

**OFFSHORE ENDOWMENT
TERMS AND CONDITIONS**

EFFECTIVE 10 JUNE 2024

CONTENTS

Definitions	1
Who may not invest in this product?	2
How does the Allan Gray Offshore Endowment work?	3
What are your rights and responsibilities?	4
How do beneficiary appointments work?	6
What happens to your Plan when you die?	7
What can Allan Gray do that will affect your Plan?	7
What are Allan Gray's rights and responsibilities?	8
What is Allan Gray not responsible for?	9
What are the processing timelines?	10
What fees and charges apply?	11
Conflicts of interest	13
Governing law	13
Contact details	13
Complaints	13

Allan Gray Offshore Endowment terms and conditions

This document, together with your Plan Summary is your Plan Document. It sets out the terms and conditions applicable to your investment. Your Plan Document, online application, supporting documents and all other instructions accepted by Allan Gray will form part of your agreement with Allan Gray.

DEFINITIONS

Throughout this document the Planholder, the party(ies) who legally own(s) the Plan and all the policies under the Plan, will be addressed as 'you' or the 'Planholder'.

Administrator

The Administrator is responsible for certain aspects of the administration of the Plan as agreed with Allan Gray.

Allan Gray

The Guernsey branch of Allan Gray Life Limited. Allan Gray Life Limited is an insurer licensed in South Africa by the Prudential Authority under the Insurance Act 18 of 2017 to conduct investment-linked life insurance business, and in Guernsey by the Guernsey Financial Services Commission under the Insurance Business (Bailiwick of Guernsey) Law, 2002 to conduct long-term insurance business. Where appropriate, Allan Gray may also be referred to as 'the Branch'.

Authorised Dealer

A bank authorised by the Financial Surveillance Department of the South African Reserve Bank (SARB) to buy and sell foreign exchange subject to conditions and limits prescribed by the Financial Surveillance Department.

Business Day

A business day is any day other than a Saturday, Sunday, South African or Guernsey public holiday or any applicable foreign holiday. Foreign holidays include a public, fund or currency holiday of Allan Gray, the Manager, the Administrator, or any other relevant third party. In this document day and business day have the same meaning.

Distribution Platform

The service provider that makes Investment Funds available for Allan Gray to offer to its Planholders.

Foreign Investment Allowance

The Foreign Investment Allowance (FIA) is an allowance of R10 million per calendar year (1 January to 31 December), which a South African resident aged 18 years or older may use to transfer money offshore. Tax clearance from SARS is required. This allowance is in addition to the Single Discretionary Allowance.

Functional Currency

The primary currency that the Branch uses for its business activities. The Functional Currency of the Branch is the United States dollar.

Guernsey Financial Services Commission (GFSC)

The regulatory body for the finance sector in the Bailiwick of Guernsey.

Insurance Manager

The insurance manager that has been appointed as General Representative as required by Guernsey law.

Investment Funds

The underlying unitised investment funds made available by Allan Gray and selected by you for your Plan. In this document, the term 'fund' will be used to refer to an investment fund.

Manager

The company that manages the Investment Funds.

Plan

All the policies under the Offshore Endowment Plan.

Policy

Separate market-linked insurance policies issued by Allan Gray under the Plan. Each policy is treated separately under the provisions of the Long-Term Insurance and Insurance Acts.

Planholder

The party who legally owns the Plan and all the policies under the Plan. In this document, the term 'you' may also be used to refer to the Planholder.

The South African Reserve Bank

The South African Reserve Bank (SARB) is the central bank of the Republic of South Africa.

The South African Revenue Service

The South African Revenue Service (SARS) is the tax-collection agency of the government of the Republic of South Africa.

Single Discretionary Allowance

The Single Discretionary Allowance (SDA) is an allowance of R1 million granted by the SARB per calendar year (1 January to 31 December), which a South African resident aged 18 years or older may use for any legal purpose offshore (including investing).

Trustee

The independent trustee that has been appointed in terms of Guernsey law to safeguard the insurer's assets.

WHO MAY NOT INVEST IN THIS PRODUCT?*

The following people/entities may not invest in this product:

- South African residents under 18 years of age unless they have SARB approval.
- US residents**.
- A South African testamentary trust and/or South African inter vivos trust, unless the SARB has given the trust permission to invest offshore.
- South African companies, unless the SARB has given the company permission to invest offshore.
- Collective Investment Schemes and Linked Investment Service Providers.

*This product is designed for South African resident investors. Investors that are residents of another country should obtain independent advice regarding the legal and tax implications of investing in this product.

**Should you become a US resident after the commencement of the Plan, you will only be allowed to submit withdrawal instructions and amend beneficiary nominations. You will not be allowed to make further contributions, submit switch instructions or start a new Plan.

HOW DOES THE ALLAN GRAY OFFSHORE ENDOWMENT WORK?

The Plan

- The Plan is issued by Allan Gray within the framework of applicable Guernsey and South African legislation, including the Insurance Business (Bailiwick of Guernsey) Law, Guernsey Income Tax Act, and the South African Insurance, Long-Term Insurance and Income Tax Acts.
- The Administrator is responsible for performing certain administration services for Allan Gray which include, but are not limited to, report and document generation, data processing and storage, processing Planholder instructions, processing payments from the Plan and the payment of fees to your financial adviser, discretionary investment manager and retail investment consultant as applicable.
- The Insurance Manager is responsible to act generally for the insurer and perform any other function as prescribed by the GFSC.
- The Trustee is appointed by the Branch to hold assets representing at least 90% of Planholder liabilities in trust so that Allan Gray is able to meet its obligations to you.
- At inception, the Plan will consist of one hundred policies. The Plan Document and all applicable legislation applies equally to each Policy under the Plan.
- Your Plan starts after Allan Gray has received and accepted your application and your initial contribution reflects in our bank account.
- Any bank interest earned on contributions or benefits while such amounts are held in our bank account shall, subject to the deduction of applicable taxes, form part of your investment return or your benefit, as the context may require.
- Your Plan will be denominated in the Functional Currency of the Branch.
- The daily value of your Plan is determined by the value of the underlying funds based on their latest available prices, less applicable fees, capital gains tax (CGT) and charges.

Contributions

- Your initial and subsequent contributions will be allocated equally to all policies under the Plan, including policies from which you may already have withdrawn. To the extent that contributions are allocated to policies from which you have already withdrawn, no further withdrawals will be allowed from those policies during the restriction period (see below under 'Withdrawals, payments and tax').
- A selection of Investment Funds are available for you to choose from.
- Each Policy under the Plan has a restriction period which is imposed by legislation. It is a period during which there are restrictions on the withdrawals you may make from the Plan. This applies to the first five years of your Plan, or five years from the first day of any month during which the 120% rule takes effect.
- For the purposes of the 120% rule, your contribution in Functional Currency will be calculated based on the exchange rate when your instruction is submitted.
- The 120% rule takes effect:
 - In the second year when your contributions are greater than 120% of the first year's total contributions to the policies under the Plan.
 - In any year when your contributions are greater than 120% of the higher of either of the previous two years' total contributions.
- When you make a contribution that triggers the 120% rule within the restriction period, Allan Gray will accept this contribution and extend the restriction period on the existing Plan or you may elect to start a new Plan for the contribution.
- When you make a contribution that triggers the 120% rule outside of the restriction period, you will have the option to enter into a new restriction period on the entire Plan or start a new Plan for the contribution.

Appointment of lives assured and nomination of beneficiaries

- Beneficiaries for proceeds may be nominated and beneficiaries for ownership must in certain circumstances be nominated (refer to 'How do beneficiary appointments work?' below). Secondary beneficiaries for proceeds and ownership may be nominated per primary beneficiary. The appointed beneficiaries will apply across all policies under the Plan. Refer to 'Who can you appoint as a beneficiary?' below for further information.
- When investing in the Plan, you can choose to not appoint a life assured, appoint one life assured or multiple lives assured. If you choose to appoint one or more lives assured other than yourself, you will automatically be added as a life assured. If you do not appoint a life assured, the policies under the Plan are referred to as 'sinking fund' policies. The decision to appoint or not to appoint a life assured will apply across all the policies under the Plan.

- If you have chosen to appoint one or more lives assured, the Plan will come to an end when the last life assured dies or the value of the Plan becomes zero, or when the Planholder dies and there is no beneficiary for ownership available to take ownership of the Plan.
- If you have chosen not to appoint a life assured, your Plan will end when its value becomes zero or when the Planholder dies and there is no beneficiary for ownership available to take ownership of the Plan. (For example, the appointed beneficiary for ownership may have predeceased the Planholder without the Planholder having appointed another beneficiary for ownership.) If no beneficiary for proceeds is appointed, the proceeds will be paid into the estate of the Planholder.

Withdrawals, payments and tax

- Legislation provides that during any restriction period, you may make one withdrawal from each Policy under the Plan. The maximum amount you may withdraw is the lesser of your contributions during the restriction period, including any market value in the Policy the day before the restriction period started, plus 5% compound interest; or the market value of the Policy less applicable fees, CGT and charges. Any remaining balance must stay invested until the restriction period ends. You may, however, fully withdraw the amount under each Policy if the difference between the maximum allowable withdrawal amount (during a restriction period) and the balance in the Policy is less than an amount equivalent to R10 000. All calculations will be done in the Functional Currency of the Branch.
- If the policies under the Plan are not in a restriction period, you may withdraw part or all of the value of the policies under the Plan, which is the market value in the Plan less applicable fees, CGT and charges.
- Should the market value of the Plan decrease below Allan Gray's required minimum balance after your withdrawal, Allan Gray may, subject to legislative requirements, require that you withdraw the remaining balance.
- When withdrawals are made or when the Plan ends, the value of the proceeds is determined once the units of the underlying Investment Funds of the Plan are sold and the applicable fees, CGT and charges have been deducted.
- In terms of income tax legislation, Allan Gray is required to pay tax on any income, dividends and capital gains at a rate which depends on your classification for tax purposes. CGT will be determined in the Functional Currency of the Branch.
- All payments are made electronically in a currency selected by you and only into a bank account in your name.

Life cover, loans and cessions

- There is no life cover as the Plan consists of pure investment policies and not risk policies.
- No loans may be taken from the Plan.
- No cessions of the Plan are allowed.

WHAT ARE YOUR RIGHTS AND RESPONSIBILITIES?

It is your responsibility to:

- Make informed financial decisions. If you require financial advice, it is your responsibility to appoint a financial adviser. Neither Allan Gray nor the Administrator provides financial advice. It is also your responsibility to negotiate the fees payable for advice with your financial adviser.
- Select your fund(s) from the list of Investment Funds made available by Allan Gray.
- Monitor your fund(s). You are responsible for regularly reviewing your funds and ensuring that they suit your circumstances. Neither Allan Gray nor the Administrator takes responsibility for your selection.
- Decide whether or not to appoint one or more lives assured, which could be you or any other natural person. If a life assured is appointed at the outset of the Plan and the Planholder is a natural person, you will automatically be added as a life assured. You can always add, but not remove or replace, lives assured later on. If no life assured is appointed at the outset of the Plan, you may not add lives assured at a later stage.
- Appoint beneficiaries and keep them up to date. Beneficiary appointments made by the Planholder will be deemed invalid if received after the Planholder's death.
- Report errors within 14 days of receiving your instruction confirmation or any Plan statement.
- Ensure that all of your information, including bank and contact details, is kept up to date and notify Allan Gray of any changes, including changes to your classification for tax purposes or changes to your citizenship, domicile or tax residency.

- Ensure that all information in instructions and supporting documentation that Allan Gray receives from you is true and accurate.
- Comply with exchange control regulation

If you are a South African resident, you may need to obtain Exchange Control approval from the SARB and/or tax clearance from SARS to transfer rands offshore. The SARB sets the maximum limit for investing offshore. The SARB may change this limit from time to time. All South African permanent residents over the age of 18 may invest offshore up to this limit. It is your responsibility to ensure that you do not breach this limit without obtaining the appropriate SARB and/or SARS approvals.

If you do not reside in South Africa, it is your responsibility to ensure that you have complied with the relevant legislation and regulations of your country of residence for all transactions.

- Transfer money to Allan Gray's bank account

You are responsible for the money transferred to Allan Gray's relevant bank account and for any bank and/or foreign currency exchange charges incurred. Allan Gray has bank accounts in different currencies.

Anti-money laundering rules require that your money is sent from an account in your name. Deposits originating from a third party, including a spouse, will only be accepted under specific, limited circumstances.

If you hold a different currency to the fund you wish to invest in, you can:

- Pay Allan Gray directly in rands and we will facilitate the currency conversion through our Authorised Dealer.
- Ask your bank or a foreign exchange provider to convert your money into the required currency of the fund you wish to invest in. They can then transfer the converted money into Allan Gray's relevant foreign currency bank account.

If you already have foreign currency, you can pay the foreign currency you hold into Allan Gray's bank account with the same foreign currency and Allan Gray will split the funds received and convert the money into the relevant fund currencies required.

If you are unable to transfer the money to the Allan Gray bank account that corresponds with the currency of your deposit, your bank may charge a fee to convert your currency.

Any money paid into our bank account and not clearly referenced will be returned to source after 14 days from the date of deposit.

You have the right to:

- Make contributions.
- Withdraw the value of the Plan, subject to the withdrawal limits described above.
- Cancel the Plan within a period of 31 business days of receiving a new investment Plan document via email, which constitutes the cooling-off period, provided that you have not made a withdrawal from your Plan within that cooling-off period. If you cancel your Plan, the proceeds that you will receive will be equal to the market value less applicable fees, CGT and charges.
- Appoint, change or remove your financial adviser at any stage by writing to Allan Gray. Allan Gray will inform your financial adviser of the change. If you remove your appointed financial adviser, this will take effect after five business days.
- Use your Single Discretionary Allowance (SDA) or Foreign Investment Allowance (FIA) with Allan Gray
 - South African residents can deposit rands directly with Allan Gray and use their SDA or FIA for investment purposes. Allan Gray will facilitate the conversion of your rands, through the Authorised Dealer, into the currency of the fund(s) you want to invest in.
 - You will have to obtain Tax Clearance from SARS if you are using your FIA.
 - Tax Clearance will not be required if you are using your SDA.
 - The conversion will be at the exchange rate on the relevant day and time that the Authorised Dealer converts your money into the currency of the funds you have chosen to invest in. The conversion is done automatically at a predetermined time every day, therefore you will not be notified of the exchange rate before the investment. Allan Gray receives a preferential spread on the exchange rate from the Authorised Dealer. You acknowledge that Allan Gray will not be responsible for any claims and/or damages arising out of the exchange rate provided and you indemnify and hold Allan Gray harmless in this regard.

You must provide all instructions in the prescribed format and these instructions must be accepted by Allan Gray.

- Switch between funds

You may switch between the available funds. All switch transactions have two components:

- The sale of units from your existing fund
- The buying of units in another fund

The two components of the transaction might not take place on the same day and the prices are not guaranteed.

As a result of market and currency fluctuations, if you wish to switch a specific amount, you may not have sufficient money available to cover the amount requested on the trade day. This may cause the switch transaction to fail. Therefore, where a switch is more than 95% of the value of your investment in the fund, the amount requested will be converted to a percentage of the total. The amount switched may be different to the actual amount requested for the switch.

All instructions are subject to:

- the requirements of Allan Gray and/or its Administrator, any third party with whom Allan Gray has concluded an agreement for the purposes of the Plan, the Managers, the SARB (where applicable), the GFSC or any relevant regulatory authority, and applicable legislation at the time of the transaction,
- the availability of the selected funds,
- processing requirements of Allan Gray, its appointed Administrator, and/or any third party with whom Allan Gray has concluded an agreement with for the purposes of the Plan (this includes cut-off times and time periods for processing),
- terms and conditions of Allan Gray, its appointed Administrator, and the Managers, and
- minimum amounts specified by Allan Gray, applicable at the time of the transaction.

Allan Gray or its appointed Administrator may suspend, delay or withdraw your instruction due to any of the above.

HOW DO BENEFICIARY APPOINTMENTS WORK?

Beneficiary for proceeds:

- If one or more lives assured have been appointed and the Planholder is a natural person, then the Planholder may appoint one or more beneficiaries for proceeds under the Plan. The beneficiaries for proceeds will receive the benefit after the death of the last life assured or if the Planholder dies, even if there are surviving lives assured (if applicable), but there is no beneficiary for ownership appointed to take ownership of the Plan. A beneficiary for proceeds has no right to the proceeds of the policies until the death of the last life assured.
- If no life assured has been appointed, the beneficiary(s) for proceeds will only have a right to the Plan when the Planholder dies and there is no beneficiary for ownership available to take ownership of the Plan.
- If an appointed beneficiary for proceeds dies before the Planholder or the last life assured, or declines the benefit, and the Planholder did not appoint a secondary beneficiary for that beneficiary or make any amendments to the beneficiary appointment, that beneficiary's share will accrue to the remaining beneficiaries for proceeds proportionately. If no other beneficiaries are appointed, the proceeds will be paid into the estate of the Planholder.

Beneficiary for ownership:

- Where the Planholder is a natural person and is not the only life assured, or there is no life assured, a beneficiary for ownership must be appointed.
- The beneficiary for ownership has no right to the Plan until the death of the Planholder. Ownership will only pass to the appointed beneficiary for ownership if the Planholder dies before the last life assured. If there is no life assured appointed, ownership will pass to the appointed beneficiary for ownership upon the death of the Planholder. Once ownership of the Plan passes, the beneficiary for ownership will be able to appoint new and remove existing beneficiaries for ownership and beneficiaries for proceeds and, provided a life was assured at inception of the Plan, add new lives assured and remove existing lives assured (but only at the point that they take ownership of the Plan).
- If an appointed beneficiary for ownership dies before the Planholder and the Planholder did not appoint a secondary beneficiary for ownership for the deceased beneficiary or make any amendments to the beneficiary appointment, the deceased beneficiary's allocation will accrue to the surviving beneficiaries for ownership proportionately.

- If the Planholder is the only life assured, a beneficiary for ownership may not be appointed as there is no scenario under which the Plan will outlive the Planholder.

Planholder	Life assured ¹	Primary beneficiary for ownership ²	Secondary beneficiary for ownership ³	Primary beneficiary for proceeds	Secondary beneficiary for proceeds ⁴
Natural person	No life assured is appointed (i.e. a sinking fund plan)	Must appoint one or more	May appoint one or more per primary	May appoint one or more	May appoint one or more per primary
	Planholder is the only life assured	Not applicable as Plan cannot outlive Planholder	Not applicable	May appoint one or more	May appoint one or more per primary
	One or more lives assured in addition to the Planholder are appointed	Must appoint one or more	May appoint one or more per primary	May appoint one or more	May appoint one or more per primary
Non-natural person ⁵	No life assured is appointed (i.e. a sinking fund plan)	Not applicable as Planholder is not a natural person	Not applicable	Same as Planholder	Not applicable
	At least one life assured is appointed	Not applicable as Planholder is not a natural person	Not applicable	Same as Planholder	Not applicable

1. The life assured must be a natural person. If no life assured is appointed at inception of the Plan, they cannot be added at a later stage. If a life assured is appointed, the Planholder will also automatically be included as a life assured. On plans where a life assured was appointed, new lives assured can be added, but existing lives assured cannot be changed except at the point in time when ownership of the Plan passes to an appointed beneficiary for ownership. A Guernsey resident may not be appointed as a life assured.
2. Non-natural persons can be appointed as long as they are not South African residents. A non-natural person will take ownership of the Plan after all applicable taxes have been deducted.
3. A secondary beneficiary for ownership may be appointed to replace a primary beneficiary for ownership that predeceases the Planholder. Non-natural persons can be appointed, as long as they are not South African residents. A non-natural person will take ownership of the Plan after all applicable taxes have been deducted.
4. A secondary beneficiary for proceeds may be appointed to replace a primary beneficiary for proceeds that predeceases the Planholder.
5. SARB approval is required for a South African resident non-natural person.

WHAT HAPPENS TO YOUR PLAN WHEN YOU DIE?

- Allan Gray must be notified of the death of a Planholder and/or life assured in writing at the Branch. The notification should include his/her personal details, identity number, a certified copy of his/her death certificate and the Plan number. Allan Gray may also rely on other external sources to confirm your death.
- If the Planholder is not the last life assured or if no life assured was appointed and a beneficiary for ownership has been appointed, the beneficiary for ownership will be entitled to either withdraw from the Plan in full or take ownership of the Plan. If the beneficiary elects to become the new owner of the Plan, they will be entitled to withdraw from the Plan on an unrestricted basis, provided that the 120% rule* is not triggered.
- If the Planholder is the last life assured, or if there is no beneficiary for ownership available to take ownership of the Plan, the Plan will come to an end and the proceeds will be paid out to the beneficiaries for proceeds, or to the estate of the Planholder if there are no beneficiaries. Where payment is made to the estate, Allan Gray will only act on instructions received from the executor of your estate. A Guernsey grant of probate will not be required.
- All payments will be made electronically into the beneficiaries for proceeds' bank accounts.
- All payments will be made subject to Guernsey's anti-money laundering requirements which include identification and verification of the beneficiaries.

*When a beneficiary for ownership becomes the new owner of a Plan, the 120% rule will only come into effect when, in any Plan year, their contributions are greater than 120% of the higher of either of the previous two Plan years' total contributions (including contributions made by the deceased Planholder before their death).

WHAT CAN ALLAN GRAY DO THAT WILL AFFECT YOUR PLAN?

- Allan Gray may give you written notice that you must change your chosen fund allocation if circumstances require it, including if an underlying fund is no longer available. If you do not change your fund allocation or select an alternative fund within the time

period given by Allan Gray, Allan Gray will switch your investment or a portion thereof out of the affected fund into a United States dollar money market fund available on the Allan Gray Offshore Endowment Fund List.

- If for any reason a particular fee class of a fund is no longer available for your investment or circumstances require it, Allan Gray may switch your investment from that fee class to a different fee class of the same fund. In some instances, Allan Gray may switch your investment into a fee class that incurs higher investment management fees. You will be notified of any switches between fee classes. Switches between different fee classes within the same fund do not create a capital gain.
- Allan Gray may amend these terms and conditions. Please contact your financial adviser, the Client Service Centre on 0860 000 654 or visit www.allangray.co.za for the latest version. Allan Gray may not reduce the rights and benefits that you have in the policies, except where the amendment is due to a change in taxation, legislation, practice or interpretation of legislation.

WHAT ARE ALLAN GRAY'S RIGHTS AND RESPONSIBILITIES?

It is Allan Gray's responsibility to:

- Confirm changes to the Plan with you in writing.
- Provide you with quarterly statements. Statement values are shown at an illustrative exchange rate.
- Pay you when you withdraw from your Plan. Payment will be made to you via electronic funds transfer only into a bank account held in your name. Proceeds will be paid in your chosen currency, and you will have the choice to be paid on receipt of money from all the Managers or as and when money is received from each Manager. You will be liable for any bank charges and fees associated with any currency conversions required to make payment in your chosen currency.
- Put in place professional indemnity and fidelity insurance cover.
- Allocate bank interest earned on lump sum contributions deposited where interest is earned, subject to the deduction of applicable taxes.
- Allocate bank interest earned on withdrawal amounts where interest is earned, subject to the deduction of applicable taxes.
- Process your instructions in a timely manner, in accordance with our cut-off times. Allan Gray will only process an investment instruction once all supporting documents have been received and requirements met, and the money reflects in its relevant bank account.
- Pay any proceeds, after all applicable fees, CGT and charges have been deducted, in accordance with the laws of South Africa and Guernsey.
- Deduct all income tax and CGT due from the Plan and pay it over to SARS.
- Comply with any relevant legislative requirements and instructions from an appropriate regulator, such as the SARB, SARS and/or the GFSC. This responsibility extends to Allan Gray's appointed Administrator and any third party that Allan Gray and/or its Administrator has concluded an agreement with for the purposes of the Plan.

Allan Gray has the right to:

- Perform a mandatory withdrawal and/or switch. Allan Gray may, for example, withdraw or switch out of a particular fund if required to do so by the Manager.
- Accept, reject or reverse instructions where necessary and/or applicable.
- Undertake or arrange foreign exchange transactions necessary to give effect to any investment, switch, redemption or other instructions of the Planholder in accordance with these terms and conditions upon normal banking terms negotiated with Allan Gray's bankers or other institutions from time to time.

Processing of Personal Data

By entering into this Plan, you acknowledge that Allan Gray requires your personal data, as defined in the Data Protection (Bailiwick of Guernsey) Law, 2017 and any other relevant data protection legislation, to give effect to your rights and obligations contained herein.

On becoming a Planholder, you consent to Allan Gray:

- Processing your personal data for the above purposes and any related purposes.
- Collecting your personal data from you directly, or, where applicable, from your financial adviser, appointed agent, or any regulator, government department or other third party that may hold such information.

- Monitoring and/or recording telephone calls and electronic transactions with you (including the collection of your voice biometric data) in order to accurately carry out your instructions or those of your financial adviser; to assist in improving our services; and in the interest of security and crime prevention.
- Processing your personal data as may be required for ongoing servicing and the improvement of your service experience.
- Using your personal data to assess and improve our business or the business of, and services provided by, the Allan Gray Group of companies ('the Group') and the services provided by the Group, as well as for operational, marketing, audit, legal and record-keeping purposes. This may entail transferring your data outside of Guernsey.
- Transmitting your personal data to third-party service providers for the purposes described above, and for the purposes of storing and maintaining your personal information.
- Transmitting your personal data to third-party service providers on your instruction or the instruction of your appointed financial adviser.
- Where data is transmitted outside of Guernsey, Allan Gray confirms that adequate measures are in place to ensure the protection of that information.

Allan Gray confirms that it will always comply with relevant data protection legislation. Please refer to the [Privacy Statement](#) for more information on your rights and obligations in relation to your personal information.

WHAT IS ALLAN GRAY NOT RESPONSIBLE FOR?

Advice

Allan Gray does not give advice and does not employ financial advisers.

Certain losses suffered

Allan Gray is not responsible for any losses that may be suffered due to:

- delays caused by you not providing Allan Gray with the necessary supporting documentation;
- delays relating to tax clearance or Exchange Control approval or any contravention of Exchange Control legislation;
- complying with an instruction given by an appropriate regulator;
- the exchange rate given by the Authorised Dealer or forex provider for the purpose of transferring your money offshore for this investment, which includes all additional fees and charges levied by the forex provider;
- fluctuations in the exchange rate including differences in the exchange rate between when the instruction was submitted and when the currency conversion to the currency of the selected fund was executed (where applicable);
- delays, oversight or any other errors made by the Manager of a fund;
- the investment or market risk of the underlying Investment Funds;
- delays in the payment of proceeds due to regulatory restrictions imposed on Allan Gray and/or its third-party service providers including its banking partners;
- the Administrator not being able to trade with the Manager for any reason including, but not limited to, anti-money laundering requirements imposed by the Manager on Allan Gray or any other party that the Manager deems necessary, or by the Distribution Platform;
- changes in tax or other legislation;
- delays in the processing or the rejection of an application because the financial adviser is either not an authorised Financial Services Provider or does not have a contract with Allan Gray;
- financial advisers acting beyond the scope of their Financial Sector Conduct Authority (FSCA), formerly the Financial Service Board (FSB), licence;
- unauthorised instructions given by the financial adviser;
- the failure of any networks or electronic or mechanical devices;
- Allan Gray providing your appointed financial adviser with details about your investment either via telephone, email, fax or a secure website;
- Allan Gray acting on information and instructions sent electronically by you or your authorised representative;
- Allan Gray acting on incorrect information where you have failed to notify them of any changes to such information;
- extraordinary events that cause disruptions; or
- delayed sale of units in a fund(s) due to Ring-Fencing or delayed payments due to liquidity constraints by the Manager of a fund.

Ring-Fencing is the separation and delayed sale of units in a fund. Large sale of units in a fund above certain thresholds may cause ring-fencing. This ensures that the sale of a large number of units will not force the Manager to sell the underlying investments at a price in the market which could have a negative impact on investors. The Administrator may delay the payment or reinvestment of the proceeds of the sale of units.

WHAT ARE THE PROCESSING TIMELINES?

Please refer to the Allan Gray Offshore Endowment Fund List for the following for each fund:

- Trading frequency
- Cut-off day
- Trade day
- Sale settlement day

The Allan Gray Offshore Endowment Fund List is available from your financial adviser, www.allangray.co.za or from our Client Service Centre on 0860 000 654 or +27(0) 21 415 2301 for calls from outside South Africa.

For the purposes of this section, the following terms have the meaning specified below:

'Cut-off day' means the number of days before the trade date on which Allan Gray needs to receive an instruction and all the required documentation for the instruction to trade on the relevant trade date.

'Trade day' means the day on which the units are bought and sold from the Manager. Investment Funds trade at different frequencies. Details are available on the Allan Gray Offshore Endowment Fund List.

'Sale settlement day' means the day the Administrator will pay the proceeds of a sale of units to your bank account. It may take another three days for the proceeds to reflect in your bank account.

1. Buying or selling units

The timeline for the buying or selling of units from the underlying Investment Funds depends on the trading frequency of the fund(s) you have chosen.

If Allan Gray receives your instruction to buy or sell units for an Investment Fund, and all the required documentation including documents required to establish source of funds (if applicable)* by 14:00 South African time, Allan Gray will start processing the instruction on that day. Banking details for investments into the Plan will only be provided once Allan Gray is satisfied that all the required documentation has been received. Once your money, proof of payment and bank statement reflecting the transfer (if applicable) have been received, your trade will be processed for trade by the Manager on the next available trade day as determined by the relevant Cut-off day.

*Proof of source of funds and a bank statement not older than three months reflecting the source of funds.

Payment of proceeds

The Administrator will pay any proceeds due to you under the Plan when it receives the proceeds from the sale of the units of the underlying Investment Funds from the Manager. You will have the choice to be paid a single payment on receipt of money from all the Managers or as and when money is received from each Manager. This will normally be within nine business days after the trade day, depending on the settlement day for the fund you have chosen to sell units from. It may take another three business days for the proceeds to reflect in your bank account.

2. Switching between funds

A switch instruction has two components:

- the sale of units from your existing fund
- the buying of units in another fund

The amount of time it will take to trade depends on the fund(s) you have selected.

If Allan Gray receives an instruction to switch between funds and all the required documentation by 14:00 South African time, the Administrator will process the instruction to sell the units for the fund(s) you are switching out of on that day, for trade by the Manager on the next available trade day as determined by the relevant Cut-off day. The trade day for this sale depends on the fund(s) you have chosen to sell units from. The date of buying units for the fund(s) you have chosen to switch into is dependent on the date the Administrator receives the proceeds from the Manager(s) you are switching out of. It may take up to eight business days after the trade day of the fund for the payment to be made and to reflect in Allan Gray's bank account.

The Administrator will process the instruction to buy units for the fund(s) you have chosen to switch into on the first available trade day after Allan Gray receives the proceeds from the Manager(s) of the fund(s) that you are switching out of.

3. Processing sequence of multiple instructions

If Allan Gray receives an instruction while another instruction is in progress, the second instruction may be delayed until the first is complete.

WHAT FEES AND CHARGES APPLY?

There are generally five types of fees that may be deducted from your investment on an initial and/or annual basis*:

- administration fees,
- investment management fees,
- financial adviser fees**,
- discretionary investment management fees**, and
- fund access fees.

*Administration, financial adviser and discretionary investment management fees are determined in the Functional Currency of the Branch. Assuming there is no preferred fee fund, once these fees are calculated for the month based on the Plan market value at the end of each day in the Functional Currency of the Branch, they are split proportionally across holdings in the Plan based on the current Investment Fund allocation, and converted into units using the latest Investment Fund prices and exchange rates available. The fees are then recalculated and paid based on the actual price at which the units trade in the market.

**Fee parameters may be altered. Allan Gray will ensure that you and your financial adviser are notified of any changes.

1. Administration fee

There is no initial administration fee.

The annual administration fee percentage applicable to your Plan is calculated monthly, using the average market value (in US dollars) for the month across all local platform, offshore platform and offshore endowment investments (referred to as 'your average total investment value') linked to your investor number. The annual administration fee percentage (excluding VAT) is calculated by applying the following fee tiers to your average total investment value:

- 0.5% on the first US\$200 000
- 0.2% on the next US\$800 000 (i.e. to US\$1m)
- 0.1% on the balance (i.e. above US\$1m)

For investments in certain Allan Gray and Orbis funds, as well as any temporary cash holdings, the annual administration fee percentage (excluding VAT) is calculated by applying the following fee tiers to your average total investment value:

- 0.3% on the first US\$600 000
- 0.2% on the next US\$400 000 (i.e. to US\$1m)
- 0.1% on the balance (i.e. above US\$1m)

The administration fee to be deducted from your Plan each month is calculated by applying the annual administration fee percentage calculated for that month to the market value of your Plan for each day of that month, and then adding up the daily fees for the month.

The Administrator will deduct annual administration fees by selling units from the funds underlying the Plan and paying the amounts to Allan Gray monthly.

2. Investment management fee

The Manager charges annual investment management fees. These fees vary per fund and may be fixed or performance related. There are also other allowable expenses associated with funds. These fees and expenses are deducted within the fund, and are therefore accounted for in the fund's published unit price. Please refer to the relevant fund minimum disclosure documents and the Allan Gray Offshore Endowment Fund List for more details.

3. Financial adviser fee

You and your appointed financial adviser may agree on initial and annual financial adviser fees. The Administrator will deduct an amount equal to the initial financial adviser fee from each contribution before it is invested and pay this to your financial adviser. The Administrator will deduct annual financial adviser fees by selling units from the funds underlying the Plan and paying the amounts to the adviser monthly.

4. Discretionary investment manager (DIM) fee

You and your appointed DIM may agree on annual DIM fees. The Administrator will deduct annual DIM fees by selling units from the funds underlying the Plan and paying the amounts to the DIM monthly. Where the DIM has used the services of a retail investment consultant (RIC), the RIC's annual fees will be deducted and paid in the same manner as the DIM fees.

5. Fund access fee

The Distribution Platform levies a service charge of 0.03% per annum based on the market value of each Investment Fund, where the Manager of an Investment Fund does not have a global distribution agreement in place with them. The Administrator will deduct this fee by selling units from the relevant funds underlying the Plan and paying the amounts to the Distribution Platform.

Other fees

1. Termination fee

There is no termination fee when you withdraw your investment from the Plan.

2. Fund switching fee

Allan Gray does not charge a switching fee.

3. Buy/sell spread

A Manager may include a buy/sell spread in the price of a fund. This spread is designed to cover estimated transaction costs incurred by the fund in buying or selling underlying assets. Please refer to the relevant fund's minimum disclosure documents and the Allan Gray Offshore Endowment Fund List for more details.

Value-added tax (VAT)

VAT may be added to any fees and charges relating to your investment.

Changes in fees

Allan Gray will give you three months' written notice when new fees charged by Allan Gray are added or the administration fees are increased. Allan Gray may give less than three months' written notice if, in its opinion, the circumstances of the change justify it. Allan Gray does not have to notify you when any of the other fees or charges are changed.

Reporting of fees

The quarterly statement will indicate the fees deducted from your Plan for the applicable period as well as the fees applicable to your Plan at the statement date.

Annual fee payment options

Annual administration, financial adviser and DIM fees will be withdrawn proportionately from all funds unless you select to have them paid from a single preferred fee fund.

Preferred fee fund

You may select a foreign currency fund from the funds in your Plan to be your preferred fee fund. Only one fund can be selected as a preferred fee fund per plan. You are responsible for maintaining a sufficient balance for the Administrator to withdraw fees from the preferred fee fund. If the preferred fee fund does not have sufficient funds to pay fees, the Administrator will pay fees proportionately from the remaining funds with balances. If you want to change your preferred fee fund, you must send the preferred fee fund instruction to Allan Gray.

More information about the fees and charges may be obtained from a financial adviser or from Allan Gray's Client Service Centre.

CONFLICTS OF INTEREST

If you wish to access the Allan Gray Conflict of Interest Management Policy, please contact our Client Service Centre on 0860 000 654, email info@allangray.co.za or visit www.allangray.co.za for the latest version.

GOVERNING LAW

Your agreement with Allan Gray, including these terms and conditions, will be governed by the laws of Guernsey. This does not detract from Allan Gray's obligations under South African law. The courts of the Bailiwick of Guernsey shall have jurisdiction in relation to any proceedings arising in connection with the agreement.

CONTACT DETAILS

Please contact our Client Service Centre on 0860 000 654, +27(0) 21 415 2301 for calls from outside South Africa, email info@allangray.co.za or visit www.allangray.co.za.

COMPLAINTS

If you are not satisfied with the services provided by us, please address your complaints to Allan Gray using the email address above. Remember to include all supporting documents. We will acknowledge and evaluate the complaint and will respond to you in writing.

If you are not satisfied with our response, you may complain to one of the following **Ombudsman offices**:

1. **Channel Islands Financial Ombudsman**

Postal address: P O Box 114, Jersey, Channel Islands, JE4 9QG

Tel: +44 (0)1481 722218

Website: www.ci-fo.org

Email: enquiries@ci-fo.org

2. **National Financial Ombud Scheme South Africa NPC**

Postal address:

Johannesburg: 110 Oxford Street, Houghton Estate, Illovo, 2198

Cape Town: 6th Floor, Claremont Central Building, 6 Vineyard Road, Claremont, 7708

Tel: 0860 800 900

Website: www.nfosa.co.za

Email: info@nfosa.co.za

Please address your complaint to only one of the above Ombudsman offices to avoid duplication which may result in delays to your complaint being speedily resolved.

If you have a complaint about the advice given by a financial adviser relating to this investment, you can write to the Ombudsman for Financial Services Providers. The Ombud has the legal power to investigate and give a ruling on a complaint in a fair, economical and prompt manner.

Postal address: P O Box 41, Menlyn Park, 0063

Tel: 086 066 3247 or +27 (0)12 762 5000

Website: www.faisombud.co.za

Email: info@faisombud.co.za

Unit 9
Hadsley House
Lefebvre Street
St Peter Port
GY1 2JP
Guernsey

Client Service Centre

T 0860 000 654 or +27 (0)21 415 2301

E info@allangray.co.za

www.allangray.co.za