

Performance fees – Frequently Asked Questions

Fund Name

1. What are the minimum fees for the relevant funds and classes? 0.85%
2. What are the maximum fees for the relevant funds and classes? 2.50%
3. At which performance levels (also called the fee hurdles) will the Manager charge more than the minimum fees? When the fund outperforms its benchmark and high water mark level is exceeded.
4. Are the fee hurdles the same as the relevant fund benchmarks? If not, explain any differences and the reason for this. Yes
5. What portion of the funds' performances will the Manager be entitled to share, should the funds perform above their fee hurdles (also called the sharing rate)? 20%

The table below addresses questions 1 to 5

Fund (Class)		
Fund Name	Minimum	0.85%
	Maximum	2.50%
	Benchmark	36% JSE All Share, 24% MSCI World Index - in Rands, 12% All Bond Index, 8% JP Morgan Global Bond Index - in Rands, 12% Alexander Forbes Money Market, 8% US Overnight Call rate – in Rands
	Fee Hurdle	Benchmark
	Sharing rate	20%

6. Will more than the minimum fee be charged regardless of whether the fund is experiencing positive or negative performance? Yes
7. When fund performance is considered, are fees included or excluded (net of fees or gross of fees)? Net of fees
8. What fee rate will be charged under the following conditions:
 - the funds perform 10% pa less than Benchmark
 - the funds perform 5% pa less than Benchmark
 - the funds perform in line with Benchmark
 - the funds perform 5% pa more than Benchmark
 - the funds perform 10% pa more than Benchmark

Fund Class	-10%	-5%	Benchmark	5%	10%
	0.85%	0.85%	0.85%	1.85%	2.50%

9. Do any other classes of the funds charge fixed fees instead of performance fees? No
10. Are the performance fees accrued daily (also called the Fee Accrual Frequency)? Yes
11. Do performance fee accruals pertain to performance periods more than a month prior to accrual? No
12. Is a rolling measurement period used? No

13. How often is the performance fee paid to the Manager (also called the “Fee Payment Frequency”)? Monthly
14. Should the fund experience underperformance to the fee hurdle, how long is that underperformance held against the Manager? In particular, at what point would that underperformance be written off from a fee calculation point of view? This “write off” may be the consequence of a reset provision in the HighWater Mark, the length of the rolling period, or another implication of the mechanics of the performance fee basis and method. There is no reset provision and underperformance is held against the fund manager indefinitely
15. Does performance in excess of the hurdle need to overcome prior underperformance (also called a HighWater Mark system)? If so, explain whether fee accruals are simply suspended or whether past fee accruals are refunded. Also, disclose the circumstances under which the HighWater Mark expires, if at all Yes. Fee accruals are suspended.
16. Do any underlying funds charge implicit performance fees? If so, include the following: “Where underlying funds charge implicit performance fees (i.e. implicit in their unit prices), unit holders may carry these performance fees regardless of whether the top tier fund or mandate has outperformed its own benchmark.”