

Prescient

# COLLECTIVE INVESTMENT SCHEMES

HEDGE FUND INVESTOR DISCLOSURE DOCUMENT

SEPTEMBER 2022

# COLLECTIVE INVESTMENT SCHEME

## INVESTOR DISCLOSURE DOCUMENT

### KEY INVESTOR INFORMATION

This document contains key information about hedge fund portfolios registered under the Prescient Retail Hedge Fund Scheme and the Prescient Qualified Investor Hedge Funds Schemes (“Scheme”). It is not marketing material. The information is required to be published in terms of Board Notice 52 of 2015 (“BN 52”), section 27(2). The document aims to help investors and potential investors to understand the nature of the portfolios as well as the risks associated with investing in them. All potential investors are advised to read and familiarise themselves with the contents of this document to make an informed investment decision.

### SCHEME INFORMATION

Management Company	Prescient Management Company (RF) (Pty) Ltd Registration number: 2002/022560/07
Directors of the Management Company	Zane Kenneth Meyer, Hendrik Meyer Coetzee, Craig Allan Mockford, Bonolo Guguletu Zwane (Non-Executive)
Financial Year End	31 March
Auditor	Ernst & Young Inc
Fund Administrator	Prescient Fund Services (Pty) Ltd
Distribution dates	Portfolio distribution dates are set out in their respective MDDs
Legal Structure	Trust Structure
Annual Report	<a href="https://www.prescient.co.za/media-insights/abridged-manco-reports/">https://www.prescient.co.za/media-insights/abridged-manco-reports/</a>
Trustee	Nedbank Investor Services

### PORTFOLIOS

Prescient Management Company (“the manager”) has registered portfolios under the Prescient Retail Hedge Fund Scheme and the Prescient Qualified Investor Hedge Funds Schemes. Please refer to <https://www.prescient.co.za/funds/> for further information set out in the Minimum Disclosure Document (“MDD”) of each fund. A description of the investment strategy and objectives, the types of assets the portfolio invests in as well as the restrictions applicable to each portfolio is set out in Annexure A below. This Investor Disclosure Document must be read in conjunction with each fund’s MDD.

### CHANGES TO THE INVESTMENT STRATEGY/ INVESTMENT POLICY

Changes to the investment policy contained in the supplemental deed, can be made by the manager on application to the Financial Services Conduct Authority (“FSCA”).

The FSCA may approve the application if the consent of the majority in value of investors has been obtained.

### LEVERAGE

The manager may create leverage in a portfolio by borrowing funds, using short positions or by engaging in derivative transactions with counterparties.

A manager may calculate the portfolio's total risk by either the value-at-risk approach, or the commitment approach. The maximum level of leverage which the portfolio is entitled to use is set out in the supplemental deed of each portfolio. Please see Annexure A below for each portfolio's maximum level of risk.

## RISKS ASSOCIATED WITH LEVERAGE

Because the manager can engage in leveraging through the use of derivatives and/or borrowed capital to increase the exposure beyond the capital employed to an investment, the fund may be exposed to counterparty risk. The manager will enter into ISDA agreements with various prime brokers and counterparties to mitigate this risk. Naked short selling, which in this context means the selling of a security without being in possession of the security or ensuring that it can be borrowed, is not allowed.

## DELEGATED FUNCTIONS

The manager has appointed Prescient Fund Services (Pty) Ltd as the administrator. These services include asset and liability administration. The manager has outsourced the daily quantitative risk calculations and reporting activities of the risk management function to third party service providers (namely RiskCafe, RisCura and Prescient Analytics).

All entities are subject to separate governance structures and independent oversight and internal controls. No conflict of interests exists between these entities.

## MANAGING CONFLICTS OF INTEREST

Prime broker and counterparty arrangements are managed via the Service Level Agreements between Prime Brokers and Counterparties, International Swaps and Derivatives Association ('ISDA') and Counterparty Services Agreement. No conflict of interests exists between these entities.

## LEVEL OF COUNTERPARTY EXPOSURE

RIHF Portfolios must comply with limits per counterparty set in Board Notice 52. A manager of a QIHF can set counterparty exposure limits in the funds' founding documents. Counterparty exposure is calculated in accordance with Board Notice 52.

## VALUATION AND PRICING METHODOLOGIES

Prescient maintains a Valuations, Pricing and Service Provider Policy. The policy provides an outline and overview of the procedures and methodologies used in the valuation of the assets held in portfolios under the Scheme. This policy is consistently applied in accordance with the Act, the Scheme Deed and Supplemental Deeds and follows the ASISA Standard – Net Asset Value Calculation for CIS Portfolios. This policy is available to investors.

## LIQUIDITY RISK MANAGEMENT OF THE PORTFOLIO

The manager has outsourced the daily quantitative risk calculations and reporting activities of the risk management function to third party service providers (namely RiskCafe, RisCura and Prescient Analytics). These service providers have appropriate frameworks in place to measure and manage the liquidity risk of each portfolio against its repurchase obligations.

## GATING, SIDE POCKETING AND REPURCHASE RESTRICTIONS

Board Notice 52 provides that both retail hedge funds and qualified investor hedge funds may suspend the repurchases of units under exceptional circumstances and when in the interests of investors and must be in accordance with the Notice of Suspension of Participatory Interests by the Manager of Collective Investment Schemes in Securities prescribed by the registrar under section 114(3)(f) of the Act.

These circumstances may be triggered where specific assets in the portfolio become highly illiquid or untradeable. No special arrangements or rights exist between the portfolio and any investor.

## INVESTMENT MANAGEMENT FEES, CHARGES, AND EXPENSES

Please refer to <https://www.prescient.co.za/funds/> for a description of Fees, Charges and Expenses set out in the MDD of each fund. A schedule of fees, charges and maximum commissions is available on request from Prescient.

#### FAIR TREATMENT OF CUSTOMERS (TCF)

Prescient acknowledges that its clients are the cornerstone of its success and is committed to treat its clients in a fair and equitable manner. Prescient maintains a TCF policy which sets out the 6 outcomes that Prescient will use in addressing customers needs. These TCF principles are embedded in all facets of the business, from senior management to back office assistance:

#### PREFERENTIAL TREATMENT

No single investor has the right to receive preferential treatment.

#### SELLING AND ISSUING PARTICIPATORY INTEREST IN THE PORTFOLIO

Investors must complete an application form available on Prescient's website. It is the Manager's sole discretion to accept or reject the investor's application form and take note of stated cut off times. Units will be bought and sold at the net asset value price in accordance with the requirements of the Collective Investment Schemes Control Act 45 of 2002 and the relevant Deed.

The Manager may not sell the any participatory interests (units) except on terms requiring the full payment of the selling price.

The Manager may, at its discretion, close portfolios to new investors and existing unit holders including the cessation of debit orders, if applicable.

## GLOSSARY

**"Commitment approach"** means a methodology for calculating exposure that considers the effective exposure of derivatives to, and takes an aggregate view of, securities with the same or similar underlying exposure, where the total commitment is considered to be the sum of the absolute value of the commitment of each individual position, including derivatives after taking into account netting and hedging.

**"counterparty"** means a juristic person on whom the hedge fund is dependent to realise, collect or settle the securities or the value of securities;

**"counterparty exposure"** means a value that best reflects the hedge fund's exposure to a relevant counterparty and accurately reflects the economic loss that the hedge fund is exposed to if the counterparty defaults on its obligations;

**"hedge fund"** means an arrangement in pursuance of which members of the public are invited or permitted to invest money or other assets and which uses any strategy or takes any position which could result in the arrangement incurring losses greater than its aggregate market value at any point in time, and which strategies or positions include but are not limited to:

(a) leverage; or

(h) net short positions.

**"leverage"** means the use of securities, including derivative instruments, short positions or borrowed capital to increase the exposure beyond the capital employed to an investment;

**"manager"** means a manager of a QI fund or a retail hedge fund, whichever may be applicable;

**"net asset value"** means the total market value of all assets in a portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees;

**"prime broker"** means a person offering prime brokerage services, such as lending money or securities for the purpose of short selling, clearing and settlement of trades, operational support facilities and customised technology and acting as counterparty to finance or execute transactions in securities;

**"qualified investor"** means any person, who invests a minimum investment amount of R1 million per hedge fund, and who-

(a) has demonstrable knowledge and experience in financial and business matters which would enable the investor to assess the merits and risks of a

hedge fund investment; or

(b) has appointed a FSP who has demonstrable knowledge and experience to advise the investor regarding the merits and risks of a hedge fund investment;

**"qualified investor hedge fund" or "QI fund"** means a hedge fund in which only qualified investors may invest;

**"retail hedge fund"** means a hedge fund in which any investor may invest;

**"value-at-risk"** means a measure of a maximum expected loss of a portfolio at a given confidence level over a specified time period.

## **MANDATORY DISCLOSURES**

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CISs are traded at the ruling price and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions is available on request from the Manager. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. There is no guarantee in respect of capital or returns in a portfolio.

Prescient Management Company (RF) (Pty) Ltd is registered and approved under the Collective Investment Schemes Control Act (No.45 of 2002).

For any additional information such as fund prices, fees, brochures, minimum disclosure documents and application forms please go to [www.prescient.co.za](http://www.prescient.co.za).

## **DISCLAIMER**

This document is for information purposes only and does not constitute or form part of any offer to issue or sell or any solicitation of any offer to subscribe for or purchase any particular investments. Opinions expressed in this document may be changed without notice at any time after publication. We therefore disclaim any liability for any loss, liability, damage (whether direct or consequential) or expense of any nature whatsoever which may be suffered as a result of or which may be attributable directly or indirectly to the use of or reliance upon the information.

## ANNEXURE A

Fund	Risk Measure: Commitment Approach/Value-at- Risk	Limit	Investment Policy	FSP Number	Income Distribution - Frequency
27four Alternate Income Prescient QI Fund of Hedge Funds	VAR	10% over a 10 day holding period	The 27Four Alternative Income Prescient QI Fund of Hedge Funds is an optimal blend of South African fixed income and structured credit hedge funds exploiting relative value and credit arbitrage opportunities in the listed credit space. The fund has a moderate to low risk profile and is designed to deliver consistent positive risk-adjusted returns, independent of the direction of the market. The fund will seek to capitalise on all investment opportunities across all asset classes and sectors within South Africa. The fund will have maximum flexibility to invest in underlying hedge funds which in turn invest in a wide range of instruments including, but not limited to, equities, money market instruments, debentures, options, warrants, convertible debt securities, debt instruments, repurchase agreements, futures and any other listed and unlisted financial instrument in line with conditions as determined by legislation from time to time. The fund will employ a VAR approach to measure exposure. The Total Value at Risk of the fund on a 99% confidence interval may not be greater than 10% of the market value of the fund. The Value at Risk is measured over a 10 day period using price movements of the last calendar year. Should the total Value at Risk of the fund breach the Value at Risk must be reduced to within the limits within one business day.	FSP No.31045	Annually
27four Fortress Prescient RI Fund of Hedge Funds	VAR	20% over a one month holding period	The 27Four Fortress Prescient RI Fund of Hedge Funds is a multi-strategy fund of hedge funds that has a focused exposure to hedge funds utilising various strategies in the equity and fixed income markets. The fund is designed to deliver above average positive risk-adjusted returns, independent of the direction of the market. The underlying funds will follow a variety of strategies, including, but not limited to, market neutral, equity long/short, Macro, fixed income and cash strategies, as well as gearing, to achieve the objective of delivering attractive returns. The underlying funds will be permitted to invest in a flexible range of asset classes, including but not limited to equities, fixed interest, commodities, debentures, money market instruments, property markets and listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The fund will employ a VAR approach to measure exposure.		Annually
27four Fosfate Accelerator Prescient RI Fund of Hedge Funds	VAR	20% over a one month holding period	The 27Four Fosfate Accelerator Prescient RI Hedge Fund is an incubator multi strategy hedge fund that has exposure to asset classes utilising various strategies in the equity and fixed income markets. The fund is designed to deliver above average positive risk-adjusted returns, independent of the direction of the market. The blend of the underlying manager strategies may differ at any point in time based on the availability of new funds in the industry. The underlying funds will be permitted to invest in a flexible range of asset classes, including but not limited to equities, fixed interest instruments, commodities, debentures, money market instruments, property		Annually

			markets and listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The fund will employ a VAR approach to measure exposure.		
Abax Fixed Interest Prescient RI Hedge Fund	VAR	20% over a one month holding period	The Abax Fixed Interest Prescient RI Hedge Fund will aim to provide consistent superior, risk-adjusted absolute returns to investors, primarily through exploiting fixed interest and stock based opportunities in the South African and Offshore markets. In addition, capital preservation and the avoidance of negative compounding are primary investment objectives. The Fund will have maximum flexibility to invest in a wide range of instruments including, but not limited to, government bonds, corporate bonds, money market assets, fixed deposits, structured money markets instruments, listed debentures, futures, swaps, forward rate agreements (FRAs), options, preference shares, convertible bonds and other high yielding securities. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund is permitted to invest in listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The manager will utilise physical assets and derivatives in order to capitalise on investment opportunities across all sectors and asset classes. The Fund will take long and short positions and may also retain amounts in cash or cash equivalents. The fund will employ a VAR approach to measure exposure.	FSP No.856	Annually
Abax Long Short Prescient RI Hedge Fund	VAR	10% over a one month holding period	The Abax Long/Short Equity Prescient RI Hedge Fund is a low volatility long/short equity hedge fund. The fund will aim to provide consistent superior, risk-adjusted absolute returns to investors, primarily through exploiting stock based opportunities in the South African listed markets. The fund will aim to exhibit low correlation between its investment performance and that of the South African stock market. In addition, capital preservation and the avoidance of negative compounding are primary investment objectives. The fund will have maximum flexibility to invest in a wide range of instruments including, but not limited to equities, options, bonds, futures and any other listed and unlisted financial instrument in line with conditions as determined by legislation from time to time. The fund will take long and short positions and may also retain amounts in cash or cash equivalents, including but not limited to short term fixed deposits, corporate paper, money market instruments and preference shares pending reinvestment, in order to maximise returns. The Fund's equity exposure will generally be confined to equities listed or traded on the JSE Securities Exchange. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund will employ a VAR approach to measure exposure.		Annually



Absa AAM Market Neutral Prescient QI Hedge Fund	VAR	20% over a one month holding period	The Absa AAM Market Neutral Prescient QI Hedge Fund seeks to deliver long term uncorrelated returns in excess of the benchmark over any rolling 1 year period. The fund aims to produce active alpha by exploiting equity markets in efficiencies regardless of the market direction. The risk objective is to reduce volatility by minimizing capital loss over rolling 3 year periods. The fund employs active statistical arbitrage to identify pairs of potential trading stocks. Pair trading employs taking a long position in an individual equity offset by a short position in another individual equity with similar absolute gross market value. The fund will actively trade statistically significant pair stocks that have significant different market betas to maintain directional and market neutrality.	FSP No.22877	Annually
ABS AAM Multi Strategy Prescient RI Hedge Fund	Commitment Approach	200%	The Absa AAM Multi Strategy Prescient RI Hedge Fund is a low volatility multi-strategy hedge fund. The objective of the fund is to achieve capital growth over the long-term and target positive returns in all market conditions. The fund will follow a variety of strategies, including, but not limited to, market neutral, equity long/short, Macro, property, fixed income and Cash strategies. The fund will invest in a diversified range of instruments including, but not limited to, equities, bonds, commodities, debentures, property, preference shares, money market instruments and listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The leverage will be 2:1 (being adjusted gross exposure to net asset value). The manager shall use the commitment method to calculate the Fund's total exposure.		Annually
Aylett Prescient QI Hedge Fund	Commitment Approach	300%	The Aylett Prescient QI Hedge Fund is a multi-strategy hedge fund that aims to deliver consistent, long-term positive returns in all market conditions. The fund will follow a variety of strategies, including, but not limited to, market neutral, equity long/short, macro, property, fixed income and cash strategies. The fund will aim to achieve its objective by having an unfettered approach to asset selection and executing strategies when on balance the probabilities are in favour of the investor. This will include asset allocation, stock picking, arbitrage, opportunistic trading, and option and derivative contracts. The fund will invest in a diversified range of instruments including, but not limited to, equities, fixed interest instruments, commodities, property, preference shares, money market instruments and listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. Gearing and leverage will form a small part of the funds approach. The leverage will be 3:1 (being adjusted gross exposure to net asset value). The manager shall use the commitment method to calculate the Fund's total exposure.	FSP No.20513	Annually

Bateleur Long Short Prescient RI Hedge Fund	Commitment Approach	200%	<p>The Bateleur Long Short Prescient RI Hedge Fund is a long/short equity hedge fund. The Fund aims to produce returns in excess of inflation over the medium to longer-term, whilst placing a high premium on protecting capital. The manager in selecting securities for the fund will seek to follow an investment policy which will secure long-term capital growth in real terms. Subject to such restrictions as may apply under the Act, the Fund may invest in all financial instruments, including but not limited to equities, bonds, money market instruments, property shares, derivatives and debentures, whether listed or unlisted and in line with the conditions as determined by legislation from time to time. The manager shall use the commitment method to calculate the Fund's total exposure.</p>	FSP No.18123	Annually
Bateleur Market Neutral Prescient QI Hedge Fund	Commitment Approach	200%	<p>The Bateleur Market Neutral Prescient QI Hedge Fund is a relative value equity hedge fund that is generally positioned to be market neutral. The Fund aims to produce returns in excess of the Short Term Fixed Interest Call Deposit Index, as quoted by Bloomberg (Screen code: STEFOCAD&lt;Index&gt; - ("STeFI") on an annual basis, at low levels of volatility, whilst placing a high premium on protecting capital. Subject to such restrictions as may apply under the Act, the Fund may invest in all financial instruments, including but not limited to equities, bonds, money market instruments, property shares, derivatives and debentures, whether listed or unlisted and in line with the conditions as determined by legislation from time to time. The manager shall use the commitment method to calculate the Fund's total exposure. The manager shall ensure that the Fund's total exposure to the market does not exceed 200% of the net asset value of the Fund.</p>		Annually
Bateleur Special Opportunities Prescient QI HF	Commitment Approach	200%	<p>The Bateleur Special Opportunities Prescient QI Hedge Fund will aim to generate returns in excess of CPI +4% per annum over a 3-year period, with a strong risk management focus. The fund will seek to capture value opportunities in JSE listed shares which are likely to be unlocked over a two to three-year horizon but may be subject to short term price volatility. Whilst the focus will be on JSE listed equities, the fund will have maximum flexibility to invest in a wide range of instruments including, but not limited to, equities, property, debentures, options, currencies, convertible debt securities, bonds, commodities, repurchase agreements, preference shares, debt securities, over the counter securities, swaps, forward rate agreements (FRAs), contract for difference (CFDs), futures, ETFs and any other listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The manager shall use the commitment method to calculate the Fund's total exposure. The manager shall ensure that the Fund's total exposure to the market does not exceed 200% of the net asset value of the Fund.</p>		Annually

Blue Quadrant Capital Growth Prescient RI Hedge Fund	Commitment Approach	200%	The Blue Quadrant Capital Growth Prescient RI Hedge Fund objective is to deliver returns in excess of the consumer price inflation over a rolling five-year period, but with an emphasis on ensuring a level of capital preservation over the shorter term. The Fund aims to generate sustainable real returns over the long term. The Fund is positioned as a lower-risk alternative investment fund investing in a wide range of asset classes. The fund will remain predominantly invested in equities, but has a flexible mandate allowing for some diversification into other asset classes, including but not limited to bonds, debentures, money market and property markets. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The Funds core asset allocation strategy will remain flexible and its exposure to equity investments may vary, depending on existing market and economic conditions and available investment opportunities. The portfolio is permitted to invest in listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The manager shall use the commitment method to calculate the Fund's total exposure.	FSP No.42165	Annually
Catalyst Alpha Prescient QI Hedge Fund	Commitment Approach	700%	The Catalyst Alpha Prescient QI Hedge Fund objective is to maximise the extraction of total returns on equity from opportunities presented or related to the real estate sector, through a long term approach and the use of derivatives, hedging and leveraging strategies to maximize exposure to specific return opportunities. The fund is a variable bias long short equity hedge fund. The Fund will exploit opportunities resulting from corporate events, such as vendor placements, initial public offerings, mergers and acquisitions, corporate restructuring, corporate announcements, share buybacks and proxy battles. The leverage will be 7:1 (being adjusted gross exposure to net asset value). The Fund is permitted to invest in equity securities, non-equity securities, debentures, warrants, options, futures, bonds, interest rate swaps, money market, over the counter securities and any property related securities. The fund is permitted to invest in listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The manager shall use the commitment method to calculate the Fund's total exposure.	FSP No.47363	Annually
Cogito Alpha Long Short Prescient RI Hedge Fund	Commitment Approach	200%	The Cogito Alpha Long Short Prescient RI Hedge Fund objective is to generate alpha or returns for investors in excess of benchmark returns, with a strong risk management focus. The fund identifies specific opportunities and invests with high conviction either long or short. The fund will have maximum flexibility to invest in a wide range of instruments including, but not limited to equities, property, debentures, options, futures, currencies, convertible debt securities, bonds, commodities, preference shares, futures, ETF's, repurchase agreements, over the counter securities, swaps, forward rate agreements (FRAs) and money market instruments. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund is permitted to invest in listed and	FSP No.23993	Annually

			unlisted financial instruments in line with the conditions as determined by legislation from time to time. The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The fund will employ a commitment approach to measure exposure.		
Cuthman SDR Prescient QI Hedge Fund	Commitment Approach	700%	The Cuthman SDR Prescient QI Hedge Fund is a long/short equity fund with a long directional bias. The fund aims to produce returns in excess of inflation over the medium to longer-term, whilst placing a high premium on protecting capital. The manager in selecting securities for the fund will seek to follow an investment policy which will secure for investors long-term capital growth in real terms. In order to achieve this objective, the investments acquired will comprise of equities, bonds, money market instruments, property shares and debentures. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund is permitted to invest in listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The protecting of capital through hedging of market risk will be a key element of the investment focus. This will be carried out through selling short securities that are considered over-valued and by selective use of derivative instruments such as futures and options. The fund will make use of leverage. The fund is permitted to borrow additional funds, trade on margin, or utilises carry facilities in order to amplify the investment decisions. The manager shall use the commitment method to calculate the Fund's total exposure. The manager shall ensure that the Fund's total exposure to the market does not exceed 700% of the net asset value of the Fund.	FSP No.51205	Annually
Differential Gradient Prescient QI Hedge Fund	Commitment Approach	250%	The Differential Gradient Prescient QI Hedge Fund aims to achieve absolute returns for investors in excess of the benchmark. The portfolio process is driven by minimizing probability of loss while targeting returns above cash. The strategy prefers to give up up-side in the form of derivative protection and emphasis is on positively asymmetric return streams using a variety of instruments. The investment process is driven by a combination of artificial intelligence idea generation as well as traditional fundamental analysis and human sense checks. Equity exposure is likely to be around 30-60% of the portfolio but may increase or decrease depending on risk of loss and the cost of protection. The fund will have maximum flexibility to invest in a diversified range of instruments including, but not limited to, equities, debentures, options, warrants, convertible debt securities, debt instruments, preference shares, over the counter securities, contract for difference (CFDs), and listed and unlisted financial instruments in line with conditions as determined by legislation from time to time. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The manager shall use the commitment method to calculate the Fund's total exposure. The manager shall ensure that the Fund's total exposure to the market does not exceed 250% of the net asset value of the Fund.	FSP No.49982	Annually

Effectus PFP Multi Strategy Prescient RI Hedge Fund	VAR	20% over a one month holding period	The Effectus PFP Multi Strategy Prescient RI Hedge Fund is a multi-strategy hedge fund that aims to deliver consistent, long-term positive returns in all market conditions, with a strong risk management focus. The portfolio will follow a variety of strategies, including, but not limited to, market neutral, equity long/short, macro, property, fixed income and cash strategies. The portfolio seeks to capture compelling investment opportunities and invests with high conviction either long or short. The portfolio will have maximum flexibility to invest in a wide range of instruments including, but not limited to, equities, bonds, commodities, warrants, options, repurchase agreements, over the counter securities, swaps, forward rate agreements (FRAs), futures, ETF's, currencies, debentures, debt instruments, property, preference shares, convertible debt securities, contracts for difference ("CFD's"), money market instruments and listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The portfolio will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The manager shall use the VAR approach to calculate the Fund's total exposure.	FSP No.532	Annually
Independent Alternatives Muhu Multi Strategy RI Hedge Fund	VAR	20% over a one month holding period	The Independent Alternatives Muhu Multi Strategy Prescient RI Hedge Fund is a moderate volatility multi-strategy hedge fund. The objective of the fund is to deliver real returns of 5% per annum measured over a 3-year investment period. The fund is managed according to a moderate risk profile, with lower levels of investment volatility and capital risk when compared to traditional capital markets. The fund will follow a variety of strategies, including, but not limited to, market neutral, equity long/short, Macro, property, fixed income, commodity and cash strategies. The fund will seek to capitalise on all investment opportunities and will invest in a diversified range of instruments including, but not limited to, equities, preference shares, exchange traded funds (ETF's), money market instruments, fixed interest, property, debentures, options, warrants, convertible debt securities, debt instruments, commodities, repurchase agreements, over the counter securities, currencies, swaps, forward rate agreements (FRAs), contract for difference (CFD's), futures and any other listed and unlisted financial instrument in line with conditions as determined by legislation from time to time. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The manager shall use the Value at Risk (VAR) method to calculate the Fund's total exposure.	FSP No.47402	Annually
Independent Securities Flexible Prescient QI Hedge Fund	Commitment Approach	300%	The Independent Securities Flexible Prescient QI Hedge Fund aims to achieve long-term capital growth for investors. The fund will seek to capitalise on all investment opportunities across all asset classes and sectors. The fund will have maximum flexibility to invest in a diversified range of instruments including, but not limited to, equities, money market instruments, fixed interest, property, debentures, options, warrants, convertible debt securities, debt instruments, commodities, repurchase agreements, over the counter securities, swaps, private equity securities, forward rate agreements (FRAs), contract for difference (CFD's), futures and	FSP No.29612	Annually

			any other listed and unlisted financial instrument in line with conditions as determined by legislation from time to time. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. Leveraging may be created in the portfolio by borrowing funds, using short positions or engaging in derivative transactions. The leverage will be 3:1 (being adjusted gross exposure to net asset value). The manager shall use the commitment method to calculate the Fund's total exposure.		
Laurium Aggressive Long Short Prescient QI Hedge Fund	Commitment Approach	400%	The Laurium Aggressive Long Short Prescient QI Hedge Fund objective is to deliver a return of at least 10% p.a. greater than the SA Consumer Price Index on a rolling 3-year basis, with low volatility and a low risk of capital loss. The fund aims to provide consistent real return to investors. The fund will seek to capitalise on all investment opportunities across all sectors and to avoid negative returns over any one year period. Leverage and utilisation of derivatives where appropriate are used to enhance yield, protect asset values and minimize volatility. The fund will have maximum flexibility to invest in a wide range of instruments including equities, scrip loans, options, warrants, convertible debt securities, bonds, commodities, preference shares, futures, ETFs and money market instruments. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund is permitted to invest in listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The fund will employ a commitment approach to measure exposure. The manager shall ensure that the Fund's total exposure to the market does not exceed 400% of the net asset value of the Fund.	FSP No.34142	Annually
Laurium Long Short Prescient RI Hedge Fund	Commitment Approach	200%	The Laurium Long Short Prescient RI Hedge Fund objective is to deliver a return of at least 7% p.a. greater than the SA Consumer Price Index on a rolling 3-year basis, with low volatility and a low risk of capital loss. The fund aims to provide consistent real return to investors. The fund will seek to capitalise on all investment opportunities across all sectors and to avoid negative returns over any one year period. Moderate leverage and utilisation of derivatives where appropriate are used to enhance yield, protect asset values and minimize volatility. The fund will have maximum flexibility to invest in a wide range of instruments including equities, scrip loans, options, warrants, convertible debt securities, bonds, commodities, preference shares, futures, ETFs and money market instruments. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund is permitted to invest in listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The fund will employ a commitment approach to measure exposure.		Annually

Laurium Market Neutral Prescient RI Hedge Fund	Commitment Approach	200%	<p>The Laurium Market Neutral Prescient RI Hedge Fund is a single strategy, market neutral equity hedge fund that focuses on listed South African entities. The objective of the fund is to provide consistent real returns to investors. The fund aims to maintain high levels of liquidity, low concentration risk and low correlation to the equity market. The fund will seek to capitalise on all investment opportunities across all sectors and to avoid negative returns over any one year period. The fund will have maximum flexibility to invest in a wide range of instruments including listed and unlisted equities, scrip loans, options, commodities, warrants, convertible debt securities, bonds, preference shares, futures, ETFs and money market instruments. The fund is permitted to invest in listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The fund will employ a commitment approach to measure exposure.</p>		Annually
Meago Real Estate Prescient RI Hedge Fund	Commitment Approach	200%	<p>The Meago Real Estate Prescient RI Hedge Fund is a Rand denominated real estate hedge fund. The fund will aim to provide investors with long-term capital growth, while controlling the short-term volatility of investment returns by using hedging instruments and/or techniques and the active management of risk. Meago Alternatives (Pty) Ltd's objective is to generate absolute returns for investors irrespective of market conditions, with a strong risk management focus. The fund will seek to identify opportunities directly or related to the real estate sector, underpinned by a management team with extensive relevant experience, a highly competent in-house research team and strong client relationships. With a long-term approach, the fund intends to identify high-conviction opportunities, maximise exposure and manage risk through the adoption of hedging, leverage tactics and derivatives. The fund is a variable bias long short equity fund and may also retain amounts in cash or cash equivalent in order to maximise returns. The portfolio will predominantly invest in South African markets but is however, permitted to include investments in offshore jurisdictions subject to the investment conditions determined by legislation from time to time.</p>	FSP No.49258	Annually
Numus High Concentration Prescient QI Hedge Fund	Commitment Approach	250%	<p>The Numus High Concentration Prescient QI Hedge Fund aims to achieve absolute returns for investors in excess of the benchmark. The portfolio process is driven by minimizing probability of loss while targeting returns above the benchmark. The portfolio will be highly concentrated with a focus on large cap JSE listed shares. Equity exposure is likely to be around 80% of the portfolio but may increase or decrease depending on risk of loss and the cost of protection. The fund will have maximum flexibility to invest in a diversified range of instruments including, but not limited to, equities, debentures, options, warrants, convertible debt securities, debt instruments, preference shares, over the counter securities, contract for difference (CFDs), and listed and unlisted financial instruments in line with conditions as determined by legislation from time to time. Unlisted investments in these asset classes are permitted as determined by legislation from time to time.</p>	FSP No.43448	Annually

			The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The manager shall use the commitment method to calculate the Fund's total exposure. The manager shall ensure that the Fund's total exposure to the market does not exceed 250% of the net asset value of the Fund.		
Numus Long Short Prescient RI Hedge Fund	Commitment Approach	200%	The Numus Long Short Prescient RI Hedge Fund objective is to generate absolute returns for investors irrespective of market conditions, with a strong risk management focus. The fund seeks to capture value opportunities in less researched small-and-mid cap shares and trading opportunities in liquid counters. The fund identifies specific opportunities and invests with high conviction either long or short. The fund will have maximum flexibility to invest in a wide range of instruments including equities, property, debentures, options, currencies, convertible debt securities, bonds, commodities, preference shares, futures, ETFs and money market instruments. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The fund is permitted to invest in listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The fund will employ a commitment approach to measure exposure.		Annually
RECM Flexible Value Prescient QI Hedge Fund	Commitment Approach	300%	The RECM Flexible Value Prescient QI Hedge Fund aims to achieve medium to long-term capital growth for investors. The fund will seek to capitalise on all investment opportunities across all asset classes and sectors. The fund will have maximum flexibility to invest in a diversified range of instruments including, but not limited to, equities, money market instruments, bonds, property, debentures, options, warrants, convertible debt securities, debt instruments, commodities, repurchase agreements, over the counter securities, swaps, forward rate agreements (FRAs), futures and any other listed and unlisted financial instrument in line with conditions as determined by legislation from time to time. The leverage will be 3:1 (being adjusted gross exposure to net asset value). The manager shall use the commitment method to calculate the Fund's total exposure.	FSP No.18834	Annually
Rozendal Flexible Prescient QI Hedge Fund	Commitment Approach	700%	The Rozendal Worldwide Flexible Prescient QI Hedge Fund aims to achieve long-term capital growth for investors. The fund will seek to capitalise on all investment opportunities across all asset classes and sectors. The fund will have maximum flexibility to invest in a diversified range of instruments including, but not limited to, equities, money market instruments, bonds, property, debentures, options, warrants, currencies, convertible debt securities, debt instruments, ETF's, commodities, repurchase agreements, over the counter securities, swaps, forward rate agreements (FRAs), contract for difference (CFDs), futures and any other listed and unlisted financial instrument in line with conditions as determined by legislation from	FSP No.48271	Annually



			time to time. Unlisted investments in these asset classes are permitted as determined by legislation from time to time. The manager shall use the commitment method to calculate the Fund's total exposure. The manager shall ensure that the Fund's total exposure to the market does not exceed 700% of the net asset value of the Fund.		
Senqu Long Short Prescient RI Hedge Fund	VAR	20% over a one month holding period	The Senqu Worldwide Flexible Long Short Prescient RI Hedge Fund objective is to generate superior returns for investors over the medium to long-term whilst assuming a moderate amount of investment risk. Subject to such restrictions as may apply under the Act, the Fund may invest in all financial instruments, including but not limited to listed securities, OTC derivatives either counter partied by a regulated banking or insurance entity, Any debt instrument not rated investment grade, Sovereign or Sovereign equivalent debt that is rated investment grade in the currency of issue. This includes debt issued by SOE's and municipalities that is underwritten by a country, Bonds, corporate paper or other fixed income investments issued by a corporate or SOE that is rated investment grade in the currency of issue, cash and cash equivalents, preference shares whether listed or unlisted and in line with the conditions as determined by legislation from time to time. The fund will seek to leverage and manage risk through short positions and endeavours to deliver lower volatility over time. The fund will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The manager shall use the VAR method to calculate the extent of risk of the Fund.	FSP No.47666	Annually
Southchester Smart Escalator Prescient QI Hedge Fund	VAR	20% over a 10-day holding period	The Southchester Smart Escalator Prescient QI Hedge Fund aims to generate absolute returns in excess of short to medium term interest rates. The fund will seek to capitalise on all investment opportunities and will invest in a wide range of instruments including, but not limited to, equities, preference shares, money market instruments, fixed interest, property, debentures, options, warrants, convertible debt securities, debt instruments, commodities, repurchase agreements, over the counter securities, private equity securities, swaps, forward rate agreements (FRAs), contract for difference (CFDs), futures and any other listed and unlisted financial instrument in line with conditions as determined by legislation from time to time. Leveraging may be created in the portfolio by borrowing funds, using short positions or engaging in derivative transactions. Unlisted investments in these asset classes are permitted as determined by legislation from time to time.	FSP No.44868	Annually

SouthernCross Multi-Strategy Prescient RI Hedge Fund	VAR	20% over a one month holding period	<p>The SouthernCross Multi-Strategy Prescient RI Hedge Fund is a multi-strategy hedge fund that aims to deliver absolute returns with low volatility in all market conditions, with a strong risk management focus. The Portfolio will follow a variety of strategies, including, but not limited to, market neutral, equity long/short, macro, property, fixed income and cash strategies. The portfolio seeks to capture compelling investment opportunities and invests with high conviction either long or short. The Portfolio will have maximum flexibility to invest in a wide range of instruments including, but not limited to, equities, bonds, commodities, warrants, options, repurchase agreements, over the counter securities, swaps, forward rate agreements (FRAs), futures, ETF's, currencies, debentures, debt instruments, property, preference shares, convertible debt securities, contracts for difference (CFD's), money market instruments and listed and unlisted financial instruments in line with the conditions as determined by legislation from time to time. The Portfolio will take long and short positions and may also retain amounts in cash or cash equivalent in order to maximise returns. The manager shall use the Value at Risk (VaR) method to calculate the Fund's total exposure.</p>	FSP No.48121	Annually
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