

Allan Gray Unit Trusts - Characteristics and Objectives as at 2 May 2012

	Equity Fund	Balanced Fund	Stable Fund	Optimal Fund	Bond Fund	Money Market Fund	Global Equity Feeder Fund	Global Fund Of Funds	Global Optimal Fund Of Funds
Fund structure	A share portfolio selected for superior long-term returns.	A portfolio (which can include all asset classes) selected for superior long-term returns	A portfolio (which can include all asset classes) chosen for its high income yielding potential	A portfolio of carefully selected shares. The stock market risk inherent in these share investments will be substantially reduced by using equity derivatives	A portfolio invested in a combination of South African interest-bearing securities including bonds, loan stock, debentures, fixed deposits, money market instruments and cash	A portfolio invested in selected South African money market instruments providing a high income yield and a high degree of capital stability	A rand-denominated portfolio feeding directly into the FSB registered Orbis Global Equity Fund. Subject to offshore capacity constraints ¹	A rand-denominated balanced portfolio invested in selected FSB registered Orbis funds. Subject to offshore capacity constraints ¹	A rand-denominated global low risk portfolio invested in a mix of the Orbis Optimal SA funds. Subject to offshore capacity constraints ¹
Benchmark	FTSE/JSE All Share Index including income	The daily average return weighted by market value of funds in both the Domestic Asset Allocation Prudential Medium and Prudential Variable Equity categories excluding the Allan Gray Balanced Fund	Return of call deposits (for amounts in excess of R5m) with FirstRand Bank Limited plus 2%; on an after-tax basis at an assumed tax rate of 25%	The return on call deposits with FirstRand Bank Limited (for amounts in excess of R5m)	All Bond Index	Alexander Forbes Short Term Fixed Interest (STeFI) Composite Index	FTSE World Index	60% of the FTSE World Index and 40% of the JP Morgan Global Government Bond Index	The simple average of the benchmarks of the underlying funds
Typical net equity exposure	100%	40% - 75%	0% - 40%	0% - 20%	No equity exposure	No equity exposure	100%	40% - 75%	0% - 20%
Portfolio managers	Ian Liddle, Duncan Artus, Andrew Lapping, Simon Raubenheimer	Ian Liddle, Duncan Artus, Andrew Lapping, Simon Raubenheimer (Most foreign assets are invested in Orbis funds)	Ian Liddle (Most foreign assets are invested in Orbis funds)	Ruan Stander	Sandy McGregor, Andrew Lapping	Andrew Lapping	Ian Liddle (The underlying Orbis Global Equity Fund is managed by Orbis)	Ian Liddle (The underlying Orbis funds are managed by Orbis)	Ian Liddle (The underlying Orbis funds are managed by Orbis)
Suitable for those investors who	<ul style="list-style-type: none"> Seek exposure to JSE-listed equities to provide long-term capital growth Are comfortable with stock market fluctuation, i.e. short- to medium-term volatility Are prepared to take on the risk of capital loss Typically have an investment horizon of more than five years Wish to use the Fund as an equity 'building block' in a diversified multi-asset class portfolio 	<ul style="list-style-type: none"> Seek steady long-term capital growth Are comfortable with taking on some risk of market fluctuation and potential capital loss, but typically less than that of an equity fund Wish to invest in a unit trust that complies with retirement fund investment limits Typically have an investment horizon of more than three years 	<ul style="list-style-type: none"> Are risk-averse and require a high degree of capital stability Seek both above-inflation returns over the long term, and capital preservation over any two-year period Require some income but also some capital growth Wish to invest in a unit trust that complies with retirement fund investment limits 	<ul style="list-style-type: none"> Seek steady absolute (i.e. positive) returns regardless of stock market trends Require a high degree of capital stability Wish to invest in a product that offers uncorrelated returns relative to shares or bonds as a 'building block' in a diversified multi-asset class portfolio 	<ul style="list-style-type: none"> Seek a bond 'building block' for a diversified multi-asset class portfolio Are looking for returns in excess of those provided by money market or cash investments Are prepared to accept more risk of capital depreciation than in a money market or cash investment 	<ul style="list-style-type: none"> Require monthly income distributions Are highly risk-averse but seek returns higher than bank deposits Need a short-term investment account 	<ul style="list-style-type: none"> Seek exposure to diversified international equities to provide long-term capital growth Wish to invest in international assets without having to personally expatriate rands Are comfortable with global stock market and currency fluctuation and risk of capital loss Typically have an investment horizon of more than five years Wish to use the Fund as a fully invested global equity 'building block' in a diversified multi-asset class portfolio 	<ul style="list-style-type: none"> Seek long-term capital growth from a diversified international equity portfolio without being fully exposed to stock market risk Wish to invest in international assets without having to personally expatriate rands Are comfortable with taking on some risk of market and currency fluctuation and potential capital loss, but typically less than that of an equity fund Typically have an investment horizon of more than five years Wish to use the Fund as a foreign medium equity 'building block' in a diversified multi-asset class portfolio 	<ul style="list-style-type: none"> Seek steady absolute returns ahead of those of cash measured in global currencies Wish to invest in international assets without having to personally expatriate rands Are comfortable with taking on the risk of currency fluctuation, but prefer little exposure to stock market risk Wish to use the Fund as a foreign absolute return 'building block' in a diversified multi-asset class portfolio
Income yield and distribution ²	Low income yield distributed biannually	Average income yield distributed biannually	High income yield distributed quarterly	Low income yield distributed biannually	High income yield distributed quarterly	High income yield distributed daily and pays out monthly	Low income yield distributed annually	Low income yield distributed annually	Low income yield distributed annually
Compliance with Prudential Investment Guidelines	No	Yes ³	Yes ³	No	Yes ³	Yes ³	No	No	No
Annual investment management fee (excl. VAT)	Performance fee on the out/underperformance of the benchmark (adjusted for fund expenses and cash flows) over a two-year rolling period Minimum fee: 0.00% Fee at benchmark: 1.50% Sharing rate: 10.00% Maximum fee: 3.00%	Performance fee on the out/underperformance of the benchmark over a two-year rolling period ⁴ Minimum fee: 0.50% Fee at benchmark: 1.00% Sharing rate: 10.00% (of two-year performance) Maximum fee: 1.50%	Performance fee on the out/underperformance of the benchmark over a two-year rolling period ⁴ Minimum fee: 0.50% Fee at benchmark: 1.00% Sharing rate: 10.00% (of two-year performance) Maximum fee: 1.50%	Performance fee on the out/underperformance of the benchmark. A high watermark structure applies. Minimum fee: 1.00% Fee at benchmark: 1.00% Sharing rate: 20.00% Maximum fee: uncapped	Performance fee on the out/underperformance of the benchmark (adjusted for fund expenses and cash flows) over a one-year rolling period Minimum fee: 0.25% Fee at benchmark: 0.25% Sharing rate: 25.00% Maximum fee: 0.75%	Fixed fee: 0.25%	Allan Gray is paid a marketing and distribution fee by Orbis and charges no further fees. The underlying Orbis funds have their own fee structures.	Allan Gray is paid a marketing and distribution fee by Orbis and charges no further fees. The underlying Orbis funds have their own fee structures.	Allan Gray is paid a marketing and distribution fee by Orbis and charges no further fees. The underlying Orbis funds have their own fee structures.
Total expense ratio ⁵ (incl. VAT)	Total expense ratio: 2.56% including - Performance component: 0.74% Fee at benchmark: 1.71% Trading costs: 0.10% Other expenses: 0.01%	Total expense ratio: 1.39% including - Performance component: 0.13% Fee at benchmark: 1.16% Trading costs: 0.08% Other expenses: 0.02%	Total expense ratio: 1.52% including - Performance component: 0.29% Fee at benchmark: 1.15% Trading costs: 0.06% Other expenses: 0.02%	Total expense ratio: 1.32% including - Performance component: 0.00% Fee at benchmark: 1.14% Trading costs: 0.17% Other expenses: 0.01%	Total expense ratio: 0.56% including - Performance component: 0.24% Fee at benchmark: 0.29% Trading costs: 0.00% Other expenses: 0.03%	Total expense ratio: 0.30% including - Performance component: 0.00% Fee at benchmark: 0.29% Trading costs: 0.00% Other expenses: 0.01%	Total expense ratio: 2.12% including - Performance component: 0.46% Fee at benchmark: 1.49% Trading costs: 0.12% Other expenses: 0.05%	Total expense ratio: 1.75% including - Performance component: 0.31% Fee at benchmark: 1.23% Trading costs: 0.14% Other expenses: 0.07%	Total expense ratio: 1.21% including - Performance component: 0.00% Fee at benchmark: 0.99% Trading costs: 0.16% Other expenses: 0.06%
Minimum investment amount	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶	R 20 000 lump sum per investor account R 500 additional lump sum R 500 per month debit order ⁶

1. Please contact the Allan Gray Service Centre on 0860 000 654 for further information about any constraints that may currently apply.
2. To the extent that the total expenses exceed the income earned in the form of dividends and interest, the funds will not make a distribution.
3. Compliance with Prudential Investment Guidelines: The Funds are managed to comply with Regulation 28 of the Pension Funds Act. Exposures in excess of the limits will be corrected immediately, except where due to a change in the fair value or characteristic of an asset, e.g. market value fluctuations, in which case they will be corrected within a reasonable time period. Allan Gray Unit Trust Management (RF) Proprietary Limited does not monitor compliance by retirement funds with section 19(4) of the Pension Funds Act (item 6 of Table 1 to Regulation 28).
4. The annual investment management fee is calculated on the daily value of the Fund excluding any assets invested in the Orbis funds. Assets invested in the Orbis funds incur a management fee. These, along with other expenses are included in the total expense ratio.
5. A Total Expense Ratio (TER) is a measure of a unit trust's assets that are relinquished as operating expenses. The total operating expenses are expressed as a percentage of the average value of the unit trust, calculated for the year to the end of March 2012. Included in the TER is the proportion of costs that are incurred by the performance component, fee at benchmark, trading costs (including brokerage, STT, STRATE and insider trading levy), VAT and other expenses. These are disclosed separately as percentages of the net asset value. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. The information provided is applicable to class A units.
6. Only available to South African residents.
Collective Investment Schemes (unit trusts) are generally medium- to long-term investments. The value of participatory interest (units) may go down as well as up and past performance is not necessarily a guide to the future. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the company/scheme. Commission and incentives may be paid and if so, would be included in the overall costs. Unit trust prices are calculated on a net asset value basis, which, for money market funds, is the total book value of all assets in the portfolio divided by the number of units in issue. The Allan Gray Money Market Fund aims to maintain a constant price of 100 cents per unit. The total return to the investor is primarily made up of interest received but may also include any gain or loss made on any particular instrument held. In most cases this will have the effect of increasing or decreasing the daily yield, but in some cases, for example in the event of a default on the part of an issuer of any instrument held by the fund, it can have the effect of a capital loss. Such losses will be borne by the Allan Gray Money Market Fund and its investors and in order to maintain a constant price of 100 cents per unit, investors' unit holdings will be reduced to the extent of such losses. Fluctuations or movements in exchange rates may also be the cause of the value of underlying international investments going up or down. Unit trusts are traded at ruling prices. Commissions and incentives may be paid and if so, would be included in the overall costs. Different classes of units apply to the Allan Gray Equity, Balanced, Stable and Optimal Funds only and are subject to different fees and charges. A detailed schedule of fees and charges and maximum commissions is available on request from the company. Forward pricing is used. A fund of funds unit trust may only invest in other unit trusts, which levy their own charges, that could result in a higher fee structure for these portfolios. A feeder fund is a unit trust fund that, apart from assets in liquid form, consists solely of units in a single portfolio of a collective investment scheme. All of the unit trusts except the Allan Gray Money Market Fund may be capped at any time in order for them to be managed in accordance with their mandates. Allan Gray Unit Trust Management (RF) Proprietary Limited is a member of the Association for Savings & Investment SA (ASISA). Allan Gray Proprietary Limited, an authorised financial services provider, is the appointed investment manager of Allan Gray Unit Trust Management (RF) Proprietary Limited. Allan Gray Unit Trust Management (RF) Proprietary Limited has been approved by the Regulatory Authority of Botswana to market its unit trusts in Botswana, however the Company is not supervised or licensed in Botswana. It is incorporated and registered under the laws of South Africa and is supervised by the Financial Services Board.