



REZCO VALUE TREND FUND
APPLICATION FORM – A CLASS UNITS

INDIVIDUAL INVESTOR

FORMS

Please send the forms and supporting documents to:
 Email: forms@rezco.co.za
 Fax: 086 532 8925

ENQUIRIES

If you have any questions, please contact us at:
 Email: forms@rezco.co.za
 Tel: 041 581 1525

IMPORTANT INFORMATION

- Please note that this application form is to be used by new investors who want to invest directly with REZCO COLLECTIVE INVESTMENTS LIMITED (herein after “RCI”) instead of investing via a linked-in service provider (LISP).
- If you are an existing unit-holder, kindly refer to the Reinvestment Form for top up investments or the Disinvestment Form for redemptions.
- Please read through this document carefully and ensure that you fully understand it.
- Please complete the form in block letters and ensure that the information is clearly legible.
- Any reference to the term “investor” means the Account Holder who is intended to benefit from the investment. The form must therefore be completed in the name of the individual(s) who will be benefit from the investment irrespective of who pays the investment sum.
- Please ensure that you also complete the necessary annexures, where applicable, which must be submitted with this application form.
- Kindly note the required supporting documents that must also accompany this application.
- Your investment will ONLY be finalised once the investment sum reflects in RCI’s bank account and we have received the fully completed, dated and signed form accompanied by all the annexures and relevant supporting documents as required by the Financial Intelligence Centre Act 38 of 2001 (FICA) as amended.
- Kindly initial the bottom of each page where indicated.

SUMMARY OVERVIEW OF THE REZCO VALUE TREND FUND PORTFOLIO

The Fund is a multiple award winning fund and has achieved exceptional returns complemented with substantially lower volatility. The Fund can invest in a variety of asset classes such as shares, bonds, listed property and cash. Equity exposure is currently limited to 75% and foreign exposure is currently limited to 25%. The Fund aims to have a long-term average equity exposure of 65%. Meticulous, concentrated share selection enables the Rezco Value Trend Fund to be less correlated to the overall market and enables the Fund to generate superior performance for investors. Our stock selection strategy focuses on international and domestic companies with strong earnings growth records, sustainable revenue streams and relatively low borrowings. By identifying companies which combine these features, Rezco is able to undertake in-depth research required to select new shares for the portfolio which can achieve a secure balance between risk and growth. The Fund aims to outperform the South African equity market over the long term, without taking on greater risk. By preserving capital and creating wealth the Fund delivers good returns across the cycle with low volatility. The Fund aims to achieve returns well in excess of inflation measured over three to five year periods (CPI + 5%). However, this is not a guarantee.

THRESHOLD

The threshold investment amount for entry is R100 000.00 (one hundred thousand rands).

FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) & COMMON REPORTING STANDARDS

The Intergovernmental Agreement (“IGA”) entered into between South Africa and the United States of America (US) was designed to improve international tax compliance and to implement the FATCA. In terms of FATCA, RCI is obligated

to collect relevant information from each client to identify US taxpayers, or persons who might be regarded as US persons for tax purposes, and to report them to the South African Revenue Service (SARS).

Furthermore, the Common Reporting Standard (CRS) developed and issued by the Organisation for Economic Cooperation and Development calls on member jurisdictions to obtain information from their financial institutions regarding the tax status of clients and automatically exchange that information with other jurisdictions on an annual basis. South Africa is a member state of the OECD and has implemented the CRS. RCI is therefore obliged to ascertain the tax status of every investor.

We require the details of the investor’s tax status. Please see the **Annexure B** for a FATCA and CRS self-certification by the investor(s).

INVESTOR DETAILS

Please complete the following sections and be sure to take note of the verification documents that will be required in terms of each section.

(i) Details of the individual investor

This section must set out the details of the person who will be the registered account holder intended to benefit from the investment and/or exercise control thereof. If there is more than one registered account holder, please see *page 4*.

| | | | |
|---|---|---------|-------------|
| Title | | Surname | |
| First Name(s) | | | |
| Date of Birth | | | |
| Identity or Passport Number | | | |
| Occupation | | | |
| Name of employer | | | |
| Residential Address | | | Postal Code |
| | | | |
| Postal Address | | | Postal Code |
| | | | |
| Home No. | Work No. | | |
| Fax No. | Cell No. | | |
| Email Address | | | |
| Preferred method for receiving statements | | Email | Post |
| Source of wealth being invested | Specify: <i>Note: supporting documentation may be requested if deemed necessary to verify the above information.</i> | | |

Required verification documents:

- certified copy of investor's Identity Document/Passport;
- proof of residence in the name of the investor not older than 3 months;
- proof of banking for the account details provided under **INVESTMENT DETAILS (ii)** not older than three months;
- completed and signed **Annexure B**.

(ii) Person(s) acting on behalf of the individual investor

A person acting on behalf of the investor who does not have the legal authority or legal competency to act on his / her own behalf i.e. a minor, must complete **Annexure A** and ensure that the applicable verification documents pertaining to his or her identity also accompanies this subscription form.

Required verification documents:

- certified copy of authorised person's Identity Document/Passport;
- proof of residence in the name of the authorised person;
- documentary proof of authority to act on behalf of the registered investor.

(iii) Joint account

The investment account may be a joint account with more than one investor intended to benefit and/or control the investment. Each investor may individually dispose of the assets in the investment account. In the case of death or incapacity of one of the investors, the surviving investor(s) may continue to freely dispose of the assets in the joint account, unless formal opposition to the contrary from the parties authorised to represent the deceased or incapacitated investor's estate has been received.

If the investment account is intended to be a joint account, the other joint account holder(s) must each complete **Annexure A** and ensure that the applicable verification documents pertaining to his or her identity also accompanies this subscription form.

Required verification documents:

- certified copy of registered joint account holder's Identity Document/Passport;
- proof of residence in the name of the registered joint account holder;
- complete **Annexure A**; and
- completed and signed **Annexure B**.

Please note that Capital Gains Tax (CGT) will be applied on the entire sum in the investment account. RCI will not be responsible for determining the CGT applicable to the respective investment contributions by each of the joint investors.

iv) Collective account

If there are one or more persons, including the registered investor, who must act collectively with each other in respect of the investment account, the account will be a collective account and all persons will be registered co-signatories. It is not necessary that all co-signatories be beneficial owners of the investment. The intention may merely be that a legally competent registered investor not be able to individually dispose of the assets in the investment account. No transaction in respect of the investment account will be processed unless all co-signatories have signed-off on the transaction.

(ii) Investor's banking details: redemption payments

RCI will only make payments into the account of the investor. No payments to third parties, nor into credit cards, money market, bond or policy accounts.

| | |
|-----------------|--|
| Account Name | |
| Account Number | |
| Branch Name | |
| Branch Code | |
| Type of Account | |
| Bank Name | |

Please supply us with proof of banking details not older than three months for this account.

NOTE: If the bank account is a blocked rand/non-resident transferable account, we will require a letter from the bank on an official letterhead confirming that the account is a blocked rand/non-resident account.

(iii) Payment instructions for distribution

| | |
|---|--|
| Distribution to be re-invested | |
| Distribution to be paid directly into account specified above | |

FEES & COSTS

Investment management fees are deducted monthly from the unit price of the fund and paid to RCI. The fee structure is as follows:

- The minimum fee of 1.25% (excl. VAT) per annum.
A performance fee with a participation rate of 7.5% in the out-performance above the benchmark up to a maximum of 0.75% calculated on a rolling 1-year basis and only paid when rolling 1-year returns are positive. The performance fee benchmark is the FTSE/JSE All Share Index.

A table setting out the Effective Annual Cost (EAC) is provided to give the client a comprehensive and complete overview of the costs and charges reasonably estimated.

| IMPACT OF CHARGES | 1 Year | 3 Years | 5 Years | 10 Years |
|---|--------------|--------------|--------------|--------------|
| Investment Management Charge ¹ | 2.30% | 2.30% | 2.30% | 2.30% |
| Advice Charge | 0.00% | 0.00% | 0.00% | 0.00% |
| Administration Charge | 0.00% | 0.00% | 0.00% | 0.00% |
| EAC² | 2.51% | 2.51% | 2.51% | 2.51% |

¹ Inclusive of the management fee as well as all other charges (0.84% performance fee p.a. + other costs at 0.34% p.a.). All costs and charges include value-added-tax (VAT).

² The EAC is based upon the most recent published historical total expense ratios of all the underlying holdings, including transaction costs (0.21% p.a.).

TERMS AND CONDITIONS**1. General**

- This application form, including the annexures, and the Deed will be the sole basis of the agreement between the investor and RCI. A copy of the Deed is available on request.
- Unit trusts are not generally taxed on profits realised on the sale of equities. This, however, is not a guarantee.
- Unit trusts are generally medium to long term investments.
- The value of units may go down as well as up and past performance is not necessarily a guide to the future. RCI does not make any guarantee with respect to the capital invested nor the returns on the portfolio.
- The fund may not engage in scrip-lending activities.
- The unit trust is traded at ruling prices and can engage in borrowing up to 10% of the fund.
- Any funds received by RCI will not be deemed received until the amount has been unconditionally credited to RCI's bank account.
- Redemptions for R50 (fifty rands) and less aggregated across all classes in the Fund will not be processed.
- The minimum investment amount to be retained in the investor's account is R10000. An investment holding amount below R10000 will be paid out to the investor.
- In the event that the investor does not make use of the services of a Financial Adviser, the investor irrevocably agrees that RCI did not provide the investor with investment advice, and that they cannot do so in terms of current legislation.
- RCI will endeavour to provide the investor with as much information as possible regarding its products and services, but such information does not constitute investment advice.
- RCI has no responsibility to provide the investor with information regarding changes to legislation.
- In addition to the identification and verification documents as set out in this form as required

by FICA, RCI may require any additional information as may be necessary to comply with its duties and obligations in terms of its Risk Management and Compliance Programme.

2. Fees and charges

- The costs deducted from the unit trust portfolio are regulated in terms of the Collective Investment Schemes Act and include: brokerage costs, marketable securities tax, VAT, auditor's fees, bank charges, trustee and custodian fees, annual investment management and performance fees of the manager.
- Commission may be paid to an independent financial advisor (IFA) and if so, would be included in the overall costs.
- A schedule of fees, charges and maximum commissions is available from the Minimum Disclosure Documents (MDD) available on request or on our website www.rezco.co.za.

3. Transaction cut-off times

- Unit prices are calculated daily using forward pricing. The price computed on the net asset value basis by determining the total market value of all assets in the unit trust portfolio, including any income accruals, less any permissible deductions from the unit trust portfolio.
- The South African business day transaction cut-off time is 14h00.
- The portfolio is valued at 15h00 each business day. An investment received before the 14h00 deadline will be determined at the price of that day. The investment will be processed the following morning. The completed application form, along with all the required statutory documents that must accompany it, must be submitted before the transaction cut-off time.
- If the instruction is incorrect, unclear or incomplete, or if any of the required documents are still outstanding at the cut-off time, the processing of the transaction will be delayed.

RCI will not be liable for any loss or damage that results from such delay.

- The client must ensure that this form is fully and correctly completed, and that all the required documentation is ready to accompany it before depositing the investment sum into RCI's account. Any interest earned on: i) money deposited after the specified cut-off time; ii) incorrect deposits; or iii) deposits for applications with required documentation still outstanding, will not be paid to the client.
- In the case where a requirement for co-signatories exists, no transaction will be processed without the signatures of both co-signatories. If any co-signatory is unable to attend to the signing of this application form in the presence of the other co-signatory, a certified copy of his or her signature will be required before the transaction will be processed.
- The investor will receive a statement for the investment on the day of processing.

4. Ownership, information security and instructions

- The registered investor is the person in whose name the investment is registered, i.e. the person who will be regarded as the lawful owner of the investment, regardless of who pays the investment sum.
- We will only release information to, and act upon the instruction of, the investor or the authorised signatory.
- The information set out in this application form will be used to create an investor profile in our database. It is the investor or the authorised signatory's responsibility to keep RCI informed of any changes to the investor's banking details, personal information or identification information. We will not take any action or execute any instruction with respect to the investment if there is a discrepancy between the investor's information according to our database and the information in the instruction.

- Units will be repurchased by the manager at the net asset value calculated in terms of Act and the Deed and will be paid to the investor only.
 - **Note:** In the event that an investor should place funds equal to 10% or more of the value of the fund, an agreement pertaining to the withdrawal process will be negotiated between the said investor and RCI, prior to investment, in order that withdrawal of aforementioned funds not unduly prejudice other investors.
- We will not share the personal information contained in this application form outside of RCI without your consent.
- Your information is used for operational, administrative, auditing, research, legal and record keeping purposes.
- We will take such steps as reasonably necessary secure the integrity of your personal information and to safeguard it against unauthorised access.
- In instances where we are required share your information with our administrators, who are contracted to perform certain services for us, they will deal with your personal information in the strictest confidence.
- Where required by law or upon direction of a regulatory body, your personal information will only be made available to the extent and the manner prescribed or directed.

5. Complaints

- We are committed to providing outstanding client service. If there is any dissatisfaction pertaining to our services, or any of our products, we would like to hear from you.
- Any complaint must be directed to the Compliance Officer per email at complaints@rezco.co.za. RCI will investigate the complaint and attend thereto as a matter of urgency.

DECLARATION

- I (or the person authorised to sign on the investor’s behalf) confirm that I have the legal authority and am legally competent to conclude this transaction agreement with RCI.
- I (or the person authorised to sign on the investor’s behalf) confirm that I have read through and understand the content of this application form, including the terms and conditions, and agree to be bound thereby.
- I (or the person authorised to sign on the investor’s behalf) understand and accept the risks associated with this investment.
- I (or the person authorised to sign on the investor’s behalf) confirm that the information provided in this application form is true and correct.
- I (or the person authorised to sign on the investor’s behalf) am aware of and consent to all the costs and charges relating to this investment.
- I (or the person authorised to sign on the investor’s behalf) understand that there is no guarantee with regards to the capital investment. I am also aware that there are allowable deductions from the fund that may impact the value of my investment.
- RCI may act upon instructions received from me (or the authorised signatory) telephonically, via email or per facsimile without incurring any liability with respect of any transfer, payment or other act done in accordance with such instructions.
- I (or the person authorised to sign on the investor’s behalf) understands and accepts that where the services of a Financial Adviser were used, RCI cannot be held accountable for any investment decisions taken according to such advice.
- I (or the person authorised to sign on the investor’s behalf) confirm that where the services of a Financial Adviser were not used, RCI is indemnified against any claim for loss or damages which may be suffered, directly or indirectly, as a result of the fact that no adviser was appointed to assist with this investment or decisions related thereto, or as a result of the fact that no additional information was provided by RCI.

| | |
|---|------------|
| INVESTOR <i>(including a dual-signatory)</i> | Name: |
| | Signature: |
| AUTHORISED SIGNATORY <i>(if different to investor)</i> | Name: |
| | Signature: |
| CO-SIGNATORY <i>(if applicable)</i> | Name: |
| | Signature: |
| DATE | |

ANNEXURE A: PERSONS AUTHORISED TO ACT IN RESPECT OF THE INVESTMENT ACCOUNT

| | | | | | |
|--|--|----------|--|-------------|------|
| Person authorised to act on behalf of the registered investor | | | | | |
| Joint account holder in respect of the investment account (<i>dual-signatory</i>) | | | | | |
| Collective account holder / authorised person to act collectively in respect of the investment account (<i>co-signatory</i>) | | | | | |
| Title | | Surname | | | |
| First Name(s) | | | | | |
| Date of Birth | | | | | |
| Country of birth | | | | | |
| Country of residence | | | | | |
| Identity or Passport Number | | | | | |
| Occupation | | | | | |
| Name of employer | | | | | |
| Residential Address | | | | Postal Code | |
| | | | | | |
| Postal Address | | | | Postal Code | |
| | | | | | |
| Home No. | | Work No. | | | |
| Fax No. | | Cell No. | | | |
| Email Address | | | | | |
| Preferred method for receiving statements | | | | Email | Post |
| Signature sample | | | | | |

ANNEXURE B: ACCOUNT HOLDER'S SELF-CERTIFICATION FOR FATCA AND CRS

- RCI is obliged under local laws and regulations to collect and report certain information about financial accounts held by some of our Account Holders for tax purposes.
- For joint or multiple Account Holders, please complete a separate Self-Certification Form for each Account Holder.
- If you are completing the Self-Certification Form on behalf of the Account Holder's, then you should indicate the capacity in which you have signed in Section (ii).
- If you have any questions about this Self-Certification Form or defining your FATCA or CRS status, please speak to your tax adviser or local tax authority.

(i) Account Holder's tax details

| | | | | | |
|---|-----------------|---------|-------------|------------------|----|
| Title | | Surname | | | |
| First Name(s) | | | | | |
| Residential Address | | | | Postal Code | |
| | | | | | |
| Country of birth | | | | | |
| Country of residence | | | | | |
| Details the investor's tax status | | | | | |
| Nationality/citizenship <i>(if more than one please specify)</i> | | | | | |
| Country of residence for tax purposes | | | | | |
| Tax reference number | | | | | |
| Are you a registered tax payer of any country other than your primary country of residence? | | | | YES | NO |
| If "YES", please specify and provide the relevant tax reference number | | | | | |
| Country: | | TRN: | | | |
| Country: | | TRN: | | | |
| Country: | | TRN: | | | |
| Country: | | TRN: | | | |
| FATCA declaration of US citizenship or US residence for tax purposes | | | | | |
| I confirm that I am: | not a US person | | a US person | for tax purposes | |

(ii) Declaration and undertaking

- I declare that the information provided in this Self-Certification Form is, to the best of my knowledge and belief, accurate and complete.

- I undertake to advise the recipient within 30 days and provide an updated Self-Certification Form, where any change in circumstances occurs, which causes any of the information contained in this Self-Certification Form to be incorrect.
- I acknowledge that answering questions related to the information disclosed in this Self Certification Form is mandatory.
- Upon request, I will have access to the data concerning me that are disclosed to the South African Revenue Service, and I will be in a position to rectify any of my personal data.

| | |
|--|------------|
| ACCOUNT HOLDER | Name: |
| | Signature: |
| AUTHORISED SIGNATORY <i>(if different to investor)</i> | Name: |
| | Signature: |
| DATE | |