
BOARD NOTICE RAADSKENNISGEWING

BOARD NOTICE 46 OF 2007 FINANCIAL SERVICES BOARD COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002

CONDITIONS IN RESPECT OF A COLLECTIVE INVESTMENT SCHEME CARRIED ON OUTSIDE BUT PROMOTED IN THE REPUBLIC

Under section 22(b) of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002) ("the Act"), I, Robert James Gourlay Barrow, Registrar of Collective Investment Schemes ("the Registrar"), hereby exempt, until 31 August 2007, a collective investment scheme carried on outside but promoted in the Republic, approved under section 65 of the Act, from the provisions of paragraph 6 of Notice 2076 of 2003, published in Government Gazette No. 25283 of 1 August 2003, and amended by Notice 1502 of 2005, published in Government Gazette No. 28287 of 4 December 2005, on the conditions set out herein.

1 The following conditions shall apply:

- 1.1 Undertakings for collective investment in transferable securities contemplated in Council Directive 85/611/EEC of the European Parliament ("UCITS") which applied in terms of Notice 2076 for amendment to their scheme particulars to accommodate the provisions of UCITS III, as contained in UCITS Directives 2001/107/EC and 2001/108/EC, to their schemes, provided that such scheme furnishes the Registrar, by not later than 31 May 2007, with proof that it is duly registered by the competent authority of its home jurisdiction, indicating any waivers granted or special conditions imposed, and that it was compliant with UCITS III by 13 February 2007;

1.2 UCITS, converted to UCITS III but which choose to apply the expanded investment powers under UCITS III, provided that –

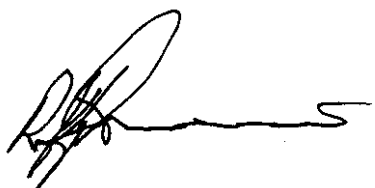
- (a) such scheme notifies South African investors, by not later than 31 May 2007, of the key differences between UCITS I and UCITS III and of any applicable additional risk relating to the use of financial derivative instruments:
- (b) such scheme notifies South African investors, by not later than 31 May 2007, that the scheme's risk management and control policies are appropriate, given the scheme's risk profile, and are available to such investors on request:
- (c) such scheme's documentation is revised, for new South African investors, highlighting the changes effected;
- (d) the proof referred to in paragraph 1.1 and the notifications referred to in paragraphs 1.2(a) and 1.2(b) be made available to new South African investors; and
- (e) the Registrar is furnished with copies of the notices referred to in paragraphs 1.2(a) and 1.2(b) and the revised documentation referred to in paragraph 1.2(c).

1.3 UCITS, converted to UCITS III but which choose not to apply the expanded investment powers under UCITS III, provided that –

- (a) such scheme confirms that it will continue to operate as before by notice to South African investors, by not later than 31 May 2007, and in offering documents;

-
- (b) if such scheme decides to adopt the UCITS III expanded investment powers, three months prior notice thereof should be given to South African investors, the notice to include the documents referred to in paragraphs 1.2(a) to 1.2(c) above; and
 - (c) the Registrar is furnished with copies of the documents referred to in paragraphs 1.3(a) and 1.3(b).
 - 1.4 Other foreign collective investment schemes approved under section 65 of the Act, provided that –
 - (a) South African investors are notified, by not later than 31 May 2007, that such scheme does not comply with Notice 2076 as amplified by Cisca Circular No. 2 issued by the Registrar on 16 March 2006. Such notice must indicate –
 - (i) the key differences between the requirements contained in paragraph 6 of Notice 2076 and Notice 1502, read with Cisca Circular No. 2, and such scheme's particulars;
 - (ii) any applicable additional risk relating to the use of any powers or strategies;
 - (iii) any limits contained in such scheme's particulars; and
 - (iv) that the scheme's risk management and control policies are appropriate, given the scheme's risk profile, and are available to such investors on request; and
 - (b) the Registrar is furnished with a copy of the notice referred to in paragraph 1.4(a).

- 2 Managers of schemes exempted in terms hereof are cautioned to order their business affairs in a manner that takes into account the fact that the exemption granted herein is only of a temporary nature, and that Registrar may, after due consideration, not support the accommodation of schemes which do not comply with the provisions of paragraph 6 of Notice 2076 of 2003 as amended.



REGISTRAR OF COLLECTIVE INVESTMENT SCHEMES