

# Namibia Unit Trust Terms and Conditions



## The role of the Manager

The Manager manages the M&G Namibian unit trust funds. The Manager does not give financial advice and therefore cannot give any recommendation, guidance or proposal regarding any of the M&G Namibian unit trust funds. The Manager will only act on your specific written investment instructions, subject to the terms and conditions set out in this agreement and application form.

The Managers details are:

MandG Investments Unit Trusts Namibia Limited  
6 Feld Street  
Windhoek Namibia

The Manager is a member of the Association of Unit Trusts Limited of Namibia (AUT).

## The role of MandG Investment Managers (Pty) Ltd

MandG Investment Managers (Pty) Ltd is appointed by M&G Namibia to perform the asset management services for all the portfolios and funds of M&G Namibia. MandG Investment Managers (Pty) Ltd is an authorized discretionary financial services provider, licensed by the Financial Sector Conduct Authority in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002.

## The role of the Trustee/Custodian

The Trustee/Custodian is an independent party, appointed to make sure that the assets of your chosen unit trust fund are safeguarded against fraud and mismanagement, and that it is managed according to the fund's supplemental trust deed. The Main trust deed and supplemental trust deed is a contract between the Trustee and the Manager and sets out the relationship between the fund, the Manager, the Trustee and the investors. It falls under the authority of the Registrar of NAMFISA. The supplemental trust deed sets out, among other things, the investment objectives and mandate to be followed by the Manager.

The Trustee's/Custodian details are:

FNB Namibia Limited Trustee Service  
209-211 Independence Avenue  
Windhoek  
Namibia

## Financial Adviser limitation

The Manager may contract with intermediaries to introduce the M&G unit trust funds. M&G Namibia has not authorised any entity to represent M&G Namibia to potential or existing investors. Financial Advisers may introduce you to M&G Namibia. However, you and M&G Namibia directly negotiate legal rights and obligations.

## Fees

The fees that apply for these unit trust funds are set on the attached Collective Investment Schemes (CIS) summary which is available on our website ([www.mandg.co.za/cis-mandgnut.pdf](http://www.mandg.co.za/cis-mandgnut.pdf)). The Manager does not charge an Initial Management Fee and none of the fund charge a performance fee.

The Manager may pay a standard Ongoing Adviser Fee to your Financial Adviser from the annual management fee of the fund. This is set, and is taken into account when the price of the fund is calculated (i.e. part of the standard expenses of the fund). You cannot negotiate this percentage. An additional Initial Advisor Fee

(subject to relevant maximums) and Ongoing Adviser Fee is negotiable between you and your Financial Adviser, for which units would need to be cancelled from your account to pay your Financial Adviser. If you appoint a Financial Adviser, it is the responsibility of your Financial Adviser to make sure that you are fully informed of all fees relating to this investment. Your quarterly statement will show the fees applicable for that period. VAT will be added to all fees, where applicable. By signing this document, you give your permission to deduct all fees as shown in the schedule titled "M&G Unit Trust Schemes". Please refer to the Unit Trust (CIS) summary on our website. All fees may be amended by The Manager from time to time, and in such cases, a notification will be sent to investors. All management fees charged are exclusive of VAT.

## Reporting and pricing

You will receive a quarterly statement with the market value of your investment. Additional statements are available on request. Permissible deductions from the fund include annual asset management fees, share trading costs, MST, auditor's fees, bank charges incurred by the fund, and trustee fees. Units will be bought and sold at the price calculated as described above, as required by the Unit Trust Control Act and the supplemental trust deed of your chosen unit trust fund.

## Transaction cut-off times and requirements

The Manager needs to receive all signed and completed transaction instructions, as well as any required supporting documents and relevant investment amounts, before 12:30 pm (Namibian time) to use the price for that same day, except for

- a the Money Market Fund, which has a cut-off time of 09:00 am (Namibian time).
- b Investor redeeming more than 5% of the total value of the relevant fund. (See below Payments paragraph for terms of disinvestment).

The cut-off times also apply to withdrawals and switches. If any required documents or investment amounts are received after the cut-off time, the Manager is not obliged to transact at the price for that day.

## Investment minimums

There is a minimum market value requirement of N\$2 000 per fund. If the market value falls below this amount because of a switch, a debit order cancellation or a withdrawal, the Manager has the right to withdraw the market value of the remaining units and pay the proceeds to you, or to charge a transaction fee for balances below the minimum market value amount.

## Payments

All payments will be electronically transferred into your bank account only. No payment to a credit card is possible. Please note that in the case of redemptions, settlement may take up to 48 hours except for below. Investors wishing to redeem units in excess of 5% of the total fund value of the relevant unit trust fund must provide The Manager with at least 7 business day written notice of such redemptions. If this notice is not received, the Manager may treat such redemption as only being received on the 7<sup>th</sup> business day after such instruction has been sent. If, however the amount exceeds 10% of the total fund value the parties shall determine the actual date of withdrawal through mutual agreement between them.

## Unclaimed assets

The Manager and M&G Namibia reserves the right to appoint an external tracing company to trace investors whose investments have remained unclaimed for 10 years. The investor may be held liable for the costs associated with this appointment.

## Amendment instructions

To change a regular withdrawal or debit order payment, please use the relevant instruction form. The Manager needs to receive a debit order instruction/amendment in writing before the 20<sup>th</sup> day of each month to act on the instruction before the 1st working day of the following month. You may cede or assign your investment, subject to a processing cost (if applicable at the time of your cession instruction).

The Manager will only act on signed instructions. It will only proceed with a transaction if there is no doubt as to the validity of any signatures or information, and when the instruction is complete. The Manager cannot be held liable for any losses resulting from the above requirements.

## Anti-bribery and Corruption

- 1 M&G Namibia and its related parties are part the UK listed M&G plc group of companies, as part of a global financial services group, the Manager and M&G Namibia are committed to creating and delivering sustainable value for their investors and conducts their business in an honest, ethical and professional manner and adheres to the highest standards of corporate governance.
- 2 The Manager and M&G Namibia have always adopted a zero tolerance towards all corrupt activities.
- 3 The Manager and M&G Namibia forbid and do not support any individuals or organisations that participate in any acts of fraud, bribery, corruption or in the practice of making use of facilitation payments, where facilitation payments is defined as “payments” made as a way to get or speed up a legitimate service that is offered by a government agent. Facilitation payments do not include legitimate fees that are payable for that service and the fees are applicable to anyone receiving the same or similar service. Facilitation payments also do not include the payment of a “fast track” fee as long as the faster service is available to anyone paying a similar fee. Nor do they include the provision of resources to assist the government agent to more efficiently provide the services that are supplied”. These acts are illegal and have the ability to cause damage to the reputation of the M&G Namibia.
- 4 For the avoidance of doubt, bribery is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage. An advantage includes money, gifts, loans (or the forgiveness of a debt), fees, hospitality, services, discounts, employment opportunities, the award of a contract or anything else of value. A person acts improperly if they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. Corruption is the abuse of entrusted power or position for private gain.
- 5 You undertake to:
  - a Comply with all applicable anti-bribery and anti-corruption laws and regulations;
  - b Not offer any bribe or facilitation payment to any public official or other person;
  - c Not offer, pay, agree to accept or accept any bribe or corrupt payment in respect of any activity related or attributable to the Manager or M&G Namibia;
  - d Not do anything that may cause the Manager or M&G Namibia to breach the applicable anti-bribery and anti-corruption laws and regulations.
- 6 You agree that the Manager shall be entitled to immediately terminate this agreement for any breach of the above provisions that relate to anti-bribery and corruption. To the extent that you are the subject of credible adverse media reporting or criminal prosecution involving allegations of bribery, corruption, fraud

and/or any criminal offence that is based on dishonesty and/or regulatory infractions or enforcement actions and/or allegations of an objectively adverse nature, and if this negatively impacts on the reputation of the Manager or M&G Namibia or is likely to impact negatively the reputation, you confirm and acknowledge that M&G Namibia may, without any liability whatsoever, terminate this agreement. The Manager and M&G Namibia will undertake to provide you with a reasonable opportunity to respond to the credible adverse media reporting or criminal prosecution before the Manager terminates this agreement. In this regard, the Manager will notify you in writing requesting your written response within 48 hours. Thereafter, it will be within the Manager's discretion to immediately terminate this agreement. You agree that the Manager and M&G Namibia are not responsible for any losses or damages (whether direct or consequential) that you may suffer because of the termination of this agreement under this clause.

- 7 For the avoidance of doubt, credible adverse media reporting means media publications (whether in print media, online, radio or television) that suggest criminal conduct, regulatory infractions and/or allegations of an objectively adverse nature on the part of an individual, entity or entities, published by independent reputable news providers that may be considered to be impartial, that results in a current or foreseeable reputational risk. The media publications must appear to be based a reasonable degree of research and/or investigative journalism, and reported by more than one news provider. The personal views, theories, opinions, and unsubstantiated allegations of any individual made to a news provider or on any form of social media shall not constitute credible adverse media.

## Protecting your information

The Manager and M&G Namibia have adopted the M&G Group privacy policy. The Manager and M&G Namibia may collect, verify, use, disclose or otherwise process your personal information for the purposes of providing the products and/or services which you have requested from the Manager and or M&G Namibia. Your personal information may be collected directly from you, your agent, an authorised financial service provider, or where appropriate a regulator or state body. The Manager and M&G Namibia may process your personal information for the purpose of administration, marketing, complying with legal and audit requirements, for record keeping purposes, to improve our service, products, and your experience.

The Manager and or M&G Namibia are required to process and keep investor and investor representative information to perform its obligations lawfully, fairly and competently. The Manager and M&G Namibia will only process your personal information for the purposes it was collected for, and any other legitimate purposes related to the original purpose. The Manager and or M&G Namibia have controls and security measures in place to protect personal information from unauthorised use, for security and servicing purposes the Manager and or M&G Namibia may monitor, and record telephone calls and other instructions submitted by other means. We may share your personal information with our employees, agents, subcontractors, with other entities within the M&G group, with your adviser and/or their duly appointed agent or service provider, where directed. Personal information may be transferred to offshore providers. In such instances the Manager and M&G Namibia will ensure that sufficient legislation or agreements are in place for the information to remain adequately protected. You are entitled to request access to the information we have collected, processed and shared. All processing of personal information will be done in accordance with applicable laws and M&G Group's privacy policy, which can be obtained at [www.mandg.co.za/personal-investor/terms-and-conditions/](http://www.mandg.co.za/personal-investor/terms-and-conditions/).

## Sanctioned and Politically Exposed Persons

You consent that M&G Namibia may:

- 1 process your personal information to conduct sanctions screening against all mandatory and non-mandatory sanctions lists, including the sanctions lists of Namibia, the Manager and the M&G SA Group; the United Nations Security Council; the United States Office of Foreign Assets Control; the United

Kingdom Her Majesty Treasury; the European Union and South Africa (“sanctions lists”) and/or politically exposed person screening and to monitor your instructions and transactions;

- 2 share your personal information with local and international Regulatory Bodies as well as other related entities if you are matched to one of these sanctions lists, if we are required to do so in terms of laws, internal and external policies and procedures, rules and requirements relating to international sanctions, prohibited business activities and the detection and prevention of money laundering and the financing of terrorism (“financial crime regulation”) or if we decide to do so for internal business purposes;
- 3 terminate this agreement, any transaction or instruction, and/or our business relationship with you with immediate effect and without warning if you are found to be on a sanctions list or if your use of our products or services contravenes any applicable financial crime regulation.

You agree that the Manager and M&G Namibia are not responsible for any losses or damages (whether direct or consequential) that you may suffer because of the processing of your personal information for purposes relating to financial crime regulation; delays or non-execution by the Manager and M&G Namibia or any other related entity of obligations undertaken under these terms and conditions or other obligations, attributable in whole or in part to activities which the Manager and M&G Namibia or any related entity, at its unfettered discretion, considers appropriate for its compliance with financial crime regulation, or the termination of this agreement, any transaction or instruction, and/or our business relationship with you.

## Conflict of interest disclosure

The Manager and M&G Namibia do not engage in any proprietary trading, i.e. it does not buy and sell assets with its own money to make a profit for itself. It only invests investors’ money. However, M&G Namibia will seed (provide the start-up investment money for) unit trust funds where the law requires it. All service providers, such as stockbrokers, are selected based on investors’ best interests and commercial terms. The Manager and M&G Namibia manages and monitors the risks of personal and business conflicts of interest. Controls include awareness, disclosures, approval processes and enforcement. The Manager and M&G Namibia and its staff will not be part of any activity prohibited by law.

All tangible gifts, benefits or hospitality, given and received, are limited to specific amounts. Staff members receive a mix of guaranteed and variable pay (the latter driven by business profits). New business consultants receive commission driven by new business targets, as well as by how well they service and support existing investors. Investment staff members are further incentivised based on personal performance. Investment performance bonuses align the interests of the investment professionals and investors. If investment performance is poor, investment professionals receive less pay. The MandG Staff Namibia Trust, of which all employees are beneficiaries, is a direct shareholder of 10% in M&G Namibia. Staff may trade financial instruments for their own profit. Personal trading is monitored by M&G Namibia’s Risk and Compliance. No staff member may trade for their personal account while M&G Namibia’s investors are in the market. Staff may invest in the financial products managed by M&G Namibia, e.g. unit trust funds.

## Complaints

The Manager invites any investor who is dissatisfied with the services provided to address their concerns directly with the Manager (contact details on the application form). We take your concerns and queries very seriously and undertake to engage directly, promptly and meaningfully with you. The Manager will acknowledge your complaint in writing and will provide you with the contact details of the persons involved in the resolution of your complaint. If you prefer to lodge a formal, written complaint regarding the Manager’s fair treatment of you or the nature of services offered, you can address your complaint to:

**The Compliance Officer:**

Email: [compliance@mandg.co.za](mailto:compliance@mandg.co.za)

## Termination of this Agreement

The Manager reserves the right and discretion to terminate this agreement and business relationship with you on the grounds of any regulatory, risk or commercial related reasons.

The Manager will provide you with 21 calendar days' written notice of our intention to terminate this agreement and business relationship.