



IIIFL

INVESTMENT MANAGERS

ASSET MANAGEMENT

UCITS PROSPECTUS ADDENDUM

Additional Information for South African Investors

January 2019



IMPORTANT INFORMATION

IIFL Fund - South African Investors

Schedule of Similarities and Differences between

- a) Foreign (furnish name of country) & South African Regulations;
 b) Foreign (furnish name of country) & South African Collective Investment Scheme

Topic/Item	Foreign Regulation Foreign Scheme	South African Regulation South African Unit Trust
1. Investment restriction of instruments issued by Government	10% per issuer up to a maximum of 40% in aggregate, else 5% per issuer. However, if issued by EU Member State or by another member state of the OECD, Singapore or any member state of the G20 or by public international bodies of which one or more Member States of the EU are members then 100% in aggregate in a minimum of 6 different issues with no issue being more than 30%.	No limit
2. Investment restriction on an individual security i.r.o. equity portfolios	Maximum of 5% of portfolio if company market cap is less than R2 billion, else 10% up to an aggregate exposure of 40%.	Maximum of 5% of portfolio if company market cap is less than R2 billion, else 10%.
3. Investment restriction on a class of security i.r.o. equity portfolios	<p>Maximum of 5% of amount in issue if company market cap. is less than R2 billion, else 10%.</p> <p>An overall limit of 15% of the aggregate amount of securities in any one class issued by a concern within the same group as the manager across all portfolios.</p> <p>An overall limit of 24% of the aggregate amount of securities in any one class issued by a concern other than a concern within the same group as the manager across all portfolios.</p>	<p>Maximum of 5% of amount in issue if company market cap. is less than R2 billion, else 10%.</p> <p>An overall limit of 15% of the aggregate amount of securities in any one class issued by a concern within the same group as the manager across all portfolios.</p> <p>An overall limit of 24% of the aggregate amount of securities in any one class issued by a concern other than a concern within the same group as the manager across all portfolios.</p>
4. Investment restrictions for specialist funds eg. money market portfolio or fund of funds or feeder funds	Not applicable	Subject to certain limits prescribed in regulation (<i>Applicant must Furnish detail regarding the specific type of portfolio is applicable</i>).

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5. Investment restrictions on the use of derivative instruments**	100% effective exposure restricted for purposes of efficient portfolio management only.	100% effective exposure restricted for purposes of efficient portfolio management only/no gearing allowed.
6. Investment in listed instruments**	Must be a Regulated Market or Other Regulated Market where appropriate due diligence has been applied. At least 90% of securities must be listed on exchanges having obtained full membership of the World Federation of Exchanges or where appropriate due diligence has been applied.	90% of securities must be listed on Exchanges having obtained full membership of the World Federation of Exchanges. Over the counter derivative instruments that are allowed: forward currency swap, interest rate swap, exchange rate swap and index swap.
7. Non equity securities (other than issued by the Government)**	Up to 25% in respect of qualifying debt securities issued by a credit institution which has its registered office in a Member State and which, under applicable law, is submitted to specific public supervision in order to protect the holders of such qualifying debt securities, else 10% per issuer.	Must comply with limits as prescribed in Regulation
8. Investment in unlisted instruments**	Investments must be listed within 12 months of issue. Maximum of 10% of NAV of a Sub-Fund.	Maximum of 10% of portfolio value. Such instruments must be valued daily based on a generally recognised methodology and by a person acceptable to trustee.
9. Investment of own resources into the fund	No requirement to invest own resources into the fund.	Manager must invest 10% of own resources in each fund; can be limited to R1,000,000 maximum per fund. The R1m may be reduced with 10% for every R1m invested.
10. Borrowing** Leveraging/Gearing (refer to 1)	10% of the value of the net assets of the relevant Sub-Fund and will only be exercised for the purpose of funding redemptions. Leverage/Gearing not allowed	10 % of the Value of the underlying portfolio permitted to meet its obligations in relation to the administration of a scheme relating to settlement of buying and sale transactions and repurchase or cancellation of participatory interests. Leverage/Gearing not allowed

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11. Markets/Exchanges 11.1 Listed 11.2 OTC Markets**	<p>Must be a Regulated Market or Other Regulated Market where appropriate due diligence has been applied. At least 90% of securities must be listed on exchanges having obtained full membership of the World Federation of Exchanges or where appropriate due diligence has been applied.</p> <p>Over the counter (OTC) derivative transactions are permitted for the purpose of Efficient Portfolio Management for currency, interest rates and exchange rate swaps only. Contract for Differences are not permitted.</p>	<p>90% of exchanges must have been granted full membership of the World Federation of Exchanges, the rest must follow due diligence guidelines as prescribed by Regulation.</p> <p>Not allowed</p>
12. Expenses/Charges** 12.1 Costs to investors 12.2 Charges against income of the portfolio.	<p>Full disclosure in prospectus.</p> <p>Functionary fees, administrative expenses, brokers fees, borrowing charges, taxes and other permitted charges as detailed in the prospectus.</p>	<p>Full disclosure in Deed and a notice to unit holders of change.</p> <p>Brokerage, MST, VAT, stamp duties, taxes, audit fee, bank charges, trustee/custodian fees, other levies or taxes service charge and share creation fees payable to the Registrar of Companies.</p>
13. Determination of market value of investments	<p>Market price feed of prices of the investments or fair value as determined by the Board.</p>	<p>Fair market price, or as determined by stockbroker.</p>
14. Risk factors	<p>Full details of risk analysis and warnings are described within the Prospectus.</p>	<p>Values are not guaranteed.</p>
15. Capped or not capped**	<p>Not capped.</p>	<p>Not capped</p>
16. Redemption (repurchase) of participatory interests**	<p>Each Valuation Day will be a Redemption Day.</p> <p>Shares will be redeemed at a price based on the Net Asset Value per Share determined as at the relevant Valuation Day, less, any applicable redemption fee.</p>	<p>Legally obliged to redeem at same day's or previous day's price as determined in Deed.</p>

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17. Independent Trustee/ custodian	Management Company and Custodian are independent.	Trustee/custodian must be completely independent
18. Taxation of Portfolio**	Fund liable to subscription tax to a maximum of 0.05% p.a. ("Taxe d'abonnement")	No taxation Interest and dividend portion taxable in the hands of the individual
19. Taxation of unitholders** 19.1 Income - Dividends - Interest 19.2 Capital gains	Gross to all shareholders. Investors resident in an EU Member State may be subject to a retention tax or reporting requirement. No Capital Gains Tax in Luxembourg. South African residents are obliged to declare realised gains.	Interest and dividends (dividend withholding tax introduced on 1 April 2012) are taxable. Capital gains tax introduced on 1 October 2001.
20. Interval at which participatory interests are priced**	Daily	Daily
21. Distributions	All funds are currently accumulating.	All income distributed regularly or reinvested at option of the investor.
22. Switching**	Allowed. Maximum charge 0.5%.	Allowed – charges differ.
23. Pledging of securities (See 10)**	Not allowed	Allowed only for purposes of borrowing (refer to borrowing in par 10 above).
24. Scrip lending** Scrip borrowing	Securities lending shall not exceed 50% of the net assets of the Sub- Fund. Not allowed	Allowed, may not exceed 50% of market value the portfolio, plus other conditions as prescribed in Deed. Not allowed
25. Certificates, if issued and needed for redemption**	Uncertified	Issued on request

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26. Reporting to supervisory authority	Half yearly	Quarterly and annually
27. Inspection powers by supervisory authority	Yes	Yes
28. Reporting to investors**	Half yearly	Annually
29. Legal structure if different from trust**	Société d'Investissement à Capital Variable ("SICAV") in the form of a public limited company.	Collective Investment Scheme, whether trust based or Open Ended Investment Company.
30. Interest earned on funds pending investment and redemption	Interest is not paid to clients.	Interest paid to clients.
31. Any other material difference**		

*** to be elaborated upon in detail in paragraph format and both the tabular and paragraph formats must be disclosed in all marketing material (see attached examples)*