

# TAX FREE INVESTMENT ACCOUNT FORM

## EXISTING INVESTORS ONLY

Foord Unit Trusts (RF) (Pty) Ltd



### HOW TO INVEST WITH FOORD

- Complete the relevant sections in full using BLOCK LETTERS. This form should be used for any instructions related to your Tax Free Investment Account. If you require any assistance in completing this form, please call us on 021 532 6969.  
Deposit your lump sum investment directly into the bank account set out below. Please use your surname or investor number as reference for EFT payment. Investors who wish to invest via a monthly debit order must complete section E. Cash and cheque deposits are not accepted.
- Investors transferring a tax free savings balance from another provider must also complete the Tax Free Investment Transfer Form.
- Please fax (021 532 6970), email (unittrusts@foord.co.za) or deliver (Forest Mews, 96 Forest Drive, Pinelands, 7405, South Africa) this Tax Free Investment Account form, together with the required supporting documentation to Foord Unit Trusts (RF) (Pty) Ltd (Foord).
- Business cut-off time for receiving instructions is 14h00. Instructions will only be processed once all required documentation has been received.

ACCOUNT NAME	ACCOUNT NUMBER	BANK NAME	BRANCH NAME	BRANCH CODE
FOORD UNIT TRUSTS (RF) (PTY) LTD	6204 4711 366	FIRST NATIONAL BANK	REMOTE BANKING SERVICES	25-06-55

### A. ABOUT TAX FREE INVESTMENT ACCOUNTS

- This is a tax free investment as contemplated in section 12T(8) of the Income Tax Act. This means that local interest earned will be tax free, local dividends will not be subject to dividends withholding tax and gains made on disposal of tax free investments won't attract capital gains tax. Taxes may be withheld on income earned in foreign jurisdictions.
- This investment is available to South African resident individuals only.
- Contributions to tax free investment accounts are limited to R36 000 per year and R500 000 in your lifetime. These limits apply across ALL your tax free investment accounts (if you have more than one tax free investment account, the annual contribution limit is R36 000 across all of your accounts combined, NOT R36 000 per annum per account). Foord may not accept any investment in excess of these contribution limits.
- Reinvestment of distributed income does not count towards the contribution limits and redemptions are not considered when calculating your annual or lifetime contributions.
- Any contribution exceeding the annual or lifetime contribution limits is taxed at 40% of the excess amount.**
- It is your responsibility to monitor your tax free investment accounts carefully to ensure that in the aggregate they do not exceed the annual or lifetime contribution limits. Foord Unit Trusts will not be liable for any losses, including taxation payable by you, as a result of your use of this investment account.

### B. INVESTOR DETAILS

Title \_\_\_\_\_ First name(s) \_\_\_\_\_ Surname \_\_\_\_\_  
SA identity number \_\_\_\_\_ Investor number \_\_\_\_\_

### C. PUBLIC OFFICE (POLITICALLY EXPOSED PERSONS)

A politically exposed person (PEP) is defined by the Financial Action Task Force (FATF) as an individual who is a prominent public figure or has been entrusted with a prominent public function (e.g heads of state or of government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, important political party officials).

Are you a PEP (based on the definition above) and/ or are you related to a PEP?  Yes  No

Details \_\_\_\_\_

### D. TAX STATUS

Are you resident in South Africa for the purposes of South African income tax?  Yes  No

SA income tax number \_\_\_\_\_



**G. WITHDRAWAL INSTRUCTION**

FUND	ACCOUNT NUMBER	NUMBER OF UNITS	OR PERCENTAGE	OR RAND VALUE
Foord Balanced Class B4				% R
Foord Equity Class B4				% R
Foord Flexible Fund of Funds Class B4				% R

NOTES: 

- You cannot replace withdrawn contributions. Contribution limits are **not** net of withdrawals.

**H. TRANSFER OUT INSTRUCTION**

FUND	ACCOUNT NUMBER	RAND VALUE	
Foord Balanced Class B4		<input type="checkbox"/>	FULL VALUE
Foord Equity Class B4		<input type="checkbox"/>	FULL VALUE
Foord Flexible Fund of Funds Class B4		<input type="checkbox"/>	FULL VALUE

NOTES: 

- Complete the application process of the receiving transfer service provider. Please ensure that the receiving provider is able to accommodate transfer requests.
- Complete the applicable transfer request form of the receiving service provider. Please allow up to 10 days for transfers.
- Foord will issue you with a transfer certificate after completion of this withdrawal instruction. Please retain your certificate for tax record keeping purposes.
- Foord may limit investors to a maximum of two transfers out during any tax year (March to February). Partial transfers are not permitted.
- No transfer request will be accepted during the last 10 business days of February.

**I. AMENDED DEBIT ORDER INSTRUCTION**

Cancel all debit order instructions       Do not change debit order instructions       Change debit order instructions\*

\* If this option is selected, please complete the table below. This automatically cancels all existing debt order instructions. Your debit order date will remain the same as your previous instruction.

FUND	MONTHLY DEBIT ORDER
Foord Balanced Class B4	R
Foord Equity Class B4	R
Foord Flexible Fund of Funds Class B4	R
TOTAL	R

Debit order date \_\_\_\_\_ Commencing month \_\_\_\_\_

NOTES: 

- Fund minimums and maximums apply to debit order instructions.
- We may cancel the debit order if a transaction cannot be completed owing to insufficient funds.
- Please allow 3 days' notice for new or amended debt order instructions.

**J. BANK ACCOUNT DETAILS (IF DIFFERENT FROM THOSE ON RECORD WITH FOORD)**

MONTHLY DEBIT ORDERS

We will use these bank details to make all future bank deductions.

Initial(s) and surname(s) of account holder(s) \_\_\_\_\_

Bank \_\_\_\_\_ Branch \_\_\_\_\_

Branch code \_\_\_\_\_ Account number \_\_\_\_\_

NOTES: 

- Please submit a recent bank statement.

## TAX FREE INVESTMENT ACCOUNT FORM

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FOORD UNIT TRUSTS (RF) (PTY) LTD



### THIRD PARTY BANK ACCOUNT (IF THE ACCOUNT HOLDER IS NOT THE INVESTOR)

Identity or passport or registration number of account holder \_\_\_\_\_

Residential or registered address \_\_\_\_\_

Country \_\_\_\_\_ Postal code \_\_\_\_\_

Contact name \_\_\_\_\_ Email \_\_\_\_\_

Tel ( \_\_\_\_\_ ) \_\_\_\_\_ Fax ( \_\_\_\_\_ ) \_\_\_\_\_

Relationship to the investor \_\_\_\_\_

I, the account holder, authorise Foord to debit the specified third party bank account with the monthly amount specified.

Signature \_\_\_\_\_ (only if third party bank account holder is authorising the payment)

### PAYOUT ACCOUNT DETAILS (IF DIFFERENT FROM ABOVE)

We will use these bank details to make all future payments to you.

Proceeds resulting from the sale of units will only be paid into a bank account in the name of the investor (including a minor child).

Bank \_\_\_\_\_ Branch \_\_\_\_\_

Branch code \_\_\_\_\_ Account number \_\_\_\_\_

- NOTES:
- The investor must have a South African bank account, confirmation of which must be provided (recent bank statement or bank confirmation letter).
  - The onus is on the investor to inform Foord of any changes to the bank account details.
  - No payments will be made to third party bank accounts, credit card accounts or post office accounts.
  - No payments will be made by cheque or in cash.

## K. DETAILS OF A PERSON ACTING ON BEHALF OF AN INVESTOR (MINOR'S PARENTS/GUARDIANS OR IN TERMS OF A POWER OF ATTORNEY)

Title \_\_\_\_\_ First name(s) \_\_\_\_\_ Surname \_\_\_\_\_

SA identity number \_\_\_\_\_ Nationality \_\_\_\_\_

Date of birth \_\_\_\_\_ County of birth \_\_\_\_\_

Relationship to the investor \_\_\_\_\_

Residential address \_\_\_\_\_

Country \_\_\_\_\_ Post code \_\_\_\_\_

Tel home ( \_\_\_\_\_ ) \_\_\_\_\_ Tel work ( \_\_\_\_\_ ) \_\_\_\_\_

Email \_\_\_\_\_

Are you a PEP (based on the definition in section C above) and/ or you related to a PEP?  Yes  No

Details \_\_\_\_\_

## L. COMPLIANCE AND COMPLAINTS

### COMPLIANCE

Please do not hesitate to contact us if you are not satisfied with the service received from Foord. A complaint must be submitted to the Compliance Officer at the contact address set out below. Foord will acknowledge the complaint in writing and will inform the investor of the contact details of the persons involved in the resolution thereof.

Forest Mews, 96 Forest Drive, Pinelands, 7405, South Africa | Tel: 021 532 6969 | Fax: 021 532 6970 | Email: [complaints@foord.co.za](mailto:complaints@foord.co.za)

### COMPLAINTS

If an investor has a complaint about advice received, the investor has the right to address the complaint in writing to the Ombud for Financial Services Providers at the address below. The Ombud is legally empowered to investigate and adjudicate complaints in a procedurally fair, economical and expeditious manner.

PO Box 74571, Lynnwood Ridge, 0040 | T: 012 470 9080 | F: 012 348 3447 | E: [info@faisombud.co.za](mailto:info@faisombud.co.za)

## M. TERMS AND CONDITIONS

1. This application, together with the Main Deed and the relevant Supplemental Deeds, will govern the legal relationship between the investor and Foord Unit Trusts (RF) (Pty) Ltd ("Foord"). It is at Foord's sole discretion to accept or reject the investor's application form. Foord may amend these terms from time to time, and shall publish the amended terms and conditions on its website, [www.foord.co.za](http://www.foord.co.za).
2. For the purposes of this agreement, unless the context indicates otherwise, the singular shall include the plural and vice versa, reference to a natural person shall include bodies corporate and vice versa, reference to any gender shall include the other gender and clause headings have been inserted for convenience only and shall not affect the interpretation of the agreement.
3. Collective Investment Schemes in Securities (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to the future. Unit trusts can engage in borrowing. Foord does not engage in scrip lending. No commission or incentives are payable by Foord with respect to Tax Free Investment Accounts. A schedule of fees and charges is available on request from Foord. All of the Foord unit trusts may be capped at any time in order for them to be managed in accordance with their mandates. The portfolio may include underlying foreign investments. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. The underlying foreign investments may be adversely affected by political instability as well as exchange controls, changes in taxation, foreign investment policies, restrictions on repatriation of investments and other restrictions and controls which may be imposed by the relevant authorities in the relevant countries. A feeder fund is a portfolio that, apart from assets in liquid form, consists solely of units in a single portfolio of a collective investment scheme, which levies its own charges and which could result in a higher fee structure for these portfolios. A fund of funds invests only in other Collective Investment Schemes, which may levy their own charges, which could result in a higher fee structure for these portfolios.
4. The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees. The investor furthermore agrees that Foord will not be liable for the consequences of market influences and consequent changes in unit prices.
5. Unit trust prices are calculated on a net asset value basis. This is the total value of all assets in the portfolio including any income accruals less any permissible deductions from the portfolio. Permissible deductions from the total portfolio include bank charges, trustee/custodian fees, audit fees, manager's annual fees, securities transfer tax and brokerage. Forward pricing is used.
6. Units are traded at ruling prices and will be repurchased by Foord in accordance with the requirements of the Collective Investment Schemes Control Act and on terms and conditions set forth in the relevant Deed. The portfolios are valued daily at 15h00. The business cut-off time for receiving an instruction is 14h00. Should an instruction be received after 14h00, it will only be processed on the following business day, at the price determined on that day (excluding weekends and public holidays).
7. Investments will only be processed on receipt of monies, proof of deposit and all required documentation. No interest shall accrue to monies awaiting allocation.
8. Any units purchased as a result of a debit order cannot be repurchased, switched or transferred within 40 days of each investment date.
9. Statements and reports are sent to all investors on a quarterly basis. Advice notes are sent on a transaction basis (excluding debit orders).
10. All redemptions must be requested on the prescribed form and will be executed following receipt and acceptance of such written instruction and subject to Foord's requirements having been met. Please note that in the case of redemptions, settlement may take up to 48 hours.
11. Investors wishing to redeem units amounting to more than 5% of the total market value of the relevant unit trust fund portfolio must provide Foord with at least 7 business days' written notice of such redemption. If this notice is not received by Foord, Foord may treat such withdrawal as only having taken place on the 7th business day after such instruction is received. However, where the amount to be redeemed exceeds 10% of the total market value of the portfolio, the parties shall determine the actual date of withdrawal through mutual agreement between them.
12. Security cessions in respect of investments will only be recorded based on a number of units, and not in respect of any rand amount.
13. Foord will not be responsible for any loss, consequential or otherwise, arising from changes in tax or legislation that may have an impact on the performance of the investments. Distributions may be subject to mandatory withholding taxes. Please consult your tax advisor regarding the potential tax consequences of this investment, which may include income and capital gains taxes.
14. Foord reserves the right to terminate this contract by giving 5 days' notice to the investor. Units shall be repurchased on the 5th day after notification of termination at the ruling price on that day. Any proceeds from the termination shall be paid into the investor's bank account given in the application form.
15. Transfers from your Foord Tax Free Investment Account to a tax free savings account of another product provider are permitted in terms of S12T(8) of the Income Tax Act and Foord's terms and conditions for tax free transfers. Foord will not permit partial transfers and may limit investors to a maximum of two transfers out during any tax year. No transfer request will be accepted during the last 10 business days of February.
16. Investors must provide current contact details to Foord Unit Trusts. If an investor becomes uncontactable or if a distribution or redemption payment is rejected by the recipient bank, their participatory interests will be considered to be unclaimed units. Foord will make reasonable attempts to contact holders of unclaimed units, which may include making use of an external tracing company. Related costs may be recovered from these investors. Unclaimed units will remain invested in the portfolio, until the units are claimed or transferred to another portfolio with the Registrar's consent.
17. No indulgence granted by Foord shall affect or prejudice the rights of Foord, nor shall it be regarded as a waiver of Foord's rights.
18. Foord holds both professional indemnity and fidelity insurance cover.
19. Foord is a registered VAT vendor. VAT registration number: 4560201594.

## N. INVESTOR DECLARATION

All information in this application form, and in all documents that have been or will be signed by me in connection with this investment, whether in my handwriting or not, is accurate and complete and forms the basis of this agreement. I will notify Foord promptly of any changes to the information provided.

I warrant that I have full power and authority to enter into and conclude this contract, with the necessary assistance where such assistance is a legal requirement.

I have read and fully understood all the pages of this application form and agree to the terms and conditions of this investment. I am aware of the charges and fees, the total expense ratio, investment objectives, risk factors and income distributions applicable to my investment as set out in this form, the Minimum Disclosure Document (which is available at [www.foord.co.za](http://www.foord.co.za)) and in other documentation provided to me. I know that there are no guarantees on my investment capital or the performance return of the investment and that this product offers no cooling-off rights. I am aware that the performance may be affected by changes in the market or economic conditions and legal, regulatory and tax requirements.

I acknowledge and confirm that I am making an unsolicited offer to purchase, switch or redeem units in the fund(s), and that Foord has not provided any form of financial advice.

**I understand that any contribution to my tax free investment account(s) in excess of the annual and lifetime contribution limits are subject to taxation of 40% of the excess amount.**

**I will monitor my annual and lifetime contributions to my tax free investment account(s) so as not to exceed the prescribed limits. I understand that Foord is not liable for any taxation payable as a result of my use of this investment account.**

For the purposes of the Protection of Personal Information Act No. 4 of 2013 (POPI), I consent and acknowledge that all personal data provided by me to Foord, the Trustee or their related corporations and/or independent third parties (such as tracing agents) and their respective employees may be used to enable each of the aforesaid entities to carry out their respective duties and obligations in relation to this investment or as may be permitted under POPI.

I declare that dividends paid to me are exempt from the dividends tax in terms of section 64F of the Income Tax Act. I undertake to inform Foord in writing should my circumstances related to this declaration change.

I authorise Foord to:

- accept instructions by facsimile or email and hereby waive any claim that I may have against Foord and indemnify Foord against any loss incurred as a result of Foord receiving and/or acting upon such facsimile or email;
- debit the specified bank account with the monthly amount/lump sum specified, if applicable.

Signature \_\_\_\_\_ Name \_\_\_\_\_

Date \_\_\_\_\_

## O. SUPPORTING DOCUMENTATION

In terms of the Financial Intelligence Centre Act 38 of 2001, and the regulations thereto, Foord is obliged to identify and verify the identity of its investors. Foord will only place investments once all supporting documents have been received. The investor and any person acting on behalf of the investor must attach to this Investment Application Form certified copies of the following required documents, unless these documents are already on record with Foord:

Foord is obliged to identify its investors. Foord will only place investments once all supporting documents have been received. Kindly submit:

1. **South African citizens and residents**
  - 1.1. Identity document containing a photo, full names, date of birth and ID number (a passport containing the above information will only be accepted with written substantiation), or unabridged birth certificate for minor child investors.
  - 1.2. A document less than 3 months old containing residential address, e.g., utility bill, rental account or rates account.
2. **Foreign nationals**
  - 2.1. A valid (non-expired) passport containing a photo, full names and date of birth.
  - 2.2. A document less than 3 months old containing residential address, e.g., utility bill, rental account or rates account.
3. **Legal incapacity or third party representing another individual**
  - 3.1. Identity document/passport as set out in 1.1 and 2.1 above in respect of the agent and the investor.
  - 3.2. A document less than 3 months old containing a residential address as set out in 1.2 above in respect of the agent.
  - 3.3. Proof of authority to act, e.g., birth certificate (where investor is the minor child of the representative), power of attorney\*, mandate\*, resolution\*, partnership agreement or court order. (\*Original certified copy required BEFORE application will be processed)
4. **Debit orders: third party bank account holder**
  - 4.1. Identity document/passport and residential address, as set out in 1 and 2 above, in respect of an individual third party bank account holder.
5. **Any other: please contact Foord for the required documentation**

**P. FEES AND CHARACTERISTICS – TAX FREE INVESTMENT ACCOUNT (CLASS B4)**

	FOORD BALANCED FUND	FOORD EQUITY FUND	FOORD FLEXIBLE FUND OF FUNDS
Initial, Exit and Switching Fees	0.00%	0.00%	0.00%
Fixed Annual Fee	1.0% (plus VAT) plus 1.00% in Foord International Fund and 0.50% in Foord Global Equity Fund (Luxembourg)	1.35% (plus VAT)	1.35% (plus VAT)
Benchmark	Market value weighted average total return of the South African - Multi Asset - High Equity unit trust sector, excl. Foord Balanced Fund.	Total return of the FTSE/JSE Capped All Share Index.	CPI + 5% per annum, which is applied daily using the most recently available inflation data and accordingly will be lagged on average by 5 to 6 weeks.
Total Expense Ratio (TER)	The total expense ratio of a portfolio is a measure of a portfolio's annual expenses, fees and charges, expressed as a percentage of the average daily value of the portfolio. These expenses include the annual fee, VAT, audit fees, bank charges and costs incurred in any underlying funds. A higher TER does not necessarily imply a poor return, nor does a lower TER imply a good return. The current TER is not an indication of future TERs.		
Mandate Restrictions	Maximum equity exposure of 75%. Maximum offshore exposure of 30%. Complies with pension fund investment regulations.	Minimum equity exposure of 80%.	None – the fund is unconstrained
Income Distributions	End-March and end-September each year	End-March and end-September each year	End-March and end-September each year
Income Characteristics	Medium yield.	Low gross income yield, typically similar to FTSE/JSE All Share Index dividend yield.	Low to medium income yield depending on the asset allocation. The income yield is affected by the level of performance fees accrued.
Portfolio Orientation	Typically a medium to high weighting in JSE shares, and includes exposure to listed property, commodity securities, bonds, money market instruments and foreign assets.	Portfolio of quality JSE shares that present compelling long-term investment value.	Exploiting the benefits of global diversification, the portfolio continually reflects Foord's prevailing best investment view on all available asset classes in South Africa and around the world.
Risk of Loss	High in periods shorter than 6 months. Lower in periods greater than 1 year.	High in periods less than 1 year. Low in periods greater than 3 years.	High in periods less than 6 months. Lower in periods greater than 1 year.
Return Objective	To exceed the return of the Benchmark, over rolling 3-year periods.	To exceed the return of the Benchmark, over rolling 3-year periods.	To achieve a 5% real return over rolling 3-year periods.
Suitable Investors	Medium- to long-term investors saving for retirement.	Those requiring long-term capital growth and who are able to withstand investment volatility in the short to medium term but who do not require a high income yield.	Investors with a moderate risk profile who require long-term inflation beating total returns, but who do not require a high income yield. It is appropriate for investors seeking a balanced exposure to domestic and foreign assets, according to Foord's best investment view.