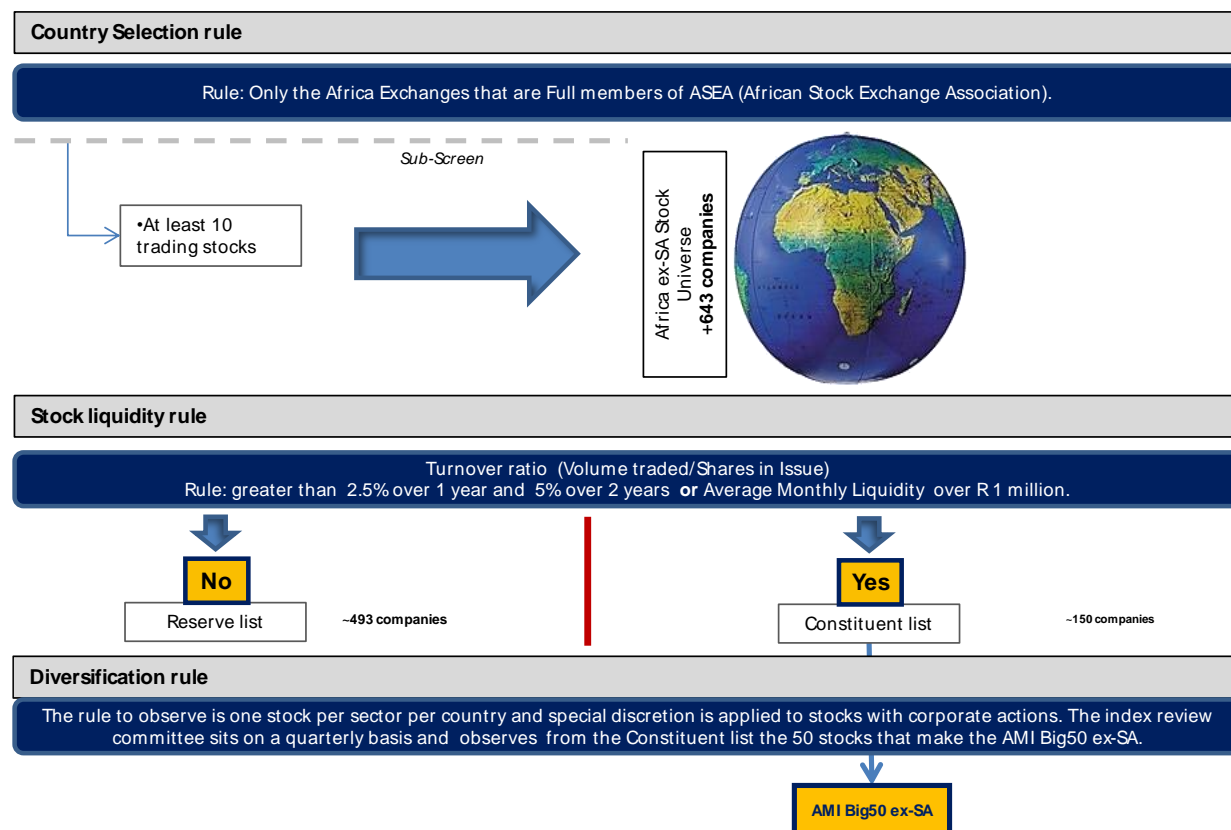
The below index construction salient details have been agreed and will be incorporated in the S&P ASB ground rules which will be published on the S&P website in due course.

- Calculate a ratio of the yield-to-worst divided by the coupon rate for each bond.
- For each country the securities with a ratio between 0.95 and 1.15, inclusive, are eligible.
- For any country rated BBB- or higher that has no eligible securities in Step 2, the securities with a ratio between 0.7 and 1.3, inclusive, are eligible.
- Of the eligible bonds from the above steps, the highest-coupon bonds from each country, up to a maximum of four bonds per country, are selected and included in the index.
 - If fewer than four bonds from a country are eligible, all that country's eligible bonds are included in the index. In the event of a tie, the bond with the longer maturity is selected.
- A country cap of 20% is applied, with uncapped bonds reweighted proportionally. If fewer than five countries are eligible no capping is applied.

2.5 AMI Big50 ex- South Africa Index

The Cloud Atlas AMI Big50 ex-SA Index is a market capitalisation weighted index designed to serve as a benchmark for a broader representation, from a sector and country perspective, of the African equity markets, excluding South Africa. The Cloud Atlas AMI Big50 ex-SA Index is comprised of 50 stocks, drawn from a subset of the Pan-Africa Index, excluding South Africa. The subset of the Pan-African Index from which the constituents are drawn is compiled on a basis such that every eligible exchange has at least one constituent from each of the various sectors represented by listed stocks on such eligible exchange. NB There is always a cut off of 50 constituents following the diversification rule to have Biggest, most diverse companies

- Country stock exchange assessment – We only select Primary Listed Africa ex-SA companies from exchanges which are listed members of the ASEA (African Stock Exchange Association). Additionally, Capital formation is anchored around liquidity which is defined in the AMI series ground rules, price discovery on country's exchange rates and the availability of fungible instruments on the country exchange the capital formation of a country is also assessed for country eligibility.
- Liquidity filter process – Following this the stocks are then gathered up into a selection universe and liquidity filters are applied this is in order to get stocks which actually trade regularly and where price movement is not distorted by premiums/discounts from illiquid trading.
- Iteration process – The index committee then runs a quarterly process in which stocks are selected based on biggest free-float market cap and with sector and country limitations. The iteration process produces results which limit over exposure to one sector from a particular country for example a top10 dominated by Nigerian Banks.



2.5.1 Eligibility criteria

19.69(f)

2.5.1.1 Security exchanges

Therefore, the eligible exchanges as at the Last Practicable Date are:

S&P Africa Hard Currency Sovereign Bond Index	AMI Big50 ex- South Africa Index
<ul style="list-style-type: none">▪ London - London Stock Exchange▪ Luxembourg – Luxembourg Bourse	<ul style="list-style-type: none">▪ Botswana - Botswana Stock Exchange▪ Egypt - Egyptian Exchange▪ Ghana - Ghana Stock Exchange▪ Ivory Coast - (Benin, Burkina Faso, Mali, Niger, Senegal, Togo, Guinee-Bissau) BRVM▪ Kenya - Nairobi Securities Exchange▪ Mauritius - Stock Exchange of Mauritius▪ Morocco - Casablanca Stock Exchange▪ Nigeria - Nigerian Stock Exchange▪ Tunisia - Bourse de Tunis

2.5.1.2 Security types

All securities that are tradable on the securities exchange are eligible for inclusion. In the case where a security has different classes of shares, each tradable security is included in the Index.

Exchange traded products, such as ETFs, which contain the listed shares in a basket and single stock futures and other listed derivatives, which reference securities traded on the exchange are not eligible for inclusion in the Index.

2.5.1.3 Liquidity

Due to the regard, by the investment community of African exchanges as emerging and frontier markets, liquidity remains an important.

The hard currency bond markets have a daily liquidity of U\$300million and,
The equity markets have a daily liquidity of U\$ 25million.

2.5.2 Basic Index construction

The Indices are market capitalisation weighted, meaning that the weighting of each constituent is determined by the issuing company's market value. The constituent universe for the Index construction is derived from the stocks that meet the eligibility criteria set out in Section 2 of the document.

Certain additional criteria apply to each index as contemplated in Section 2.4 and Section 2.5.

2.6 Cloud Atlas ETF's

The Cloud Atlas ETFs are passive ETF's meaning they seek to track the performance of an underlying Index and is not actively managed on a day-to-day basis to beat the performance of an Index.

The Cloud Atlas ETF's will track selected Indices by investing in the underlying Securities from which such Index is derived. Each CA Participatory Unit is backed by actual holdings.

3. Benefits of investing in Cloud Atlas ETF's

3.1 Ease of investment

The Cloud Atlas ETF's will provide the holder of a CA Participatory Unit exposure to a wide range of securities across multiple jurisdictions in a much simpler and easier fashion than if the investor took up positions in each underlying stock. In addition, the Indices within are monitored and adjustments will be made to the underlying Cloud Atlas ETFs to reflect changes in the indices as opposed to an investor having to monitor all direct investments themselves which, based on the number of stocks in the Indices, would be time consuming and expensive.

3.2 Liquidity

CA Participatory Units are bought and sold on the BSE and JSE in the same way a share of a listed company is bought and sold. Liquidity outside of the normal buying and selling is provided by the Market Maker who simultaneously Buy and Sell the ETF units through creation and redemption of baskets represented by CA Participatory Units in the underlying markets.

The secondary listed participatory units will be fully fungible between the BSE and the JSE.

3.3 Low-cost access

CA Participatory Units are listed at a low cost for investors seeking exposure to a basket giving exposure to certain asset classes when compared to accessing via professional active managers and conducting tracking internally.

3.4 Flexibility

The minimum investment in a Cloud Atlas ETF in terms of the Initial Offer will be detailed in the relevant Supplement. After the listing of the relevant Cloud Atlas ETF on the JSE, an investor will be able to purchase as few as one CA Participatory Unit on the secondary market at any price provided on both the BSE and JSE.

3.5 Transparency

In terms of the BSE Listings Requirements, certain information is required to be published on the website of Cloud Atlas every day, including the following:

- NAV of the Cloud Atlas ETF's which can be measured against trading price
- Index constituents
- Accrued reserves distributable to holders of CA Participatory Units

This provides enhanced transparency to investors in CA Participatory Units. Any change in Index constituents in any of the Cloud Atlas ETF's will be announced on SENS and published on the website of Cloud Atlas.

3.6 International exposure

A CA Participatory Unit will provide an investor with exposure to a wide variety of international companies, sectors and exchanges at a much lower cost than directly investing in such stocks.

The CA Participatory Units are Inward listed and allow individual investors to buy foreign assets in local currency with exemption to the traditional prudential limits which exist when accessing foreign securities directly.

4. Risks of investing in Cloud Atlas ETF's

4.1 Market Risk

Potential investors should be aware that CA Participatory Units are subject to normal market fluctuations and other risks inherent in investing in securities. No guarantee can be provided that the investment objectives of the ETF will be achieved. A CA Participatory Unit may not be able to exactly replicate the performance of an Index due to a number of factors including:

- the ETF is liable for certain costs and expenses not taken into account in the calculation of the Index;
- certain Index Constituents may become temporarily unavailable; or other circumstances may result in a deviation from precise Index weightings; and
- the value of and the income derived from the various underlying constituents may fluctuate and investors may not recoup the original amount invested.

4.2 Index Risk

Potential investors should note that there is no guarantee that the Index will continue to be calculated in the manner in which it is currently calculated. In addition, the past performance of the Index is not always an indication of future performance.

Neither the Index Calculation Agent, nor Cloud Atlas, nor the Trustee:

- guarantee the accuracy and/or the completeness of the Index or any data included in the Index;
- will bear any liability for any errors, omissions or interruptions in the Index; or
- warrants or makes any representation as to the results to be obtained by an investor in any CA Participatory Unit from the use of the Index.

4.2.1 Modification of an Index

Due to the fact that the Index was created as a measure of CA Participatory Unit performance and not for the purpose of trading in CA Participatory Units, the Index may be adjusted by the Index Calculation Agent solely with a view to the original purpose of the Index. Reasons the Index may be adjusted include corporate activities involving Index Constituents such as mergers and schemes of arrangement. Any adjustments in the Index will be implemented in terms of the relevant Ground Rules. Any adjustments will be made to ensure that the composition of the Cloud Atlas ETF is aligned with the applicable Index.

The various Cloud Atlas ETF's will hold securities purely to replicate an Index, and therefore will not participate in any corporate activities requiring disposal of such securities, if it is not mandatory. In the event the disposal of securities is mandatory, the Cloud Atlas ETF will participate only up to the extent of the mandatory requirements.

If a takeover bid results in a company no longer qualifying for inclusion in an Index, any shares of the former Index Constituent held by the applicable Cloud Atlas ETF after the takeover bid will be disposed of and the proceeds will be applied in effecting the appropriate adjustments to the applicable Cloud Atlas ETF.

4.2.2 Discontinuance of an Index

If for any reason an Index ceases to exist:

- if there is, in the reasonable opinion of Cloud Atlas, a successor Index composed and weighted according to similar criteria as are applied in respect of the Index, the portfolio of Cloud Atlas ETFs housed in the CA CISIS shall be adjusted to track the successor Index subject to the approval from the JSE, FSCA and holders of CA Participatory Units;
- if there is not, in the reasonable opinion of Cloud Atlas, an appropriate successor to the Index, then the relevant ETF will be wound up.

4.2.3 Use of Index

The CA Participatory Units are not sponsored, endorsed, sold or promoted by the Index Calculation Agent, which makes no warranty nor representation whatsoever, expressly or implied, either as to the results to be obtained from the use of the Index and/or the figure at which the said Index stands at any particular time on any particular day or otherwise. The Index Calculation Agent shall not be liable (whether in negligence or otherwise) to any person for any error in the Index and/or its calculation and shall be under no obligation to advise any person of any error therein. The Index utilised is a trademark and is used by Cloud Atlas under license.

4.3 Currency Risk

Each CA Participatory Unit is exposed to a basket of underlying securities from a range of countries and hence movements in the various currencies will have an effect on the returns to be generated by the holder of a CA Participatory Unit.

4.4 Liquidity Risk

4.4.1 Time to execution

The Index tracked by CA Participatory Units is spread across multiple jurisdictions, which have different trading days and times, settlement cycles and liquidity pools. When creating and redeeming CA Participatory Units, trades will be routed to these different African markets and it will take time for these trades to fully replicate the Index.

The diversification of holdings across various Markets may result in the inclusion of Index Constituents which will require a high number of trading days to execute transactions on in order to replicate such Index. Should such a situation arise, the risk to holders of CA Participatory Units is that there will be a differential between the price at which the transaction should have been executed on to replicate the Index and the actual execution price resulting in a marginal tracking error.

In order to mitigate this risk, the following will be done:

- Appointment of a reputable market maker and executing with a line of credit representing at least 10% of the fund size.
- Each Cloud Atlas ETF will have a cash allowance of up to 5% of the value of such Cloud Atlas ETF which will not only allow for the trading and tracking of an Index but will also provide for instances when the execution of trades in respect of Index Constituents will require more than 10 trading days. The cash component will ensure that there is a small liquid reserve in the market where the Index Constituent is to be bought.
- Identify any secondary listings for Index Constituents which will require a large number of days to execute orders in and trade the position in a more liquid market.
- Identify another shareholder of the Index Constituent in order to allow for the facilitation of trades with them additional liquidity is required.
- Monitor the standard deviation of such Index Constituents, and trade the Index Constituents with higher standard deviations.

4.4.2 Volume of trades

The Index replication will be done in basket sizes. Cloud Atlas will publish an indicative time schedule for each basket so investors are aware how long it can take to enter and exit a position when creating or redeeming CA Participatory Units.

In order to increase liquidity, the following will be done:

- there will be a daily maximum threshold on the size of baskets that can be traded to correspond to the envisaged liquidity at a point in time. This is to try and match demand and supply and reduce liquidity constraints which may arise. Due to the variability in the expected liquidity across the African exchanges, the maximum size of these baskets will be published by Cloud Atlas on a quarterly basis; and
- The trading price of each Participatory Unit will always be close to its Net Asset Value, which is determined by the value of the companies that are represented by each Participatory Unit. The price of the ETF being close to its Net Asset Value makes trading with other investors on a day-to-day basis easier, thereby adding a layer of liquidity.

4.4.3 Foreign Exchange Restrictions in Underlying Markets

- When a client sells CA Participatory Units which are greater than, or equal to a basket size, Cloud Atlas will sell, in accordance to the index weightings, and repatriate the proceeds back to South Africa to pay the investor and cancel the CA Participatory Units.
- Where repatriation is delayed due to foreign exchange restrictions in a particular market, Cloud Atlas will move the sale proceeds of the underlying market to a separate Trust account for the care of the investor.
- The funds will, by default, be held in this account until they are able to be repatriated to South Africa.
- Money in this account belongs to the investors in lieu of the sale proceeds the investor has the choice of either keeping the money as cash on call or as a non-deliverable forward contract (default) to guarantee the settlement amount, or invest it in other securities until the foreign exchange restrictions are lifted. All profit and loss and transaction costs in this section 104 account will be borne by the investors
- Cloud Atlas does not anticipate much activity in the section 104 account; however, such a provision has been created for the benefit of all investors in any of the ETF's established under the CA CISIS.

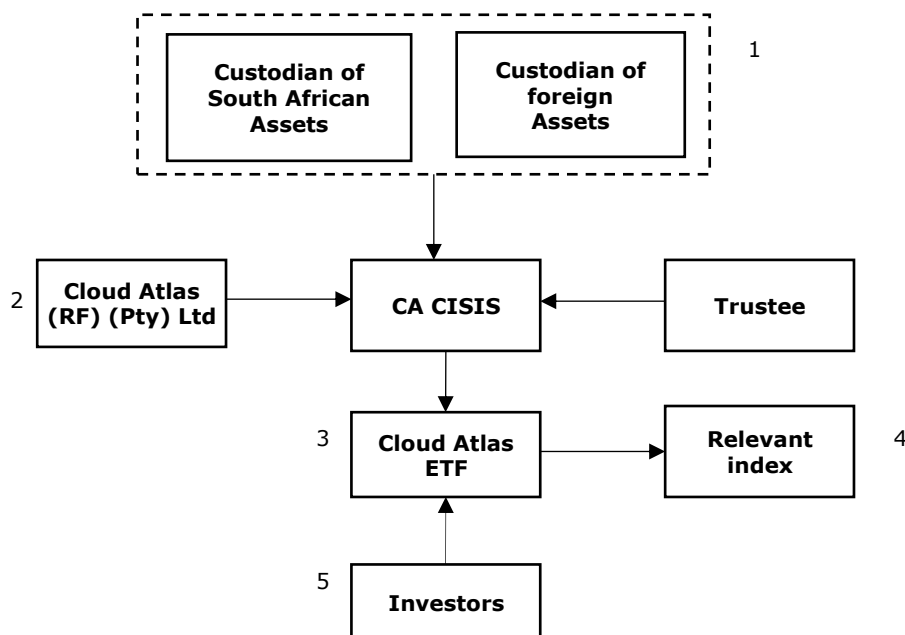
4.5 Political Risk

Each CA Participatory Unit is exposed to a basket of underlying securities from a range of countries and hence changes in a countries political structure, tax laws, legislation or regulations may have an effect on the returns to be generated by the holder of a CA Participatory Unit.

4.6 Secondary Trading Risk

There may not be sufficient trading in the secondary market to satisfy all the trade orders of CA Participatory Units, resultantly Cloud Atlas will be required to create CA Participatory Units by replicating the Index in the primary markets and this will result in time delays. CA Participatory units are also fully fungible between the two exchanges.

5.1 Structure of CA CISIS



1. The custodians will independently hold the underlying securities represented by the Cloud Atlas ETFs in the name of the Trustee on behalf of investors in the Cloud Atlas ETF.
2. Cloud Atlas (RF) (Pty) Ltd will manage the Cloud Atlas ETFs created under the CA CISIS. This relationship is governed by the Trust Deed, the salient features of which are set out in Annexure 3.
3. The Cloud Atlas ETF's will be listed on the JSE using the appropriate structure as per this Programme Memorandum and any Supplements.
4. The Cloud Atlas ETF's will reference an Index within the AMI series
5. Investors will acquire Participatory units within a Cloud Atlas ETF.

5.1.1 Local asset status

The CA Participatory units have been granted local asset status for investors in the BSE by the Non-Banking Financial Institutions Regulatory Authority ("NBFIRA") on 08 July 2021. Cloud Atlas will adhere to the requirements set out in the letter for the duration of the listings.

5.2 Management

5.2.1 The Manager

The Manager of CA CISIS is Cloud Atlas, who is an approved manager of Collective Investment Schemes and as such is governed in terms of the Collective Investment Schemes Control Act, 2002.

The share capital in the Manager is held by Harrington Stone Proprietary Limited (90.63%) and Mtizamo Africa Proprietary Limited (9.37%). There has been no change in the controlling shareholding of the Manager.

5.2.2 Directors

5.2.2.1 Directors' details

Details of the directors of the Manager are set out below.

Full name	Business address	Position	Qualifications
Maurice Simbarashe Madiba	First floor, Victoria Gate West, Hyde Park Lane	Managing Director	B.Comm (Wits); Accounting Hons (Unisa); African Renaissance (TMALI)
Dr Mawethu Zuka	First floor, Victoria Gate West, Hyde Park Lane	Chairman	PhD Economics (Nelson Mandela University)
Carol-Jean Haward	First floor, Victoria Gate West, Hyde Park Lane	Independent Non-Executive Director	CIIA charterholder; MBA (Finance) (University of New Brunswick (Canada); BFin (University of Botswana)

Directors also held the following positions seen below:

Director Name	Enterprise Name	Nature of Business	Director Status
Maurice S. Madiba	Harrington Stone	Holding Company	Director
	Cloud Atlas (RF)	Unit Trust Manager	Executive Director
	Pops Soda	Beverage Company	Non-Executive Director
	We Manyano Enterprises	Holding Company	Director
	Lithium Lion	Energy Company	Non-Executive Director
Carol-Jean Harward	Anandi Capital	Private Equity Firm	Executive Director
	Choppies Enterprise Holdings	FMCG Company	Non-Executive Director
	Hutech International	Property Company	Non-Executive Director
	Women First Fund	Investment Company	Trustee
	Cloud Atlas (Rf)	Unit Trust Manager	Non-Executive Director
Mawethu Zuka	President And Chayil	Holding Company	Executive Director
	Chumani Capital Management	Economic And Investment Research	Executive Director
	Grey Grey Valley Farming	Agriculture	Executive Director
	Cloud Atlas (RF)	Unit Trust Manager	Non-Executive Director

5.2.2.2 Term of office

None of the directors of Cloud Atlas has been appointed for any specific term of office and they will not retire by rotation. Each of the directors of Cloud Atlas will accordingly hold office until he/she resigns, is replaced by the person that appointed him/her or otherwise becomes ineligible to be a director of a company. No mandatory retirement age is specified in the MOI of the Manager.

5.2.2.3 Directors' remuneration

The Manager may, as per the Managers MOI, pay remuneration to the directors for their services as directors in accordance with a special resolution approved by the Managers shareholders within the previous two years and the power of the Manager in this regard is limited and restricted by this MOI.

No provision is made in the MOI giving any power enabling the directors to vote remuneration to themselves or any member of the board.

The director's remuneration shall be paid by the Manager from the management fees derived from the ETF and not from the CA Participatory units themselves and reserves of the managers.

The historical and proposed financial remunerations for the forecastable 12 months are set out below:

Total emoluments	FY 2018 R'000	FY 2019 R'000	FY 2020* R'000	FY 2021 R'000
Maurice Madiba	700	720	376	1 100
Mawethu Zuka	-	-	-	200
Carol-Jean Haward	-	-	-	200
	700	720	376	1 500

*The FY 2020 audit is underway and at time of last practical date had been prepared but not signed off by auditors.

5.2.2.4 Directors interest in Company securities

The beneficial, direct and indirect interests of the directors and their associates in the Manager's shares at the Last Practicable Date are set out below:

Name	Direct '000	Indirect '000	%
Maurice Madiba	-	174 000	90.63
Mawethu Zuka	-	-	-
Carol-Jean Haward	-	-	-
	-	174 000	90.63

5.2.2.5 Qualification of directors

As per the Managers MOI, apart from satisfying the qualification and eligibility requirements set out in section 69 of the Companies Act, a person must satisfy the further eligibility requirements or qualifications to become or remain a director or a prescribed officer of the Manager, which such eligibility requirements or qualifications including:

- each executive Director must be a resident of the Republic of South Africa;
- each executive and non-executive Director appointment is subject to approval by the Registrar; and
- each executive and non-executive Director shall comply with any eligibility requirements as set out in CISCA.

5.2.3 Share capital of the Manager

The Manager has an authorised share capital of 250 million ordinary shares, of which 150 million ordinary shares have been issued to Harrington Stone Proprietary Limited which own 132 million ordinary shares and Mtizamo Africa Proprietary Limited which own 18 million ordinary shares.

The only alteration of the capital of the Manager during the 3 (three) years immediately preceding the date of this Prospectus is the increase in authorised share capital from 150 million ordinary shares to 250 million ordinary shares. The Manager has not offered any securities to the public during the 3 (three) years immediately preceding the date of this Prospectus.

As at the date of this Prospectus, there are no agreements currently in or proposed to be put in whereby any option or preferential right of any kind was or is proposed to be given to any person to subscribe for any shares of the Manager.

The Manager is authorised to issue 250 million ordinary shares which entitles the holder to:

- vote on any matter to be decided by the shareholders of the Manager and to 1 (one) vote in the case of a vote by means of a poll; and
- participate proportionally in any distribution made by the Manager; and
- receive proportionally the net assets of the Manager upon its liquidation.

The authorised share capital of the Manager may only be increased by special resolution of the shareholders.

5.2.4 Borrowings

The Manager is subject to the special conditions that it shall not, apart from loans obtained from shareholders or persons related to shareholders or any temporary loans obtained from the Manager's bankers in the ordinary course of business, incur any borrowings or other liabilities of any nature whatsoever (whether actual or contingent). This may only be varied by a special resolution being passed by the shareholders of the Manager.

The borrowing powers of the Manager have not been exceeded at any time during the 3 (three) years immediately preceding the date of this Prospectus.

The Manager has no debentures in issue and has no material borrowings, material commitments, lease payments or contingent liabilities.

There is no loan capital outstanding and there are no loans receivable by the Manager.

5.2.5 Index Calculation agent

The Manager has entered into an agreement with Standard and Poors (S&P) LLC on 30 June 2021 and Refinitiv on 31 January 2020, in terms of which the Index Calculation Agent will monitor changes to the Index Constituents and execute transactions to reflect these changes on behalf of the Manager.

5.2.6 Independent Trustee

The Independent Trustee will fulfil its duties as specified in the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002) and the Regulations published in terms of this Act. Any material additional obligations of the Trustee that are specific to individual CA Participatory Units will be outlined in the relevant supplement.

5.2.7 The Market Maker

Cloud Atlas (RF) Proprietary Limited has been appointed as a Market Maker, the buyer and seller of last resort, in order to maintain trading in the secondary market. This role will entail simultaneously offering to buy and sell CA Participatory Units, through the Executing Broker in an active secondary market. The Market Maker will always in normal market circumstances, endeavour to provide and maintain a reasonable bid and offer on the NAV of the CA Participatory Units.

5.2.8 The Cloud Atlas ETF's

Each Cloud Atlas ETF is divided into CA Participatory Units which will be listed on the BSE and traded in a similar fashion to how listed shares in a company are bought and sold. The CA Participatory Units are issued by a Cloud Atlas ETF and entitle its holder to a proportionate interest of the assets over which the Cloud Atlas ETF is issued, including a proportionate share of any distributions made by the underlying assets, if applicable.

The rights of CA Participatory Unit holders will be detailed in the Supplement to be issued for a particular Cloud Atlas ETF. Investors' rights are not uniform across all of the Cloud Atlas ETF's, and therefore the obligations of each Cloud Atlas ETF, may vary. Investors should consult the Supplement for the Cloud Atlas ETF in which they are a CA Participatory Unit holder for a detailed description of their rights as CA Participatory Unit holders.

5.2.9 The Custodian

The custodian will be responsible for holding the underlying securities that are purchased to track the index of a particular Cloud Atlas ETF. This custodian performs this function independently of the manager.

5.3 Administration

5.3.1 Operation

Each Cloud Atlas ETF will be an open-ended fund which will track the particular Index.

As the Cloud Atlas ETF's will track an Index, they will be passively managed meaning that the only securities which will be acquired will be those which are constituent securities within a particular Index. This investment strategy aims to track the performance of a particular Index and provide similar returns to the Index but at a much lower cost than directly investing in each constituent Security.

Cloud Atlas will make every effort to mimic the returns generated by a particular Index by acquiring the actual securities comprising the Index in the correct proportions, to the extent possible.

The Manager will ensure that each Cloud Atlas ETF is fully covered by the underlying assets that the Cloud Atlas ETF references at all times.

5.3.2 Distribution Policy

It is envisioned that the distribution policies across the various Cloud Atlas ETF's will vary from each other and hence each ETF's unique distribution policy will be set out in the appropriate Supplement.

5.3.3 Annual financial statements

Historical financial information of the Manager can be obtained from the Managers website – www.cloudatlasinvesting.com

The annual financial statements of each of the Cloud Atlas ETF's will be made available on SENS and on the Manager's website within 180 days of the ETF's financial year end.

5.3.4 Material changes

The board of directors of the Manager after due and careful enquiry and consideration, carried out without the involvement of its auditors is satisfied that there has been no material change in the financial or trading position of the Manager since the date of its last audited financial statements.

5.3.5 Website

The following information, as per the BSE listings requirements, will be updated and published each business day on the Cloud Atlas website - www.cloudatlasinvesting.com:

- the NAV of the CA Participatory Unit, showing the fair value based on the Index level for the preceding day;
- the accrued reserves distributable to CA Participatory Unit holders (if applicable);
- the Index level (if applicable) for the preceding day;
- the accrued costs incurred in the Cloud Atlas ETF (if applicable);
- the Index Constituents; and
- constituent shares applicable to an Index for creation and redemption purposes.

In addition to the above, copies of this Prospectus, the Ground Rules, the various Supplements and annual financial statements will be published and will be available on the Cloud Atlas website - www.cloudatlasinvesting.com/products.

The issuer undertakes to submit the NAV of the CA Participatory Units daily to the BSE Listings department for uploading on the BSE Daily Market report.

6. Fees and expenses

6.1 Management fee

The Manager may charge a management fee which shall be calculated as a percentage of total assets under management. The percentage to be charged per Cloud Atlas ETF will be set out in the applicable Supplement.

6.2 Trustee fee

The fee payable to the Trustee, shall be payable on a monthly basis and shall be calculated using the formula below:

6.2.1 $\text{Rand value of assets being managed by the Manager} \times 0.65 \text{ basis points } (0.0065\%) / 12.$

6.3 Expenses

All taxes, duties, administration, transaction and custody charges and brokerage fees will be borne by the investor.

Preliminary expenses to establish a Prospectus and BSE documentation fees related to the Initial Offer, will be borne by Cloud Atlas and are shown below.

	Pula
Sponsor Fees	50 000
Documentation inspection fees (BSE)	54 000
Total	104 000

All of the above expenses exclude value added tax.

No fees are payable or have been paid to any promoters or underwriters. No fees have been paid in the three years preceding the date of the Prospectus in connection with the issue or sale of any securities, stock or debentures in the capital of the Manager.

7. The Initial Offer

The Initial Offer is an initial public offering to investors regarding an investment in CA Participatory Units of a specific Cloud Atlas ETF. The Opening date and Closing date of the Initial Offer in respect of a specific Cloud atlas ETF will be furnished in the relevant Supplement.

This Initial Offer is not an offer in any jurisdiction in which it is illegal to make this offer and in those circumstances this Prospectus and any applicable Supplement is issued for information purposes only.

7.1 Conditions of the Initial Offer

- Once an application has been submitted it is irrevocable and as such may not be withdrawn.
- All subscriptions for CA Participatory Units will be treated as primary market acquisitions.
- All subscribers to CA Participatory Units must have a valid account with a **broking member of the BSE**. Subscribers that do not have an account with a BSE member can contact any broker registered with the BSE to open an account. A list is available on the BSE website being www.bse.co.bw.

7.2 Participating in the Initial Offer

To participate in the Initial Offer, you must contact your BSE accredited broker. If you do not have a broker then contact the Participating Broker, the details of which are set out on the inside front cover to this Prospectus. Information regarding the subscription procedures for each Cloud Atlas ETF is detailed in Annexure 2.

7.3 The Issue Price of a CA Participatory Unit

The issue price of each CA Participatory Unit will be the cost of acquiring the underlying portfolio less any applicable costs, divided by the number of units.

7.4 Discharging the Issue Price during the Initial Offer

The price payable by an investor if he subscribes for securities during the period of the Initial Offer may be only settled by a payment in cash in Rand.

7.5 Minimum Subscriptions

The Cloud Atlas ETFs are open ended funds and hence there is no maximum amount regarding the participatory units available for purchase unless such limit is set out in the applicable Supplement.

In respect of cash subscriptions, there is no minimum subscription amount, however an investor's amount should be able to buy at least one participatory unit.

Investors will not receive a certificate as Cloud Atlas participatory interests will be issued in dematerialised form only and as such are held in electronic form and recorded in a sub-register maintained by a CSDP.

7.6 Subsequent Offer

It is possible for investors and potential investors to acquire and subscribe for Cloud Atlas participatory units post the Initial Offer in Subsequent Offers, the process of which is the same as that of the Initial Offer. The details of Subsequent Offers will be set out in the applicable Supplement.

8. Valuation, Subscriptions and Redemptions

8.1 Calculation of Net Asset Value

The NAV of each Cloud Atlas ETF will be calculated by firstly determining the market value of the underlying securities held by a Cloud Atlas ETF and reducing this amount by allowable expenditure. The market value of the securities held by a Cloud Atlas ETF will include income which has already been received by the Cloud Atlas ETF as well as income which has accrued to the Cloud Atlas ETF.

The calculation of NAV in this manner allows subscribers of newly created CA Participatory Units to participate in the income which has been received by and accrued to the Cloud Atlas ETF on an equal basis to existing CA Participatory Unit holders. The NAV will be published on the website daily and shall be expressed in Rand.

The NAV per CA Participatory Unit is calculated by dividing the NAV of the specific Cloud Atlas ETF by the number of CA Participatory Units of such Cloud Atlas ETF in issue at the time of the calculation. This information is determined at close of trade on each business day.

The NAV of each portfolio as at 30 June was:

Cloud Atlas AMI Big50 ex-SA – 770.57 ZAR cents.

Cloud Atlas S&P African Sovereign Bond –1,720.70 ZAR cents.

A link to the daily six months performance for each is available at www.cloudatlasinvesting.com/daily-NAV-change.

8.2 Trading in CA Participatory Units

Investors may buy or sell existing CA Participatory Units or subscribe for new or redeem existing CA Participatory Units.

Investors wishing to trade in CA Participatory Units should contact their BSE broker who will assist in this regard.

Investors wishing to subscribe for new CA Participatory Units after the Initial Offer or redeem existing CA Participatory Units should contact Cloud Atlas.

8.3 Purchasing and disposal of Cloud Atlas ETF Participatory Units

8.3.1 Trading through a broker

CA Participatory Units, once issued will be freely tradeable and may be bought or sold on the BSE and JSE via an investor's JSE accredited broker. CA Participatory Units will only be issued in dematerialised form.

8.3.2 Acquisitions or disposals via the Manager

Investors may acquire additional CA Participatory Units directly from the Manager or dispose of their CA Participatory Units which will be repurchased by the Manager. If an investor disposes of CA Participatory Units to the Manager the consideration shall only be in cash. In the event that repatriations of funds from certain African markets takes longer than the published schedule, holders of CA Participatory Units who wish to have their CA Participatory Units redeemed will be notified timely by Cloud Atlas when the cash, in the respective market is available for payment as consideration.

8.4 Process for subscriptions and redemptions

As set out in paragraph 8.3.2 above, an investor may apply directly to the Manager for the creation or redemption of CA Participatory Units. The process for subscriptions and redemptions is detailed in Annexure 2. The minimum value for subscriptions and redemptions is one basket of securities.

In-specie creations or redemptions of CA Participatory Units will be undertaken by any of the Cloud Atlas ETF's. The creation or redemptions of participatory units is the responsibility of the Manager and not the BSE nor any exchange.

8.5 Securities' prices after the Initial Offer

CA Participatory Units may be bought and sold on the BSE after an Initial Offer. The price to be paid or received for such CA Participatory Units will be determined by the prevailing market price on the BSE at the time of the trade, with such price excluding brokerage commission and any other trading costs.

The market value of the CA Participatory Units can be expected to reflect approximately 1/800th of the Index level plus an amount which represents a pro rata portion of any income accruals (less permissible expenses).

Actual market values may be affected by supply and demand, liquidity and other market factors, but the ability of a holder of CA Participatory Units to take delivery of the underlying basket of constituent securities, should operate to substantially avoid or minimise any differential which may otherwise arise between the price at which the CA Participatory Units trade and the value of the underlying basket of securities.

If you subscribe to the Manager for new securities after the Initial Offer closes or redeem your securities, the price (which is calculated on the BSE every trading day) will be the NAV of the securities at the time of issue or redemption thereof (less any transaction costs, brokerage or forex costs payable to the Manager for costs incurred and administration performed by the Manager).

If you buy or sell your securities on the secondary market then the price will be the market price, being the price agreed between a willing buyer and a willing seller. Any transaction on the secondary market will be subject to the customary CSDB fees, brokerage and transfer duties associated with trading on the BSE.

Due to market influences, the NAV per CA Participatory Unit may differ from the market price obtainable on the secondary market.

8.6 The exchange control consequences of an investment in a CA Participatory Units representing foreign underlying assets

The exchange control approvals referred to below have been granted on the basis that:

- all the control and reporting measures laid down by the Exchange Control Department are strictly adhered to;
- a special escrow account similar to a Vostro account will be operated in such a manner that only Cloud Atlas ETF transactions are passed through such account and all Cross Border Foreign Exchange Transaction Reporting System requirements are adhered to; and
- an audit trail for exchange control compliance and the Cross Border Foreign Exchange Transaction Reporting System will be available at all times to facilitate inspection and audits by the Exchange Control Department on a regular basis.

8.7 South African Individuals

South African individuals are permitted to acquire CA Participatory Units without restriction and as such, an investment in CA Participatory Units will not affect or constitute a portion of the individual's applicable offshore investment allowance. However, South African individuals are not permitted (without obtaining approval from the South African Reserve Bank) to take delivery of a basket of offshore securities upon redemption of securities in Cloud Atlas ETFs securities or to receive payment of distributions in non-Rand denominated currency.

8.8 South African Institutional Investors

Qualifying Institutional Investors are eligible for a foreign portfolio investment allowance. The exchange control limit on foreign portfolio investment by institutional investors will be applied to an institution's total retail assets. "Retail assets" refer to assets received from individuals and other entities such as companies, trusts and the like and include assets received indirectly through an intermediary, such as a nominee company or investment manager not regarded by the Exchange Control Department as a Qualifying Institutional Investor.

Retirement funds and long-term insurers for exchange control purposes may invest up to 20% (10% + 10%) of their total retail assets in Cloud Atlas ETFs that hold foreign securities, whilst registered investment managers and collective investment scheme management companies are permitted to invest up to 45% (35% + 10%) in such funds.

Qualifying Institutional Investors which are non-controlled clients may elect to receive their distributions in Index currency, provided that their CSDP and the Manager are appropriately notified.

Qualifying Institutional Investors should contact their professional advisers or the Exchange Control Department for information on the reporting and compliance requirements.

8.9 South African Corporate Entities and Trusts

South African Corporate Entities and Trusts are permitted to acquire securities in Cloud Atlas ETFs without restriction and as such, an investment in Cloud Atlas ETFs will not affect or constitute a portion of the Corporate Entities' and Trusts' applicable offshore investment allowance. However, South African Corporate Entities and Trusts are not permitted (without obtaining approval from the South African Reserve Bank) to take delivery of a basket of offshore securities upon redemption of securities in Cloud Atlas ETF participatory units or to receive payment of distributions in non-Rand denominated currency.

8.10 Non-South African Residents

If any CA Participatory Units are issued to non-residents of the common monetary area, the custody or broker accounts of such investors will be designated “non-resident”. Any funds due to a non-resident in respect of their CA Participatory Units may, in terms of the exchange control regulations, be paid or transferred abroad only if the securities were acquired using foreign currency introduced into South Africa and provided the custody or broker account is designated as “non-resident”.

8.11 Emigrants from the common monetary area with blocked Rand

The Exchange Control Department has advised that former residents of the common monetary area who have emigrated are not permitted to use their blocked Rand to subscribe for Cloud Atlas ETFs that hold foreign securities.

9. Taxation consequences

It is envisioned that subscribers for CA Participatory Units will be resident in a number of varying countries, each country having its own tax laws.

Therefore, no general tax consequences of investing in CA Participatory Units can be provided and each holder of CA Participatory Units should consult their tax advisers for advice on the tax treatment of such an investment.

The transfer secretaries and nominated transfer secretary will maintain the tax status of each holder of the CA Participatory Units and apply the necessary tax rates in both the BSE and JSE when distributions are declared. Investors are advised to ensure their details with the broker are correct for tax purposes.

10. Financial information

Please refer to section 5.3.3 above.

11. General

11.1 King III Code of Corporate Governance

The Directors endorse and accept full responsibility for the application of the principles necessary to ensure that effective corporate governance is practiced consistently throughout Cloud Atlas and have, accordingly, established procedures and policies appropriate to the business of Cloud Atlas in keeping with its commitment to best practices in corporate governance.

Policies have been implemented which:

- promote gender diversity, as contained in the Human Resources policy of the Manager, and
- which evidence a clear balance of power and authority at director level, to ensure no one director has unfettered power of decision-making, as contained in the MOI of the Manager and
- the Manager’s board is composed of a majority independent non-executive directors.

The Manager remains committed to complying with the requirements of King III where practically applicable given the size and nature of the business.

11.2 Listing on the BSE and JSE

Application will be made to the JSE for the listing of the CA Participatory Units initially and then transferred to the BSE for trading on or about settlement via the Transfer secretaries and Nominated Transfer Secretary, on behalf of the Trustee.

11.3 Litigation

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened of which the Manager is aware that may have or will have a material effect on the financial position of the Manager.

11.4 Directors' responsibility

The directors of Cloud Atlas, whose names are set out on page 19 of this Prospectus, collectively and individually, accept full responsibility for the accuracy of the information contained in this Prospectus 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 Prospectus false or misleading, that they have made all reasonable enquiries to ascertain such facts and that the Prospectus contains all information required by law and the BSE Listings Requirements.

11.5 Experts' consents

The Corporate Advisor and Sponsor, Transfer secretaries, Nominated Transfer secretary and the Manager and Market Maker whose names are set out in this Prospectus have consented to their names being referred to in this Prospectus in the form and context in which they are included and have not withdrawn their consent as at the Last Practicable Date.

11.6 Documents available for inspection

Copies of the following documents are available for inspection at the registered office of Cloud Atlas at any time during office hours.

- A signed copy of this Prospectus and the relevant Supplements as relating the BSE listings;
- The memorandum of incorporation of Cloud Atlas;
- The JSE confirmation of listing of the listed ETFs intended to be -listed;
- The written consents of the experts to act in the capacities stated; and

11.7 Material contracts

In order to run the fund, the manager will rely upon the Main Trust Deed. Save for the Main Trust Deed, neither the manager nor the trustee has entered into any material contract since the establishment of the Cloud Atlas Scheme.

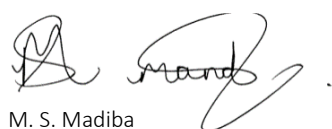
11.8 Changes to the Prospectus or Supplements

If any changes are made to the Prospectus or any applicable Supplement that affect the terms and conditions of the CA Participatory Units, other than changes which are of a formal, minor or technical nature or are made to correct a manifest error or to comply with mandatory provisions of the law, approval from holders of CA Participatory Units, holding not less than 66.67% of the value of a CA Participatory Unit will be required prior to affecting any such change.

11.9 Authorisations

The directors of the Manager have taken all necessary actions to authorise the issue of the Prospectus.

SIGNED AT JOHANNESBURG FOR AND ON BEHALF OF ALL OF THE DIRECTORS OF CLOUD ATLAS (RF) PROPRIETARY LIMITED ON 21 JULY 2021



M. S. Madiba
Director

Annexure 1

FORM OF SUPPLEMENT

SUMMARY OF OFFERINGS

1.1	Issuer/ETF:	The Cloud Atlas S&P African Sovereign Bond ETF, an ETF in the Cloud Atlas Collective Investment Scheme in Securities, registered in terms of the Collective Investment Schemes Control Act, No. 45 of 2002.
1.2	ISIN:	ZAE000297354
1.3	Share code:	BASBI
1.4	Status/Dispensation	Local asset
1.5	Pricing	BWP75.10
1.6	Long name of ETF:	Africa Sovereign Bond ETF
1.7	Short name of ETF:	AFRICABOND
1.8	Description of participatory units:	Cloud Atlas S&P African Sovereign Bond ETF Participatory Units
1.9	Distribution or accounting period:	The Cloud Atlas S&P African Sovereign Bond ETF will make quarterly Distributions at the end of March, June, September and December. The year end of the Cloud Atlas S&P African Sovereign Bond ETF will be 31 December
1.10	Any other special conditions and modifications to the terms and conditions set out in the Cloud Atlas Prospectus:	N/A
1.11	Investment policy:	Refer to BASBI Annexure 1
1.12	Management and other fees:	Refer to BASBI Annexure 2
1.13	Preliminary expenses:	Refer to BASBI Annexure 3
1.14	Composition of the Index:	Refer to BASBI Annexure 4
1.15	Publication of information on the issuer's website:	Refer to BASBI Annexure 5
1.16	Performance of the Index:	Refer to BASBI Annexure 6
1.17	Index calculation methodology	Refer to BASBI Annexure 7

2.1	Issuer/ETF:	The AMI Big50 ex-SA ETF, an ETF in the Cloud Atlas Collective Investment Scheme in Securities, registered in terms of the Collective Investment Schemes Control Act, No. 45 of 2002.
2.2	ISIN:	ZAE000242582
2.3	Share code:	BAMIB50
2.4	Status/Dispensation	Local asset
2.5	Pricing	BWP6.00
2.6	Long name of ETF:	AMI Big50 ex-SA ETF
2.7	Short name of ETF:	AMIBIG50
2.8	Description of participatory units:	AMI Big50 ex-SA Participatory Units
2.9	Distribution or accounting period:	The AMI Big50 ex-SA ETF will make quarterly Distributions at the end of March, June, September and December.
2.10	Any other special conditions and modifications to the terms and conditions set out in the Cloud Atlas Prospectus:	N/A
2.11	Investment policy:	Refer to BAMIB50 Annexure 1
2.12	Management and other fees:	Refer to BAMIB50 Annexure 2
2.13	Preliminary expenses:	Refer to BAMIB50 Annexure 3
2.14	Composition of the Index:	Refer to BAMIB50 Annexure 4
2.15	Publication of information on the issuer's website:	Refer to BAMIB50 Annexure 5
2.16	Performance of the Index:	Refer to BAMIB50 Annexure 6
2.17	Index calculation methodology	Refer to BAMIB50 Annexure 7

Annexure 2 – SUBSCRIPTION AND REDEMPTION CONDITIONS AND PROCEDURES

The following description of the procedures relating to subscription and redemption of CA Participatory Units constitutes a summary of the relevant provisions and as such, does not purport to be complete.

Accordingly, this summary is qualified in its entirety by reference to CISCA, the Trust Deed and each Supplement.

1. OFFER STRUCTURE

An Initial Offer comprises an offer to the public consisting of an offer to both prospective institutional and retail investors

There is no maximum number of CA Participatory Units which may be issued in terms of an Initial Offer.

2. CONDITIONS OF AN INITIAL OFFER

- Applications are irrevocable and cannot be withdrawn once submitted.
- All subscriptions for CA Participatory Units will be treated as primary market acquisitions.
- To participate in the Initial Offer, you must contact your BSE accredited broker. If you do not have a broker then contact the Participating Broker, the details of which are set out on the inside front cover to this Prospectus. Subscribers that do not have an account with a BSE member and do not wish to contact the Participating Broker can contact any broker registered with the BSE to open an account. A list is available on the BSE website being www.bse.co.bw.
- If a prospective investor is in any way unclear as to the correct procedure to be followed, or the terms and conditions applicable to subscriptions for CA Participatory Units under an Initial Offer, the investor is advised to contact his professional advisers.
- A controlled client should liaise with their BSE broker who will send a message to their nominated CSDP.
- A non-controlled client should liaise with its nominated CSDP which will send a message to the Issuer CSDP.

3. CASH SUBSCRIPTIONS

The minimum cash subscriptions amount under an Initial Offer will be disclosed in the applicable Supplement.

A cash subscription under an Initial Offer will be based upon the amount which an applicant applies to invest in CA Participatory Units rather than a function of how many CA Participatory Units an applicant wishes to acquire in terms of the subscription. The cash subscription price and the number of CA Participatory Units to be issued to an applicant for cash will be determined by the amount which the applicant invests (net of the transaction costs) and will be a function of the pro rata cost to the fund of acquiring the underlying basket.

Cash applicants should be aware that the applicable transaction costs and fees will be deducted from any payment accompanying their applications and, accordingly, the net amount will be invested in CA Participatory Units.

Following the close of an Initial Offer, letters of allocation will be issued for the total Rand amount subscribed for.

Applicants' statements at Strate will reflect the holding of their letters of allocation. There shall be a ramp up period during which the fund will acquire the appropriate underlying baskets of shares (comprising the index) utilising the cash raised during an Initial Offer period.

The duration of this ramp up period shall be dependent upon prevailing market liquidity and the aggregate amount received in cash subscriptions under an Initial Offer. After the ramp up period the manager shall publicly announce the number of CA Participatory Units allotted and issued per the letters of allocation together with details of the basis on which CA Participatory Units were allocated under an Initial Offer.

Investors should be aware that transaction costs will be deducted from the subscription amount accompanying their applications and accordingly, the relevant subscription amount (less transaction costs) shall be invested in CA Participatory Units. The letters of allocation will then be converted into CA Participatory Units in accordance with the published conversion ratio. Although the basis of allocation will be publicly announced on the trading day following the end of the ramp up period, applicants will only be informed of their actual individual allocations on receipt of their statements from their broker or CSDP.

If after an application is accepted, there is a surplus subscription amount which is insufficient to purchase one CA Participatory Unit, the balance of the money paid on application will be returned to the applicant with interest.

If following the allotment and issue of CA Participatory Units under an Initial Offer, it is apparent that an applicant's cash subscription (net of the applicable transaction costs) is not an exact multiple of the cash subscription price under an Initial Offer, then the applicant in question shall be allotted and issued with as many CA Participatory Units as may be fully paid up out of his subscription application (less the applicable transaction costs) and the balance of the applicant's cash subscription amount shall be applied to costs and expenses of the portfolio.

The portion of an applicant's cash subscription not utilised to acquire CA Participatory Units will not exceed an amount representing the cash subscription price in respect of a single CA Participatory Unit.

All taxes, duties, custody charges, brokerage fees, and any other costs and expenses will be for the investor's account.

CA Participatory Units will not be issued unless CA CISIS' CSDP is satisfied that the relevant constituent CA Participatory Unit and the requisite cash amount have been received by it.

CA Participatory Units will be issued to successful applicants and will be credited to applicants' relevant participatory interest's safe custody account on the listing date, provided that the aforesaid requirements have been fulfilled and the minimum investment criteria have been met. Neither CA CISIS, the Trustee, the Manager, nor the BSE will accept responsibility for any payment made, letter of allocation or statement that is lost or stolen in the post (Cheques will not be accepted in respect of cash subscriptions).

Please note that no late applications will be accepted under an Initial Offer.

4. SUBSCRIPTIONS AFTER AN INITIAL OFFER

After the listing date investors shall be able to acquire CA Participatory Units on any trading day in any one or more of the following ways: (i) on the secondary market or (ii) by subscription for cash.

Secondary market purchases through a broker

Investors can acquire CA Participatory Units through a member of the BSE. These purchases will be made at the current market price of the CA Participatory Units plus a brokerage fee.

Subscriptions for cash

Investors wishing to subscribe for cash should contact the Manager, contact details of whom are set out in the Prospectus. The Manager will advise you of the applicable terms and conditions which apply.

The Manager reserves the right, subject to the terms of the Act and the Trust Deed, to temporarily close applications for subscriptions for new CA Participatory Units.

5. REDEMPTIONS

Redemptions for cash

In addition to being able to sell of CA Participatory Units in the secondary market (on the BSE or the JSE) for cash on any trading day, the Manager will redeem (or repurchase) CA Participatory Units from holders for cash on any trading day.

In effect the Manager will dispose of the relevant CA Participatory Units in the secondary market on behalf of the holder. The holder will receive an amount in cash equal to the market price at which the Manager is able to dispose of CA Participatory Units, less an administration fee plus a pro rata portion of the accrued distributable amount. The administration fee will be a function of the number of CA Participatory Units required to be redeemed.

Any costs incurred in the disposal of the constituent securities, as a consequence of redemption as well as the cost of any settlement by electronic bank transfer or other costs shall be for the account of the holder.

Annexure 3 – SALIENT PROVISIONS OF THE TRUST DEED

The provisions below have been extracted directly from the Trust Deed of the Cloud Atlas Collective Investment Scheme in Securities unless otherwise stated. The paragraph numbering in this extract corresponds directly to the signed Trust Deed of the Cloud Atlas Collective Investment Scheme in Securities from which they are sourced and have NOT been renumbered or re-ordered for purposes of this Prospectus.

2. The Constitution and Name of the Scheme

The Manager and the Trustee hereby establish the CLOUD ATLAS SCHEME Collective Investment Scheme in Securities, which may consist of various portfolios.

3. Object of Scheme

3.1 The object of the Scheme is to establish one or more separate portfolios in which investors can obtain participatory interests in diversified assets of local or foreign origin. In order to achieve this object, the Manager may, subject to the Act and this Deed:

3.1.1 create and issue an unlimited number of participatory interests in a portfolio established in terms of a Supplemental Deed to this Deed; or

3.1.2 establish a variety of portfolios in order to provide investors with investment opportunities in diversified assets

PART III: THE MANAGER

4. Appointment of Manager

Subject to the Act and this Deed Managers Cloud Atlas Proprietary Limited is the Manager of the Scheme.

5. Remuneration of Manager

5.1 The Manager is remunerated for its services and reimbursed for its expenses in performing its obligations under this Deed.

5.2 The Manager may at any time in its discretion waive or rebate its remuneration or reimbursement or any part thereof.

6. Powers of Manager

Subject to the Act and this Deed, the Manager may in its absolute and uncontrolled discretion:

6.1 do all such things and enter into all such arrangements as are necessary for the administration of the Scheme and to achieve the investment objectives of a portfolio of the Scheme;

6.2 select, purchase, sell, exchange or change any of the assets of a portfolio;

6.3 in writing appoint persons to exercise powers and perform duties on its behalf and, in particular, appoint transfer secretaries, secretaries and agents; and

6.4 act on the advice or information obtained from professional advisers and others considered by it to be experts;

6.5 borrow money under section 96 of the Act subject to the following limits and conditions: -

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

- 6.5.2 the term of the loan may not exceed 61 days, provided that if insufficient liquidity continues thereafter the loan may be renewed with the consent of the Trustee;
- 6.5.3 the loan may not bear a penalty for early settlement;
- 6.5.4 the loan must be serviced in sequence of priority out of: -
 - 6.5.4.1 inflows to the portfolio; and
 - 6.5.4.2 realisation of assets;
- 6.5.5 the outstanding capital amount of the loan must be used when computing a portfolio's net asset value price in terms of clause 28;
- 6.5.6 as Security for the repayment of the loan the Manager may: -
 - 6.5.6.1 cede a proportionate share of the assets of the 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
 - 6.5.6.2 grant an option to the lender to purchase a proportionate share of the assets, equal in value to the outstanding amount of the loan, at the end of the term of the loan;
- 6.5.7 Manager may only borrow funds if liquidity cannot reasonably be obtained without encumbering the assets of the portfolio;
- 6.5.8 the amount borrowed must be limited to an amount necessary to repurchase or cancel participatory interests;
- 6.5.9 the Manager must disclose in its offering documents, point of sale documents and/or relevant marketing material that the Manager may borrow up to 10 per cent of the market value of the portfolio to bridge insufficient liquidity;
- 6.6 engage in scrip lending under section 85 of the Act subject to the following limits and conditions: -
 - 6.6.1 the scrip lending must be beneficial to all investors;
 - 6.6.2 the Manager may lend or offer to lend securities with a value not exceeding 50 per cent of the market value of all the securities included in a portfolio;
 - 6.6.3 the 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 portfolio;

- 6.6.4 collateral Security for the securities loaned must have an aggregate value that exceeds the market value of the securities loaned by not less than five per cent at all times and may only consist of: -
 - 6.6.4.1 cash; or
 - 6.6.4.2 other securities or;
 - 6.6.4.3 a combination of cash and other securities;
- 6.6.5 securities may not be lent for a period longer than 12 months;
- 6.6.6 securities may not be lent unless subject to a right of recall;
- 6.6.7 all fee income earned from securities lending, less necessary expenses, must be administered for the benefit of investors;
- 6.6.8 the Manager must disclose in the annual financial statements the securities that are lent, the value thereof and the composition and the nature of the collateral Security held in respect of such loan;
- 6.6.9 the Deed of loan and the Deed relating to the Security furnished by the borrower must be in writing and must at least provide for: -
 - 6.6.9.1 the period of notice of termination of the loan;
 - 6.6.9.2 payments that may be made by the borrower to the portfolio in lieu of dividends accrued or paid in respect of the securities borrowed;
 - 6.6.9.3 fees or charges payable by the borrower to the portfolio;
 - 6.6.9.4 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 securities loaned;
 - 6.6.9.5 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
 - 6.6.9.6 an undertaking by the borrower to deliver to the portfolio securities equivalent to any rights in respect of the loaned securities that may become exercisable before redelivery of the loaned facilities.

10 Retirement and Substitution or Liquidation of Manager

- 10.1 The Manager may, with the written approval of the Trustee and the Registrar, in writing appoint any other company qualified to act as Manager in terms of the Act, as Manager in its stead, and may assign to such appointee all its rights and duties as Manager in a form as approved by the Trustee and the Registrar in terms of which it undertakes to fulfil all the obligations of the retiring Manager. The retiring Manager is then, upon payment to the Trustee of all sums then due by it to the Trustee (without prejudice to the rights of the Trustee, investors or other persons, in respect of any act or omission prior to such retirement) absolved and released from all its duties and obligations under this Deed. The new Manager thereafter exercises all the powers, enjoys all the rights, and performs all the duties and obligations of the Manager under this Deed, as if the new Manager has originally been a party to this Deed.
- 10.2 The retiring Manager continues to enjoy all the rights of an investor in respect of all participatory interests held by it and may require the new Manager to enter its name in respect thereof in the Register and/or otherwise record its ownership of such participatory interests.
- 10.3 If the Manager is liquidated, the Trustee must take immediate steps for the appointment of a new Manager.

PART IV: THE TRUSTEE

11 Appointment and Powers of Trustee

Subject to the Act and this Deed, FirstRand Bank Limited, acting through its RMB Custody and Trustee Services division is the Trustee of the Scheme. The Trustee has all the powers necessary to protect the interests of investors in terms of the Act and this Deed and has, save as otherwise provided in this Deed, the powers necessary to perform its functions to achieve the objectives of the Scheme and its portfolios.

12 Legal Proceedings Relating to a Portfolio of the Scheme

- 12.1 Legal proceedings relating to a portfolio of the Scheme must be instituted by or against the Trustee in its capacity as such and the Trustee may institute, prosecute, intervene in or defend any legal proceedings relating to or concerning a portfolio of the Scheme or its affairs and, as a prerequisite to such action, may require the Manager to indemnify it against all costs, expenses and liabilities thereby incurred.
- 12.2 The Trustee is not liable to make any payments to any investor except out of any funds held by or paid to it for the purpose under the provisions of this Deed.

13 Remuneration of Trustee

- 13.1 In every Accounting Period, the Manager must:
- 13.1.1 authorise payment to the Trustee by way of remuneration for the Trustee's services, of such amount as may be agreed between them;
 - 13.1.2 reimburse the Trustee for all its expenses incurred in connection with the Scheme, other than expenses expressly required by this Deed to be paid out of a portfolio, and other than expenses incurred by it as a result of its own negligent and unlawful conduct.
- 13.2 Such remuneration and reimbursement are in addition to any sums that the Trustee may receive or retain under any other provision of this Deed.

14 Registration and Retention of Assets by Trustee

- 14.1 The assets of a portfolio must be Registered either in the name of the Trustee or with the written consent of the Registrar in the name of the nominee company of the Trustee. Any reference in this Deed to the Trustee in relation to the vesting, registration or holding in its name of assets, or to its rights, powers and obligations as the Registered owner of the assets, is, unless inconsistent with the context, deemed also to be a reference to the said nominee company. The Trustee is liable for any act or omission of the nominee company in relation to any assets held in the name of the nominee company. Despite the foregoing, the Trustee or its nominee company must take delivery of and retain in safe custody and under its own supervision and control the documents of title to the assets.
- 14.2 Subject to the provisions of this Deed with regard to scrip lending and the borrowing of money by the Manager, the assets must be held by the Trustee or its nominee company in its name in trust for the investors and the Trustee or its nominee company may not allow the whole or any part of such assets to be pledged or encumbered in any way.

20 Removal of Trustee

- 20.1 Subject to the Act, the Manager may with the written approval of the Registrar:
- 20.1.1 pursuant to a ballot of investors in all portfolios (to which clause 60 of this Deed applies); or
 - 20.1.2 at the written request of not less than 50 per cent of the investors excluding the Manager, in all the portfolios, holding not less than 50 per cent in value of the total number of participatory interests then in issue, require the Trustee by notice in writing to resign from office.
- 20.2 A Trustee appointed in the place of a retiring Trustee must execute an instrument in a form approved by the Manager and the Registrar in terms of which it undertakes to fulfil all the obligations of the retiring Trustee. The retiring Trustee is (without prejudice to the rights of the Manager, investors or other persons, in respect of any act or omission, liability, negligence or dishonesty, prior to such retirement) absolved and released from all further obligations under this Deed. The new Trustee thereafter exercises all the powers, enjoys all the rights, and is subject to all the duties and obligations of the Trustee under this Deed, as fully as if such new Trustee had originally been a party to this Deed.
- 20.3 A Trustee is deemed to have resigned if its certificate of registration is revoked or suspended under section 69(3) of the Act, and the Manager must in that event immediately appoint another person qualified to act as Trustee in terms of the Act.

PART VI: PRIMARY MARKET CREATIONS, SALES, REPURCHASES OR CANCELLATIONS OF PARTICIPATORY INTERESTS AND TRADING IN THE SECONDARY MARKET

23 Initial or additional portfolio and offer of participatory interests

- 23.1 The initial and each additional portfolio must each have a minimum market value as determined by the Manager after consultation with the Trustee and comprise assets or cash received or deemed to be received by the Manager.
- 23.2 The Manager is responsible for the payment of all expenses (including Permissible Deductions) arising out of and relating to the formation of the initial and any additional portfolio.

- 23.3 The participatory interests issued to the Manager in respect of such assets or cash are deemed to be the first Participatory Interests in Issue in a particular portfolio and must be issued at a minimum price determined by the Manager.
- 23.4 At the date on which the Manager commences the sale of participatory interests to the public, the market value of each portfolio must be at least an amount as determined by the Manager after consultation with the Trustee. The first issue of participatory interests in a portfolio to the public is made in such a manner as the Manager may decide.
- 23.5 The said first issue may take the form of an offer by the Manager of a specified number of participatory interests at a fixed price not exceeding the net asset value price on a previous date, which date shall not be more than 28 days before the closing of the offer.

24 Creation, Sale, Repurchase or Cancellation of Participatory Interests in the Primary Market

- 24.1 The Manager has the exclusive power to secure the creation and issue of participatory interests in a portfolio.
- 24.2 For the purposes of the creation and sale or repurchase and cancellation of participatory interests in relation to the Primary Market, the relevant prices of participatory interests shall be calculated at the Valuation Point on each relevant Pricing Date.

26 Undivided Interest in Portfolio

Each investor is, equally with every other investor, entitled to one undivided proportionate participation in a portfolio but is, subject to clause 36, not entitled to any particular asset of the portfolio. Every fraction of a participatory interest ranks pari passu proportionately with all other participatory interests in the relevant portfolio.

28 Net asset value and sale price of participatory interest in relation to the Primary Market

- 28.1 Unless participatory interests are offered at a fixed price pursuant to section 94(1)(b) of the Act, the Manager must issue participatory interests in a portfolio at the net asset value price per participatory interest, which price is calculated on the date on which any participatory interest is issued or the previous date, whichever is consistently applied, according to the formula:

19.62(b)

$$\frac{A+B}{C}$$

Where: -

- 28.1.1 A = the aggregate market value of the assets in the portfolio, excluding the income accruals and payments referred to in B, on the last Valuation Point determined by the Manager on the last Pricing Date, which Valuation Point may not be more than 24 hours prior to or after such date, excluding weekends and public holidays;
- 28.1.2 B = the aggregate of all income accruals and payments received in lieu of income accruals from the creation of new participatory interests in the portfolio, during the relevant Accounting Period up to the said date, but excluding: -
- 28.1.2.1 any part of those income accruals and payments in lieu of income accruals, set aside at the last preceding Distribution Date for distribution, but not yet distributed; and
- 28.1.2.2 such further amount, out of those income accruals and payments in lieu of income accruals, as in the opinion of the Manager represents a fair proportion, at the Pricing Date, of the Permissible Deductions for the relevant Accounting Period; and

28.1.2.3 C = the total number of Participatory Interests in Issue in the portfolio on the Pricing Date.

30 Manager May Sell Participatory Interest in Exchange For Asset

- 30.1 Subject to and in accordance with the following provisions, the Manager may secure the creation and issue of, or sell a participatory interest in a particular portfolio by way of exchange for an asset upon such terms as the Manager may think fit.
- 30.2 The value of the participatory interest so sold is calculated according to the purchase price at the time when such participatory interest was so sold.
- 30.3 Any Permissible Deductions relating to the acquisition of such asset must be paid out of the relevant portfolio.
- 30.4 The Manager and the Trustee must be satisfied that the exchange is not likely to prejudice existing investors.

31 Manager's Charge to The Investor

- 31.1 The Manager shall be entitled to charge the investor any of the charges set out in clause 31.6 below:
- 31.2 The amount of the Manager's charge, if any, must be determined by the Manager in its discretion and:
 -
 - 31.2.1 may be expressed as a percentage of the amount received or proceeds paid; or
 - 31.2.2 may be calculated in terms of clause 31.5 in accordance with a sliding scale; or
 - 31.2.3 may be a fixed amount per specific type of transaction, which amount must be disclosed to the investor; or
 - 31.2.4 may be a combination of the above.
- 31.3 The Manager must give not less than three months' written notice to investors of any increase in the Manager's charge or any change in the method or calculation thereof that could result in an increase thereof.
- 31.4 Nothing herein contained precludes the Manager from reducing the Manager's charge or from not rendering any Manager's charge.
- 31.5 The scale of the Manager's charge applicable to varying sizes of investment, if any, must be determined and published by the Manager in all offering documents, point of sale documents or relevant marketing material. For the purpose of this Scheme the following Manager's charges (if any) shall be applicable in dealings with the Manager:

31.5.1 Upfront Manager's charge

- 31.5.2 In relation to a participatory interest, means that portion of the amount received from an investor which represents the Manager's charge in respect of expenditure incurred and administration performed by it in connection with the creation, issue and selling of such participatory interest which, subject to any notice referred to in clause 31.3, is expressed as:
 - 31.5.2.1 a percentage of the amount received from an investor; or
 - 31.5.2.2 is calculated in terms of clause 31.5 in accordance with a sliding scale.

31.5.3 Manager's Charge, Charged on Exit

31.5.4 In relation to a participatory interest, means that portion of the proceeds on the repurchase of the investor's participatory interests, as determined by the Manager from time to time, which represents the Manager's charge in respect of expenditure incurred and administration performed by it in connection with the repurchase of such participatory interests, which, subject to any notice referred to in clause 31.3:

31.5.4.1 is expressed as a percentage of the proceeds from the repurchase of the investor's participatory interests;

31.5.4.2 is calculated in terms of clause 31.5 in accordance with a sliding scale reducing over a period as determined by the Manager from time to time; and

31.5.4.3 may not be charged in addition to an upfront Manager's charge levied at the time of the purchase of such participatory interests.

31.5.5 The Manager may at any time in its discretion waive or abate any, or any portion of the charges referred to in clause 31.6, either in respect of all investors, any category of investors or any particular investor.

32 Variations in Manager's Charge

Any reduction in the Manager's charge shall be passed onto Investors in respect of the uncompleted portion of any contract for the sale of Participatory Interests. Any increase in the charge may not be applied to any contracts for the sale of Participatory Interests entered into at a date prior to the date on which such increase came into effect.

33 Conditions for Sale of Participatory Interests in Primary Market

The Manager may not sell or offer any Participatory Interest for sale except on the terms set out below:

33.1 each purchase of Participatory Interest must be a completed transaction and ownership of the Participatory Interests passes to the purchaser as soon as the Manager has accepted an offer to sell Participatory Interests and the purchase price has been paid and, where applicable, the Participatory Interests have been created;

33.2 the Manager must immediately after each purchase transaction, and in accordance with the rules governing the CSD take steps to Register the transfer of the Participatory Interests to the purchaser in the Register of the Portfolio; and

33.3 the investor will receive notification in accordance with the rules governing the CSD.

34 Manager to Furnish Trustee with Information

In order to enable the Trustee to give effect to this Deed, the Manager must furnish to the Trustee on request statements of all issues of Participatory Interests and of the prices at which they were issued, particulars of any assets which it intends or plans to purchase or sell for the account of the Scheme, and any other information which the Trustee may reasonably require.

35 Sale or Repurchase of Participatory Interests in Primary Market

35.1 Given that the participatory interests are listed on the JSE, investors shall be able to sell their participatory interests on the Secondary Market through a trade on the JSE, including through any

market maker appointed in terms of the JSE Listings Requirements. However, it shall be incumbent on a Manager to repurchase any number of participatory interests offered to it by an investor (as determined in this Deed) for cash or one or more Baskets, at the election of the investor, provided that the Manager shall never be obliged to deliver part of a Basket.

- 35.2 Notwithstanding anything to the contrary set out in this Deed, 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 securities comprising the Basket of securities to an investor exercising its repurchase rights:
- 35.2.1 as a result of the suspension or de-listing of one or more of the securities on the relevant exchange, then such Security or securities shall be excluded from the portfolio and delivered within three business days after the suspension is lifted or after the de-listed securities become available, as the case may be;
- 35.2.2 for any reason other than a suspension or de-listing, then the Security or securities in question will be excluded from the Basket of securities delivered to the investor and such investor will instead be paid an amount in cash equal to the value of the Security or 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).
- 35.3 For the purposes of clause 35.1 and subject to clause 35.4 the point in time by when repurchase requests must be received by the Manager shall be 10h00 on the business day on each Pricing Date.
- 35.4 The time determined in terms of clause 35.3 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.

- 35.5 A Manager, when it receives a request for repurchase of participatory interests under circumstances determined by the Registrar under section 114(3)(f) of the Act:
- 35.5.1 may, with the prior consent of the Trustee; or
- 35.5.2 must, without delay when the Trustee so requires, suspend the basis of the repurchase of the relevant participatory interests, if the Manager or Trustee, as the case may be, is of the opinion that the circumstances referred to, warrant the suspension in the interests of investors.
- 35.6 The repurchase of such participatory interests shall be priced and settled in accordance with the conditions determined by the Registrar under section 114(3)(f) of the Act.

37. Repurchase Price in Primary Market

Subject to clause 35, the repurchase price per participatory interest payable by the Manager must be the amount determined in terms of clause 28 at the time when the notice referred to in clause 35 was received by the Manager.

38. Date of Payment of Repurchase Price by Manager

Subject to clauses 36.5 and 36.6, payment by a Manager in respect of an offer for the repurchase of a participatory interest must be made to the investor within 14 days of the receipt of such offer.

41. Manager's Decision on Nature of Bonus Conclusive

If any doubt arises as to whether any bonus, right or benefit referred to in clause 40.4 constitutes an income accrual or a capital gain, such question must be resolved by the Manager after consulting the Trustee and the auditors, and such resolution is conclusive.

42. Distribution of Income

- 42.1 *The Manager must on each Declaration Date publish an announcement in compliance with the BSE and JSE Listings Requirements notifying investors (including the Manager in respect of any participatory interests to which it is entitled) Registered in the Register of a portfolio as at the close of business on the relevant Record Date, pro rata to the number of participatory interests then held by such investors in a portfolio, the amount verified by the Trustee as available for distribution in that portfolio as hereinafter provided in respect of the Accounting Period to which such Record Date relates.

**Paragraph 42.1 contained in this Prospectus has been amended from the original Trust Deed to ensure compliance with the Listings Requirements and takes preference over the corresponding paragraph contained in the Trust Deed.*

- 42.2 On each Ex-Dividend Date, the amount required to effect 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 prices of a participatory interest. By no later than each Declaration Date the said amount shall 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 herein provided. The amount to be distributed in respect of each participatory interest must be rounded down to the nearest one hundredth of a cent, and the amount to be distributed to any one investor must be rounded down to the lower cent. The aggregate balance remaining to the credit of the Distribution Account on completion of the distribution shall be carried forward and added to the amount available for distribution in the next Accounting Period.
- 42.3 The amount available for distribution will be paid to investors on the business day immediately following receipt by the Trustee of the last of the income accruals and payments in lieu of accruals accruing to the portfolio in respect of the Accounting Period in question, which shall be a date not later than the Distribution Date.

45. Payment of Service Charge

- 45.1 As soon as practicable after the end of each calendar month, the Trustee must pay to the Manager, from the Income Account of a portfolio, in respect of the Service Charge, an amount based on the applicable annual percentage rate, as specified in the relevant Supplemental Deed, of the market value of the total assets of that portfolio (excluding income accruals and Permissible Deductions, if any) for each day of that calendar month: Provided that if there is a shortfall in the Income Account such that the Manager's Service Charge cannot be paid, or cannot be paid in full:

45.1.1 participatory interests may be issued to the Manager; or

45.1.2 an amount deducted from the Capital Account may be paid to the Manager, equal in value to such shortfall.

PART IX: FINANCIAL MATTERS

57. Financial year-end of Manager and portfolio

The financial year-end of the Manager and of each portfolio of the Scheme shall be December of each year.

59. Amendment of Deed and Balloting of Investors

The consent of investors for an amendment of this Deed must be obtained in the following manner (provided that the consent of the JSE thereto has also been obtained):

- 59.1 Where such an amendment only affects one or more than one class of participatory interests in a portfolio, the investors, excluding the Manager, holding no less than 25 per centum in value of the total number of participatory interests then issued in that class of participatory interests or those classes of participatory interests of that portfolio, as the case may be, must respond in writing in a ballot conducted by the Manager. The amendment must be consented to by investors holding a majority in value of the participatory interests held by the investors who have responded.

- 59.2 Where the amendment affects more than one or all the portfolios in the Scheme, investors, excluding the Manager, holding no less than 25 per centum in value of the total number of participatory interests then issued in those portfolios affected, must respond in writing. The amendment must be consented to by investors holding a majority in value of the participatory interests held by the investors who have responded.
- 59.3 If the investors holding less than 25 per centum in value of the total number of participatory interests then issued have responded in accordance with clauses 59.1 and 59.2, a second ballot must be conducted. In this ballot investors holding a majority in value of the participatory interests held by the investors who have responded, must consent to the amendment.
- 59.4 Every Registered investor may vote in the case of a ballot in respect of each participatory interest held by him or her: Provided that an investor or his or her duly authorised representative may exercise all his or her voting rights, but is not obliged to exercise all his or her votes or exercise all the votes he or she is entitled to in the same way.
- 59.5 When a ballot is necessary the Manager must dispatch to every investor a ballot paper and a memorandum approved by the Registrar containing the reasons for the proposed amendment.
- 59.6 For the purposes of clauses 59.1, 59.2 and 59.3 only ballot papers which are received by the Manager within thirty business days after dispatch to investors may be taken into account and be regarded as valid. Ballot papers must be counted by the auditors of the Scheme and their finding, as conveyed in writing to the Manager, is final and binding.
- 59.7 Where a Registered investor is holding participatory interests as a nominee or person duly appointed to act on behalf of the beneficial owners of such participatory interests, the nominee or such person must obtain written instructions from such owners as to how to respond to the proposed amendment of this Deed.
- 59.8 If, for the purposes of clause 59.7, some beneficial owners are in favour of the proposed amendment but others are against it, the nominee or such person must respond accordingly and for that purpose the nominee or such person may respond in favour of and against the proposed amendment.
- 59.9 The provisions of clauses 59.1, 59.2 and 59.3 which deal with the weighting of the response by an investor, also apply in the case of the responses by a nominee or such appointed person.

Annexure 4 – AUDITED FINANCIAL STATEMENTS

The audited annual financial statements for the issuer portfolios and the Trustee are available on the respective websites, being:

- www.cloudatlasinvesting.com
- www.firststrand.co.za



CLOUD ATLAS (RF) PROPRIETARY LIMITED ("CLOUD ATLAS")

1st floor Victoria Gate West
Hyde Park Lane,
Hyde Park,
Johannesburg,
2196

2021/07/16

VALIDATION OF FINANCIAL INFORMATION IN LISTING PROSPECTUS

To the Directors,

We have been the preparers of Cloud Atlas annual financial statements since 2017.

We understand that Cloud Atlas is undertaking to cross list its Exchange Traded Fund products on the Botswana Stock Exchange.

Having reviewed the content of the Listing prospectus in which financial information is presented on director remuneration and shareholding we can hereby validate that the contents of the Listing prospectus are correct.

Yours truly

A handwritten signature in black ink, appearing to read 'Simnikiwe Mabala'.

Xabacha SA Inc.
Director: Simnikiwe Mabala
Chartered Accountant (SA)
Registered Auditor
16 July 2021
Johannesburg



Xabacha SA Incorporated, Registration Number: M2015/348300/21 | Email: info@xabacha.co.za | Tel: +2711-267-0522
Unit 12A 115, Whisken Road, Crowthorne, Midrand, Johannesburg, 2196
Directors: Simnikiwe Mabala CA (SA) RA (Managing Director)
A comprehensive list of all directors is available at the company's offices or registered offices

BASBI ANNEXURE 1 – INVESTMENT POLICY

1. The investment policy of the Cloud Atlas S&P African Sovereign Bond ETF shall be to track the S&P Africa Hard Currency Sovereign Bond Select Index as closely as possible, by:
 - 1.1 buying only securities in the same weightings in which they are included in the S&P Africa Hard Currency Sovereign Bond Select Index and selling only securities which are removed from the S&P Africa Hard Currency Sovereign Bond Select Index from time to time as a result of quarterly Index reviews or corporate actions or which are required to be sold to ensure that the Cloud Atlas S&P African Sovereign Bond ETF holds securities in the same weighting as they are included in the S&P Africa Hard Currency Sovereign Bond Select Index; and
 - 1.2 There are going to be Odd lots resulting for trading in order to optimise the index tracking it is more efficient to make use of the 5% cash allowance in the portfolio for Odd lots that will occur, rather than trying to actually trade this Odd lot.
 2. The Cloud Atlas S&P African Sovereign Bond ETF shall not buy or sell securities for the purpose of making a profit nor for any purpose other than tracking the S&P Africa Hard Currency Sovereign Bond Select Index.
 3. It is anticipated that assets in liquid form will not form a substantial part of the Cloud Atlas S&P African Sovereign Bond ETF's assets. However, any liquid assets that the Cloud Atlas S&P African Sovereign Bond ETF holds may be invested in short-term investments such as banker's acceptances and certificates of deposit.
 4. The Cloud Atlas S&P African Sovereign Bond ETF will acquire and hold a portfolio of securities that substantially represents all of the securities of the S&P Africa Hard Currency Sovereign Bond Select Index in substantially the same weighting as in the S&P Africa Hard Currency Sovereign Bond Select Index. The Manager will ensure that the Cloud Atlas S&P African Sovereign Bond ETF is fully covered by the underlying assets that the Cloud Atlas S&P African Sovereign Bond ETF references at all times.
 5. The S&P Africa Hard Currency Sovereign Bond Select Index may be adjusted as a result of corporate activities involving Index Constituents. Any adjustments in the S&P Africa Hard Currency Sovereign Bond Select Index will be implemented in terms of the relevant Ground Rules and announced on SENS. Any adjustments will be made to ensure that the composition of the Cloud Atlas S&P African Sovereign Bond ETF is aligned with the S&P Africa Hard Currency Sovereign Bond Select Index. The composition of the Cloud Atlas S&P African Sovereign Bond ETF will be made available on the Cloud Atlas website - www.cloudatlasinvesting.com
 6. The Cloud Atlas S&P African Sovereign Bond ETF will hold securities purely to replicate the S&P Africa Hard Currency Sovereign Bond Select Index, and therefore will not participate in any corporate activities requiring disposal of such securities, if it is not mandatory. In the event the disposal of securities is mandatory, the Cloud Atlas S&P African Sovereign Bond ETF will participate only up to the extent of the mandatory requirements. If a takeover bid results in an Index Constituent no longer qualifying for inclusion in the S&P Africa Hard Currency Sovereign Bond Select Index, any shares of the former Index Constituent held by the Cloud Atlas S&P African Sovereign Bond ETF after the takeover bid will be disposed of and the proceeds will be applied in effecting the appropriate adjustments to the Cloud Atlas S&P African Sovereign Bond ETF.
 7. The Cloud Atlas S&P African Sovereign Bond ETF's ability to replicate the performance of the S&P Africa Hard Currency Sovereign Bond Select Index will be affected by the costs and expenses incurred by the Cloud Atlas S&P African Sovereign Bond ETF.
 8. The Manager of the Cloud Atlas S&P African Sovereign Bond ETF shall, if a vote is required by shareholders holding securities in any of the Index Constituents, vote in the best interests of holders of Cloud Atlas S&P African Sovereign Bond ETF Participatory Units.
-

BASBI ANNEXURE 2 – MANAGEMENT AND OTHER FEES

The Manager is entitled to a service fee on a quarterly basis calculated as follows:

[(daily market value of the total assets of the Cloud Atlas S&P African Sovereign Bond ETF, excluding Income Accruals and permissible deductions, if any *multiplied by* the number basis points calculated from table A below) / 365] *accrued on a daily basis for each day* in the relevant quarter,

provided that the Manager at its discretion may waive or reduce any part of the service fee.

The Manager may change any charge for this Cloud Atlas S&P African Sovereign Bond ETF, introduce additional charges or change the method of calculation of any charge that could result in an increase in charges, provided that:

- not less than 3 months' written notice has been given to every investor;
- the necessary amendments to the relevant Supplemental Deed have been effected in consultation with the Registrar of Collective Investment Schemes; and
- the prior written approval of the JSE has been obtained.

Table A

The quantum of the basis points to use for purposes of calculation of the service as per the formula above, shall be calculated from Table A below based on the total assets of the Cloud Atlas S&P African Sovereign Bond ETF as follows:

Table A

	Basis points to use for calculation of the Managers service fee
Total assets of Cloud Atlas S&P African Sovereign Bond ETF	50 basis points

BASBI ANNEXURE 3 – PRELIMINARY EXPENSES

19.17(f)
19.17(g)

The preliminary expenses in relation to the Initial Offer (inclusive of VAT) are shown below:

Expense	Pula
Annual listing fee (BSE)	1 basis point (0.01%) of the value of the Cloud Atlas S&P African Sovereign Bond ETF up to a maximum amount of P 423 282.
Documentation fee (BSE)	R 49 000
Market making fee (Cloud Atlas)	P 500 000
Sponsor and Transaction Advisor (Motswedi)	P50 000
Introduction fee (Capital raise participants)	75 basis point (0.75%) of the value of money raised for the Cloud Atlas S&P African Sovereign Bond ETF listing during the private placement.

BASBI ANNEXURE 4 – COMPOSITION OF THE INDEX

Bond name	Borrower	Exchange	Average monthly value traded (USD)	Weighting
EGGV 8.500 01/31/47	Egypt	London	136,923,419	7.5%
EGGV 8.700 03/01/49	Egypt	London	131,000,619	4.6%
EGGV 8.150 11/20/59	Egypt	London	82,764,500	1.4%
EGGV 8.875 05/29/50	Egypt	Luxembourg	104,880,679	6.1%
GHGV 8.627 06/16/49	Ghana	Luxembourg	85,000,000	4.0%
GHGV 8.125 03/26/32	Ghana	Luxembourg	42,219,500	5.3%
GHGV 8.950 03/26/51	Ghana	Luxembourg	40,859,500	4.2%
GHGV 8.750 03/11/61	Ghana	Luxembourg	32,300,000	3.0%
KEGV 7.250 02/28/28	Kenya	London	272,687,969	4.6%
KEGV 8.250 02/28/48	Kenya	London	92,245,878	4.6%
KEGV 7.000 05/22/27	Kenya	London	1,292,505,901	4.1%
KEGV 8.000 05/22/32	Kenya	Luxembourg	158,786,375	5.6%
MAGV 5.500 12/11/42	Morocco	Luxembourg	222,003,000	3.5%
NAGV 5.500 11/03/21	Namibia	Luxembourg	86,224,000	2.1%
NGGV 7.875 02/16/32	Nigeria	London	47,017,750	6.8%
NGGV 7.696 02/23/38	Nigeria	London	42,500,000	5.4%
NGGV 8.747 01/21/31	Nigeria	London	574,587,250	4.8%
NGGV 9.248 01/21/49	Nigeria	Luxembourg	445,253,375	3.6%
ZAGV 6.250 03/08/41	South Africa	Luxembourg	84,947,300	3.4%
ZAGV 4.875 04/14/26	South Africa	Luxembourg	86,611,600	5.6%
ZAGV 5.875 06/22/30	South Africa	Luxembourg	89,143,750	6.6%
ZAGV 6.300 06/22/48	South Africa	Luxembourg	83,206,500	2.7%
Cash				0.05

The ETF Constituents set out above are extracted from the latest available information as at the Last Practicable Date and are included for information purposes only. For accurate information on the ETF Constituents and the number of shares in one Basket, consult the Cloud Atlas website: www.cloudatlasinvesting.com.

Market Value Outstanding (USD Million)	US\$ 26,631.82 million
No of Constituents	22
Countries represented	Egypt, Ghana, Kenya, Morocco, Namibia, Nigeria, South Africa
Weighted Average Maturity	18.19
Weighted Average Coupon	7.66%
Weighted Average Price	106.88
Yield to Maturity	6.65%
Effective Duration	8.49 years
Convexity	1.17
Option Adjusted Spread	528.27
Risk profile	Low

Source: S&P. Data as at 30 June 2021.

BASBI ANNEXURE 5 – PUBLICATION OF INFORMATION ON ISSUERS WEBSITE

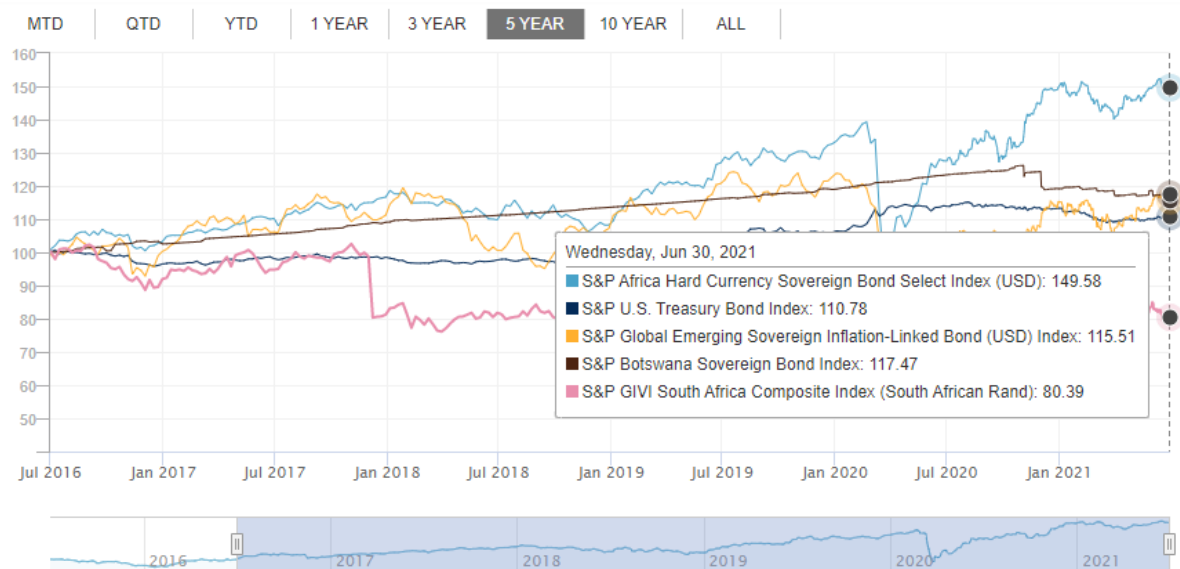
The following information, as per the BSE listings requirements, will be updated and published each business day on the Cloud Atlas website - www.cloudatlasinvesting.com:

- the NAV of the CA Participatory Unit, showing the fair value based on the Index level for the preceding day;
- the actual funds available for distribution to CA Participatory Unit holders (if applicable);
- the Index level (if applicable) for the preceding day;
- the accrued costs incurred in the Cloud Atlas ETF (if applicable);
- the Index Constituents; and
- constituent shares applicable to an Index for creation and redemption purposes.

In addition to the above, copies of this Prospectus, the Ground Rules, the various Supplements and annual financial statements will be published and will be available on the Cloud Atlas website - www.cloudatlasinvesting.com/products.

ANNEXURE 6 – PERFORMANCE OF THE INDEX

The graph set out below illustrates the total return performance of the constituents of the S&P Africa Hard Currency Sovereign Bond Select Index for the period from 01 July 2016 to 30 June 2021, **rebased to 100**. Note that this information is not necessarily indicative of the future performance of the Index.



Index Name	Date	Index Level	Returns				
			1 Day	MTD	QTD	YTD	1 Year
S&P Africa Hard Currency Sovereign Bond Select Index (USD) Currency: USD Return Type: Total Return	Jun 30, 2021	151.13	-0.01%	0.06%	6.74%	-0.32%	17.66%
S&P U.S. Treasury Bond Index	Jun 30, 2021	473.14	0.10%	0.67%	1.53%	-2.21%	-2.77%
S&P Global Emerging Sovereign Inflation-Linked Bond (USD) Index	Jun 30, 2021	672.02	-0.94%	1.32%	7.82%	0.38%	16.00%
S&P Botswana Sovereign Bond Index	Jun 30, 2021	175.47	-0.14%	-0.98%	0.15%	-1.41%	-4.80%

Source: <https://www.spglobal.com/spdji/en/indices/fixed-income/sp-africa-hard-currency-sovereign-bond-select-index-usd/#overview>

The table below sets out the historic high and low values of the S&P Africa Hard Currency Sovereign Bond Select Index for the period from 01 July 2016 to 30 June 2021.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2016							3.35%	1.81%	0.70%	-0.75%	-3.87%	2.17%	3.4%
2017	1.67%	1.73%	0.20%	1.34%	1.87%	-0.26%	1.35%	2.00%	-0.69%	0.80%	0.78%	1.48%	12.3%
2018	0.78%	-1.80%	-0.42%	-0.99%	-0.86%	-2.68%	5.33%	-3.91%	2.87%	-4.41%	-2.17%	1.34%	-6.9%
2019	6.75%	3.35%	0.65%	0.24%	-1.00%	6.32%	2.46%	-0.97%	-0.04%	0.82%	-0.83%	3.26%	21.0%
2020	1.60%	-1.59%	-22.99%	7.24%	9.82%	5.48%	1.41%	3.61%	-4.20%	3.92%	8.73%	3.78%	16.8%
2021	-1.30%	-2.33%	-3.12%	4.02%	2.55%	0.06%							-0.1%

Source: Cloud Atlas. Derived from the rebased total return data as at 30 June 2021.

As at the Last Practicable Date, the Index closed at a level of 164.15 and at a par weighted price of 106.88.

BASBI ANNEXURE 7 – INDEX CALCULATION METHODOLOGY

1. Introduction

The text below has been extracted from the Ground Rules. The Ground Rules will be made available on the Cloud Atlas website - www.cloudatlasinvesting.com

2. Calculation Methodology

S&P will calculate the S&P Africa Hard Currency Sovereign Bond Select Index based on the below methodology.

The S&P Africa Sovereign Bond Indices track the market-value weighted performance of sovereign bonds from 13 countries within Africa. There are two main indices: The S&P Africa Sovereign Bond Index and the S&P Africa Hard Currency Sovereign Bond Select Index ("S&P ASB"), the latter being the one the portfolio will trade. Certain capped indices are also available which limit the weight of an individual country.

The S&P Africa Sovereign Bond Index is comprised of a universe of sovereign bonds denominated in local currency from the following 13 African countries: Botswana, Kenya, Namibia, Tanzania, Zambia, Egypt, Mauritius, Nigeria, Tunisia, Ghana, Morocco, South Africa, Uganda.

The S&P Africa Hard Currency Sovereign Bond Index is comprised of bonds issued by African sovereign Governments denominated in Euros, Japanese Yen, and U.S. Dollars from the 13 African countries listed above. The index is a broad, transparent and independent benchmark which is a Parent index to the African single country and single currency sub-indices.

The constituents in the S&P ASB Select index are selected to arrive at a market-capitalisation weighted and tradeable index is described below:

- Calculate a ratio of the yield-to-worst divided by the coupon rate for each bond.
- For each country the securities with a ratio between 0.95 and 1.15, inclusive, are eligible.
- For any country rated BBB- or higher that has no eligible securities in Step 2, the securities with a ratio between 0.7 and 1.3, inclusive, are eligible.
- Of the eligible bonds from the above steps, the highest-coupon bonds from each country, up to a maximum of four bonds per country, are selected and included in the index.
 - If fewer than four bonds from a country are eligible, all that country's eligible bonds are included in the index. In the event of a tie, the bond with the longer maturity is selected.
- A country cap of 20% is applied, with uncapped bonds reweighted proportionally. If fewer than five countries are eligible no capping is applied.

Index Calculations

Daily Index Values

Index values are calculated each day by applying the current day's index return to the previous day's index value, as follows:

$$TRIV_t = TRIV_{t-1} * (1 + IndexTR_t) \quad (1)$$

$$PRIV_t = PRIV_{t-1} * (1 + IndexPR_t) \quad (2)$$

$$IRIV_t = IRIV_{t-1} * (1 + IndexIR_t) \quad (3)$$

where:

$TRIV_t$	= Total return index value on day t .
$PRIV_t$	= Price return index value on day t .
$IRIV_t$	= Interest return index value on day t .
$IndexTR_t$	= Index total return on day t .
$IndexPR_t$	= Index price return on day t .
$IndexIR_t$	= Index interest return on day t .

Daily Index Returns

The individual index security returns are aggregated to calculate returns for the index. Specifically, on a given day, the total return, interest return and price return for the index are equal to a weighted average of the returns of the securities that constitute the index. The weight of each index security return is equal to the relative weight of that security in the index as of the previous calendar day (adjusted for principal pre-payments, etc.). Each cash security has a foreign exchange return related to the index currency as its price return and zero as its interest return. The formulae are as follows:

$$IndexTR_t = \sum_i SecurityWeight_{i,t-1} * tr_{i,t} \quad (4)$$

$$IndexPR_t = \sum_i SecurityWeight_{i,t-1} * pr_{i,t} \quad (5)$$

$$IndexIR_t = \sum_i SecurityWeight_{i,t-1} * ir_{i,t} \quad (6)$$

where:

$IndexTR_t$	= Index total return on day t .
$IndexPR_t$	= Index price return on day t .
$IndexIR_t$	= Index interest return on day t .
$tr_{i,t}$	= Total return of index security i on day t ($ir_{i,t} + pr_{i,t}$).
$pr_{i,t}$	= Price return of index security i on day t .
$ir_{i,t}$	= Interest return of index security i on day t .
$SecurityWeight_{i,t-1}$	= Adjusted market value weight of index security i at the close of day $t-1$.

Total Return

The total return, TR , for a given security on day t is the sum of the market price, interest, and FX return on day t :

$$TR_t = IR_t + PR_t \quad (7)$$

where:

$$\begin{aligned} IR_t &= \text{Interest return on day } t. \\ PR_t &= \text{Price return on day } t. \end{aligned}$$

Price return measures the return due to the change in the market price of the security. Interest return (or coupon return) includes the return due to the interest earned on that security. In the case of zero coupon bonds, the accretion in price due to interest return is reported as price return.

Interest Return

The formula for the interest return on an individual index security on day t is as follows:

$$IR_t = (AI_t - AI_{t-1} + Cpn_t) / \text{DirtyPrice}_{t-1} \quad (8)$$

where:

$$\begin{aligned} IR_t &= \text{Daily interest return for the security on day } t. \\ AI_t &= \text{Accrued interest, up to and including day } t. \\ \text{DirtyPrice}_{t-1} &= \text{Dirty price of the security on day } t-1.^1 \\ Cpn_t &= \text{Coupon payment* on day } t. \end{aligned}$$

**For securities trading ex-dividend, the coupon is recognized on ex-dividend date. Securities in default do not accrue interest.*

Interest Return (Loans)

In the following formula, PAR should be treated as $(AWF*PAR)$. The formula for the interest return on an individual index loan on day t is as follows:

$$IR_t = \frac{(PAR_t * R_t) / 360}{MV_{Beg}} \quad (9)$$

where:

$$\begin{aligned} IR_t &= \text{Interest return on day } t. \\ PAR_t &= \text{Par amount of the index loan as of the last weekly rebalancing, adjusted for principal pre-payments, etc., up to and including day } t. \\ R_t &= \text{Interest rate on day } t. \\ MV_{Beg} &= \text{Market value, at the beginning of day } t. \end{aligned}$$

Index Interest Rate

The index interest rate is determined by the weighted average spread to LIBOR/EURIBOR.

¹ The dirty price of a security is defined as the sum of the market quoted price and the interest deemed to be earned on that security, but not yet paid to the investor. The clean price is the market quoted price without accrued interest.

BAMIB50 ANNEXURE 1 – INVESTMENT POLICY

1. The investment policy of the AMI Big50 ex-SA ETF shall be to track the AMI Big50 ex-SA Index as closely as possible, by:
 - 1.1 buying only securities in the same weightings in which they are included in the AMI Big50 ex-SA Index and selling only securities which are removed from the AMI Big50 ex-SA Index from time to time as a result of quarterly Index reviews or corporate actions or which are required to be sold to ensure that the AMI Big50 ex-SA ETF holds securities in the same weighting as they are included in the AMI Big50 ex-SA Index; and
 - 1.2 reinvesting all available income received by the AMI Big50 ex-SA ETF in respect of securities by the purchase of additional securities in the same weightings as they are included in the AMI Big50 ex-SA Index.
2. The AMI Big50 ex-SA ETF shall not buy or sell securities for the purpose of making a profit nor for any purpose other than tracking the AMI Big50 ex-SA Index.
3. It is anticipated that assets in liquid form will not form a substantial part of the AMI Big50 ex-SA ETF's assets. However, any liquid assets that the AMI Big50 ex-SA ETF holds may be invested in short-term investments such as banker's acceptances and certificates of deposit.
4. The AMI Big50 ex-SA ETF will acquire and hold a portfolio of securities that substantially represents all of the securities of the AMI Big50 ex-SA Index in substantially the same weighting as in the AMI Big50 ex-SA Index. The Manager will ensure that the AMI Big50 ex-SA ETF is fully covered by the underlying assets that the AMI Big50 ex-SA ETF references at all times.
5. The AMI Big50 ex-SA Index may be adjusted as a result of corporate activities involving Index Constituents. Any adjustments in the AMI Big50 ex-SA Index will be implemented in terms of the relevant Ground Rules and announced on SENS. Any adjustments will be made to ensure that the composition of the AMI Big50 ex-SA ETF is aligned with the AMI Big50 ex-SA Index.
6. The AMI Big50 ex-SA ETF will hold securities purely to replicate the AMI Big50 ex-SA Index, and therefore will not participate in any corporate activities requiring disposal of such securities, if it is not mandatory. In the event the disposal of securities is mandatory, the AMI Big50 ex-SA ETF will participate only up to the extent of the mandatory requirements. If a takeover bid results in an Index Constituent no longer qualifying for inclusion in the AMI Big50 ex-SA Index, any shares of the former Index Constituent held by the AMI Big50 ex-SA ETF after the takeover bid will be disposed of and the proceeds will be applied in effecting the appropriate adjustments to the AMI Big50 ex-SA ETF.
7. The AMI Big50 ex-SA ETF's ability to replicate the performance of the AMI Big50 ex-SA Index will be affected by the costs and expenses incurred by the AMI Big50 ex-SA ETF.
8. The Manager of the AMI Big50 ex-SA ETF shall, if a vote is required by shareholders holding securities in any of the Index Constituents, vote in the best interests of holders of AMI Big50 ex-SA Participatory Units.

BAMIB50 ANNEXURE 2 – MANAGEMENT AND OTHER FEES

The Manager is entitled to a service fee on a quarterly basis calculated as follows:

$[(\text{daily market value of the total assets of the AMI Big50 ex-SA ETF, excluding Income Accruals and permissible deductions, if any multiplied by the number basis points calculated from table A below}) / 365]$ *accrued on a daily basis for each day* in the relevant quarter,

provided that the Manager at its discretion may waive or reduce any part of the service fee.

The Manager may change any charge for this AMI Big50 ex-SA ETF, introduce additional charges or change the method of calculation of any charge that could result in an increase in charges, provided that:

- not less than 3 months' written notice has been given to every investor;
- the necessary amendments to the relevant Supplemental Deed have been effected in consultation with the Registrar of Collective Investment Schemes; and
- the prior written approval of the JSE has been obtained.

Table A

The quantum of the basis points to use for purposes of calculation of the service as per the formula above, shall be calculated from Table A below based on the total assets of the AMI Big50 ex-SA ETF as follows:

Table A

Total assets of AMI Big50 ex-SA ETF	Basis points to use for calculation of the Managers service fee
Annual charge	50 basis points

BAMIB50 ANNEXURE 3 – PRELIMINARY EXPENSES

The preliminary expenses in relation to the Initial Offer (inclusive of VAT) are shown below:

Expense	Rand
Annual listing fee (BSE)	1 basis point (0.01%) of the value of the AMI Big50 ex-SA ETF up to a maximum amount of P 423 282
Market making fee (Cloud Atlas)	P 500 000

BAMIB50 ANNEXURE 4 – COMPOSITION OF THE INDEX

	ETF Constituent	ISIN	Country	Average Monthly value traded (US\$)	Weighting
1	Botswana Insurance Hdg.	EGS512O1C012	Botswana	958,974	0.86%
2	Sonatel	MWPCL0010053	BRVM	8,498,138	4.76%
3	Onatel Bf	MA0000011801	BRVM	971,585	1.53%
4	Coml.Intl.Bank (Egypt)	EGS305I1C011	Egypt	139,511,650	7.93%
5	Talaat Moustafa Group	NGNESTLE0006	Egypt	15,188,999	0.79%
6	Elswedey Electric	MA0000012247	Egypt	46,722,221	2.53%
7	Telecom Egypt	KE0000000216	Egypt	17,052,441	4.38%
8	Cleopatra Hospital	TZ1996100016	Egypt	11,743,601	2.11%
9	Edita Food Industries	GH0000000078	Egypt	6,024,769	1.63%
10	Six Of Oct.Dev.& Inv.	MU0473N00036	Egypt	3,172,298	1.36%
11	Juhayna Food Inds.	EGS691S1C011	Egypt	11,714,943	1.30%
12	Ibnsina Pharma	MA0000011512	Egypt	13,465,008	1.13%
13	Credit Agricole Egypt	MA0000010928	Egypt	7,002,398	1.09%
14	Ezz Steel	BW0000000033	Egypt	25,659,402	0.96%
15	Egyptian Intl.Pharms. (Epico)	NGCUSTODYIN6	Egypt	3,256,261	0.85%
16	Orascom Development Egypt Sae	MWNICO010014	Egypt	4,314,943	0.75%
17	Alexandria Mrl.Oils	NGDANGCEM008	Egypt	10,646,244	0.40%
18	Cal Bank	MA0000012320	Ghana	930,833	0.56%
19	Safaricom	EGS3G0Z1C014	Kenya	60,002,907	14.28%
20	Equity Bank	KE0000000059	Kenya	15,915,363	2.38%
21	Kenya Commercial Bank	NGSEPLAT0008	Kenya	11,324,775	1.94%
22	East African Breweries	MA0000012262	Kenya	11,996,556	1.26%
23	Bamburi Cement	EGS380P1C010	Kenya	947,530	0.34%
24	Mcb Group Ltd	EGS729J1C018	Mauritius	6,673,788	3.05%
25	Grit Real Estate Income Group	TN0007720014	Mauritius	2,211,986	1.00%

	ETF Constituent	ISIN	Country	Average monthly value traded (US\$)	Weighting
26	Lux Island Resorts	MU0049N00000	Mauritius	393,560	0.79%
27	Attijariwafa Bank	MA0000012445	Morocco	134,834,198	3.23%
28	Itissalat Al Maghrib (Maroc Telecom)	MA0000011488	Morocco	168,583,406	6.28%
29	Lafargeholcim Maroc	MA0000012320	Morocco	60,513,175	2.05%
30	Wafa Assurance	MA0000010928	Morocco	20,890,250	2.04%
31	Cosumar	MA0000012247	Morocco	36,087,387	1.98%
32	Ciment Du Maroc	MA0000010506	Morocco	14,286,344	1.38%
33	Marsa Maroc	MA0000012312	Morocco	25,684,367	0.91%
34	Label Vie	MA0000011801	Morocco	15,696,939	0.57%
35	Taqa Morocco	MA0000012205	Morocco	33,910,166	0.44%
36	Managem	MA0000011058	Morocco	20,279,105	1.53%
37	Hightech Payement Sys.	MA0000011611	Morocco	6,352,478	1.35%
38	Total Maroc	MA0000012262	Morocco	18,311,310	1.09%
39	Douja Prom Addoha	MA0000011512	Morocco	5,905,277	1.02%
40	Miniere Touissit	MA0000011793	Morocco	4,000,691	0.95%
41	Ste Nationale De Siderurgie	MA0000010019	Morocco	786,501	0.30%
42	Disway	MA0000011637	Morocco	1,399,011	0.25%
43	Guaranty Trust Bank	NGGUARANTY06	Nigeria	25,565,890	3.86%
44	Zenith International Bk.	NGZENITHBNK9	Nigeria	21,049,792	2.86%
45	Dangote Cement	NGDANGCEM008	Nigeria	4,102,086	2.00%
46	Nestle Foods Nigeria	NGNESTLE0006	Nigeria	5,126,162	1.71%
47	Nigerian Breweries	NGNB00000005	Nigeria	2,033,257	0.97%
48	Seplat Ptl.Dev. (Nsa)	NGSEPLAT0008	Nigeria	5,549,342	0.94%
49	Banque De Tunisie	TN0002200053	Tunisia	694,748	1.74%
50	One Tech Holding	TN0007530017	Tunisia	3,783,915	0.58%

The ETF Constituents set out above are extracted from the latest available information as at the Last Practicable Date and are included for information purposes only. For accurate information on the ETF Constituents and the number of shares in one Basket, consult the Cloud Atlas website: www.cloudatlasinvesting.com.

BAMIB50 ANNEXURE 5 – PUBLICATION OF INFORMATION ON ISSUERS WEBSITE

The following information, as per the BSE listings requirements, will be updated and published each business day on the Cloud Atlas website - www.cloudatlasinvesting.com:

- the NAV of the CA Participatory Unit, showing the fair value based on the Index level for the preceding day;
- the actual funds available for distribution to CA Participatory Unit holders (if applicable);
- the Index level (if applicable) for the preceding day;
- the accrued costs incurred in the Cloud Atlas ETF (if applicable);
- the Index Constituents; and
- constituent shares applicable to an Index for creation and redemption purposes.

In addition to the above, copies of this Prospectus, the Ground Rules, the various Supplements and annual financial statements will be published and will be available on the Cloud Atlas website - www.cloudatlasinvesting.com/products.

BAMIB50 ANNEXURE 6 – PERFORMANCE OF THE INDEX

The graph set out below illustrates the price performance of the AMI Big50 ex-SA Index for the period from 01 July 2016 to 30 June 2021, rebased to R100. Note that this information is not necessarily indicative of the future performance of the Index.



The graphs represents a comparison of the AMI Big50 ex-SA to the MSCI Emerging Markets Africa ex-South Africa Index (USD) and the FTSE/JSE All Africa ex-South Africa 30 Index and S&P Pan Africa ex-South Africa respectively.

The table below sets out the historic high and low values of the AMI Big50 ex-SA Index for the period from 01 July 2016 to 30 June 2021.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2016							0.00%	6.34%	-4.85%	3.31%	-7.60%	0.55%	-2.3%
2017	-4.18%	-1.04%	2.22%	0.86%	6.21%	4.75%	1.89%	3.46%	6.08%	6.45%	-7.01%	-9.16%	10.5%
2018	1.46%	-0.40%	4.43%	6.34%	-3.66%	5.33%	-2.50%	10.00%	-9.68%	5.16%	-6.52%	1.02%	11.0%
2019	-3.33%	6.86%	-0.19%	-5.89%	-1.28%	-2.18%	-2.29%	8.55%	-1.63%	-0.10%	-2.71%	-0.93%	-5.1%
2020	9.38%	-1.01%	-13.80%	7.92%	2.26%	-2.55%	-3.37%	4.90%	-4.03%	-1.79%	0.56%	0.41%	-1.1%
2021	4.28%	-1.10%	-5.63%	2.77%	-4.49%	6.78%	3.45%						6.1%

As at the Last Practicable Date, the ETF returns over a 5 years period till date, level was 11,542.04.

3. Introduction

The text below has been extracted from the Ground Rules.

4. Calculation Methodology

Thomson Reuters will calculate the AMI Big50 ex-SA Index based on the below methodology.

Thomson Reuters will use a divisor driven calculation to calculate the level of the AMI Big50 ex-SA Index.

The Price Return calculation is based on the overall market capitalization of the constituents (price * No of Shares). In this construction, the sum of the market capitalizations of all the stocks on day t is divided by the index divisor of day t-1 to arrive to the index level for day t. Please refer formulas below for price return calculation. The Total Return calculation accounts for any gross dividend payment that takes place. When a company issues a dividend, the price of the equity drops in the exact amount of the per share dividend amount. Leaving aside subsequent market movements of the equity price, the impact of a constituent equity dividend upon an index is a drop in the price of the index. Thomson Reuters adjusts to this event by adding back the dividend that was paid, resulting in an index calculation where the numerator includes the sum of dividend amount and the market cap. Please refer formulas below for total return calculation.

- Each index is calculated in ZAR.
- The Pricing used in the index calculations is sourced from the exchanges directly (via IDN) and currency conversions are made using Reuters FX rates as required.
- The intra-day frequency of the calculation is 15s for the Price Return indices and 1m for the Total Return indices. All the indices will have EOD valuation.

Price Return

The market capitalization (cap) weighted index uses the market cap of the constituent (price X No of Shares) as a weighting factor. Consequently, in this construction, we divide the sum of the market caps of all the stocks in the index at a given time by a quantity which is the sum of the market caps at some initial time divided by an initial index value (e.g., 100). The process must include an initial step to compute an adjustment factor defined as the total market cap at time 0, divided by 100. With respect to the mathematical manipulations (not the quantities), the computation is:

$$Index Price_t = \frac{\sum_{i=1}^n (p_{i,t} \times q_{i,t} \times r_{i,t})}{\sum_{i=1}^n (p_{i,0} \times q_{i,0} \times r_{i,0}) / 100}$$

$$= 100 \times \frac{\sum_{i=1}^n (p_{i,t} \times q_{i,t} \times r_{i,t})}{\sum_{i=1}^n (p_{i,0} \times q_{i,0} \times r_{i,0})}$$

Where: $p_{i,t}$ = price of equity $i=1,2,\dots,n$, at time $t=0,1,2,\dots,T$ and $t=0$ means the initial time period,

n = the number of equities in the index,

$q_{i,t}$ = float adjusted shares outstanding for equity i at time t
1, if a country index

$r_{i,t}$ = exchange rate from local currency to USD at time (t), if a regional index

100 = the initial value of the index defined as the initial total market cap a_0 / f

The result present in the above equation is generalized in the chain pricing equation:

$$Index Price_t = \frac{\sum_{i=1}^n (p_{i,t} \times q_{i,t} \times r_{i,t})}{\sum_{i=1}^n (p_{i,t-1} \times q_{i,t-1} \times r_{i,t-1}) / (a_{t-1} / f)}$$

$$= \frac{a_{t-1}}{f} \times \frac{\sum_{i=1}^n (p_{i,t} \times q_{i,t} \times r_{i,t})}{\sum_{i=1}^n (p_{i,t-1} \times q_{i,t-1} \times r_{i,t-1})}$$

where: $t=1,2,\dots,T$.

The pricing calculations for AMI indices is a bit different from equity indices where only two currencies are involved i.e. local currency and target currency. The difference is due to the multiple currencies involved, as prices are converted to a single currency, ZAR in this case. In such cases, when currency conversions have been applied, the daily index price change will also reflect the daily change(s) in the exchange rates(s). Consequently, index values may change based on the common currency in which they are calculated, i.e., calculating an index value for Hungary in U.S. Dollars will not produce the same value as calculating the same index value in Hungarian Forints, since the index would also reflect the change in HUF->USD exchange rates. To snap the rates, Thomson Reuters stops the official index value at the time of the westerly-most country, yet continues to calculate the index value internally (using an internal symbol) until 22:00 GMT (FX closing time). The next day, instead of using the previous day's official index value published for the calculation, Thomson Reuters uses the internal index value as of 22:00 GMT previous day.

Total Return

The total return is a quantity which adjusts the price for issuance of dividends⁴. When a company issues a dividend, the price of the equity drops in the exact amount of the per share dividend amount. Leaving aside subsequent market movements of the equity price, the impact of a constituent equity dividend upon an index is a drop in the price of the index. A companion index which is based on the total return adjusts the price-only index for the issuance of dividends by its constituents. The total return index is computed as follows:

$$TRIndexPrice_t = TRIndexPrice_{t-1} \times \frac{\sum_{i=1}^n [(p_{i,t} \times h_{i,t} \times r_{i,t}) + (div_{i,t} \times h_{i,t} \times r_{i,t})]}{\sum_{i=1}^n (p_{i,t-1} \times h_{i,t-1} \times r_{i,t-1})}$$

Where: $p_{i,t}$ = price of equity $i=1,2,\dots,n$, at time $t=0,1,2,\dots,T$ and $t=0$ means the initial time period

n = the number of equities in the index

$h_{i,t}$ = the number of shares in equity i at time $t = q_{i,t}$ or $s_{i,t}$ depending on whether MC or EQ

weighting is used respectively,

$r_{i,t} = \begin{cases} 1, & \text{if a country index} \\ \text{exchange rate from local currency to USD at time (t),} & \text{if a regional index} \end{cases}$

$div_{i,t}$ = per share dividend on ex-date

All quantities in the equation above are end-of-day quantities. The numerator is computed as per the ex-date for any dividends. The divisor is also adjusted for total return indices on the day following the dividend ex-date. This is done to ensure that the index doesn't fall back down to previous levels (prior to dividend ex-date). This adjustment is done by calculating an adjusted market cap for the total return index immediately after dividend ex-date. The adjusted market cap is the price only market cap as on the dividend ex-date (i.e. excluding index dividend). Once this is divided by the total return index value as on dividend ex-date, we get an adjusted divisor which is used for calculations from the next day onwards. The set-up of the total return index, including initial value, constituents and weights, is identical to the price-only indices.