

Protect and Improve the Returns of your Unit Trust Investment!

The investment industry is a dynamic one in which asset management has become a specialised function. In order to succeed, either the investor or his Financial Adviser must play an active and informed role in portfolio management but often time constraints and lack of expertise result in costly mistakes being made.

The difficulties that investors experience are universal, ranging from poor investment performance to indifferent follow-up service provided by participants in the industry. Nor is the plight of the individual investor likely to improve unless active steps are taken to obtain better service. If, as is often the case, the investor decides that the management of the investment is the real problem, then alternative portfolio management arrangements should also be investigated.

Should an investor decide to have an investment, he should check that the manager is able to provide all the following services:

Switching to cash during market corrections

It is important to have a manager who is not only empowered, but also has the systems in place, to be able to default your investment to cash during uncertain times. Implied is that such switches should be executed with the minimum of delay and, if necessary, involve all the holdings in your portfolio.

Daily monitoring of investments

The investment composition should be adjusted from time to time to reflect shifts in market conditions. This can only be achieved through continuous monitoring of the comparative performance of the various components of the investment.

Reporting

The manager's periodic investment reports should be of such a nature that it is clear for both client and Financial Adviser to assess, that the level of progress achieved justifies the additional investment management fees charged. The portfolio manager should also be readily available to answer any questions on the current investment strategy or position in the market.

Professional status

Only deal with an investment manager who has Financial Services Board (FSB) accreditation/approval. This will not only assure a client of the manager's competence, but most importantly, will indicate that he is legally empowered to exercise discretionary management, which is vital under circumstances when quick decisions are demanded.

FINANCIAL SERVICES BOARD APPROVED INVESTMENT MANAGERS

BACKGROUND

Philip Craib Investments was created in 1997 out of the need for Financial Advisers and clients to have their investments placed under active management. Financial Advisers prefer to be kept informed, on a regular basis, on the progress of a client's investment performance, but often do not want the responsibility of managing the investment. Some of the more obvious reasons for this are that there are more than 400 funds to choose from and markets are unpredictable, volatile and risky. Moreover, the Financial Adviser is typically a generalist who attempts to cater in a broad sense to the entire client's needs, in the fields of investments, insurance, medical aid etc.

WHO ARE WE?

Philip Patterson Craib

Philip is a FSB approved portfolio manager with 10 years experience in portfolio management. His management style has over the past 9 years protected his clients against market corrections and has delivered a compound growth in excess of 900%. He has a MA in Public Administration and was responsible for developing the system currently used by Efficient Frontiers to manage multiple portfolios at any of the leading Linked Investment Service Providers.

Heiko Weidhase

Heiko has 6 years experience in Investment Management and is responsible for marketing, systems and is assisting Philip Craib with the Investment Management. He has a Diploma in Business Management.

Hugo Leon Snyman

Hugo Snyman has made it his mission to create products and services that will deliver to the client's expectations. He has 23 years experience in the investment industry, is a strategic thinker and was the founder of one of the first Financial Adviser networks in South Africa.

Reginald Labuschagne

Reggie has a scientific background and completed his BSc Honours in Genetics. He also completed a Diploma in Financial Management and was involved in establishing a Financial Advisers Practice in Mozambique.

Bjorn Craib

Bjorn recently joined P.C.I. and manages the administrative side of the business. He completed his Diploma in Broadcasting in 2003.

OUR AIM

- The management of the underlying assets in clients' linked investments.
- The achievement of above-average long-term investment returns.

THE BENEFITS

- The investment registered in the client's name remains with the original Linked Investment Service Provider (LISP), such as AIMS, Momentum, Galaxy, Sanlam.
- Simple, easy-to-understand performance reports both to the client and his Financial Adviser.
- Regular reconciliations of client's holdings help prevent losses arising from administrative error.
- Quick and efficient adjustment of investment composition in response to changing market circumstances.

HOW?

The following procedures are followed:

- The client, with the help of his Financial Adviser, decides to make use of Philip Craib Investments' services.
- The client signs a mandate and power of attorney, authorising Philip Craib Investments to manage his investment at the particular LISP (Linked Investment Service Provider).
- The client's holdings are over time adjusted to conform to Philip Craib Investments other client's investments, the end-result being that all Philip Craib Investments clients have broadly similar underlying assets in their investments.
- The details of client's investment are duplicated in the Philip Craib Investments portfolio database and from that point onwards run in parallel with the actual investment held by the LISP.
- Investment performance is monitored daily with switches made whenever considered necessary.
- Reconciliations of investment compositions are carried out monthly and corrections requested for any discrepancies which may be revealed.

UNIQUE ASPECT OF OUR SERVICE

- **Security.**
 - The investment continues to be registered in the name of the client. We can not alter or cancel any of the original title documents.
- **Optimal fee structure**
 - **All Investments where the performance fee is paid from the Investment. (Flexible and Prudential)**
 - Share of the profit - 15% + VAT (Value Added Tax)
 - "High Watermark Principle", which requires that we always have to surpass the previously highest attained net value before further profit

is accrued. For example, if the investment grows by 5%, and then loses 2%, the investment must first make up the 2% loss and surpass this, before it is regarded that there has been any further 'profit'.

- **Daily monitoring of clients' investments.**
 - With our computerised market analysis system we are able to track the current performance of all JSE listed unit trusts and accordingly are always aware in which sectors the best opportunities for growth are to be found. However, should we consider equities in general to be too risky, systems are in place to default all investments, regardless of LISP, 100% to cash within a matter of hours.

- **Reporting to the client.**
 - Our quarterly report to the client is issued after the details of the holdings have been reconciled with those of the investment held by the LISP. This report shows the current composition of the investment, any deposits or withdrawals made, and what the performance has been over the reporting period. The performance of the investment, year to date, is also depicted graphically.

- **Reporting to the Financial Adviser.**
 - The Financial Adviser, who remains the servicing agent of the client, also receives a monthly report indicating the performance, deposits and withdrawals of all his clients.
 - Whenever switches between funds, or, to or from the money market are requested, the reasons for our decision are immediately e-mailed to our Financial Advisers putting them in the position to answer any question which may be raised by their clients.

Also....

- We also have FSB approval to manage international investments.
- Interim information on any aspect of a client's investment is immediately available to both Financial Adviser and client.
- Friendly and efficient service.
- Peace of mind, knowing that your clients' investments are in the hands of managers who are just as concerned 'not to lose' as their clients!

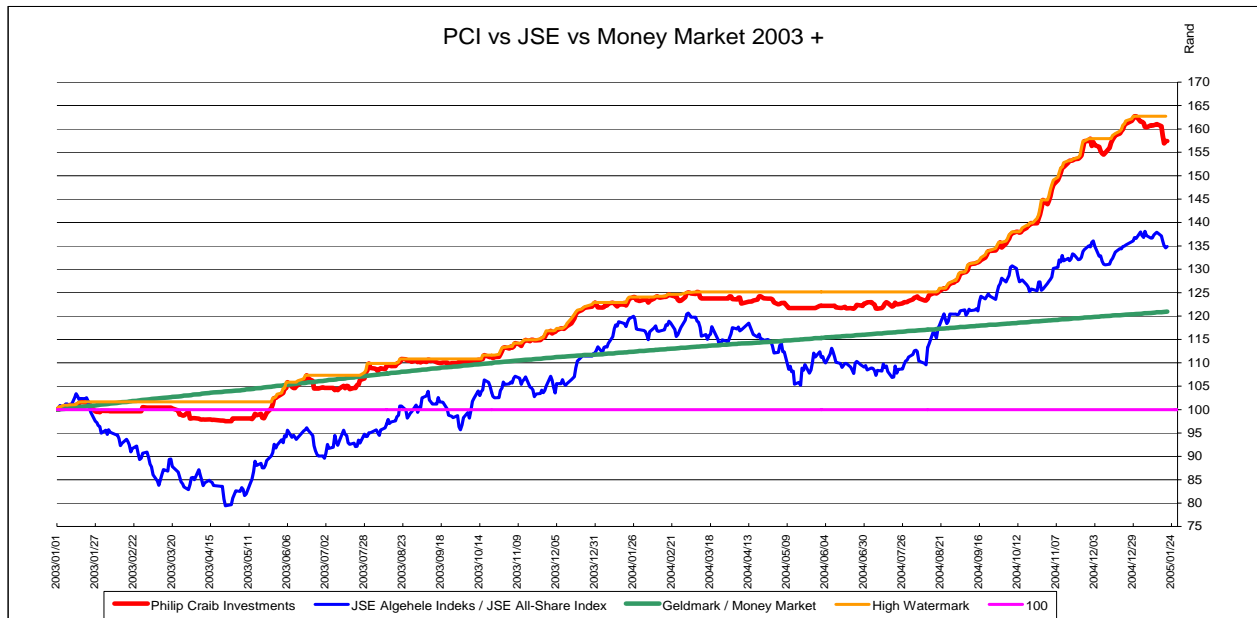
Risk Profile

Our mandate makes provision for clients wishing to achieve long-term capital growth. We have two investment structures, i.e.

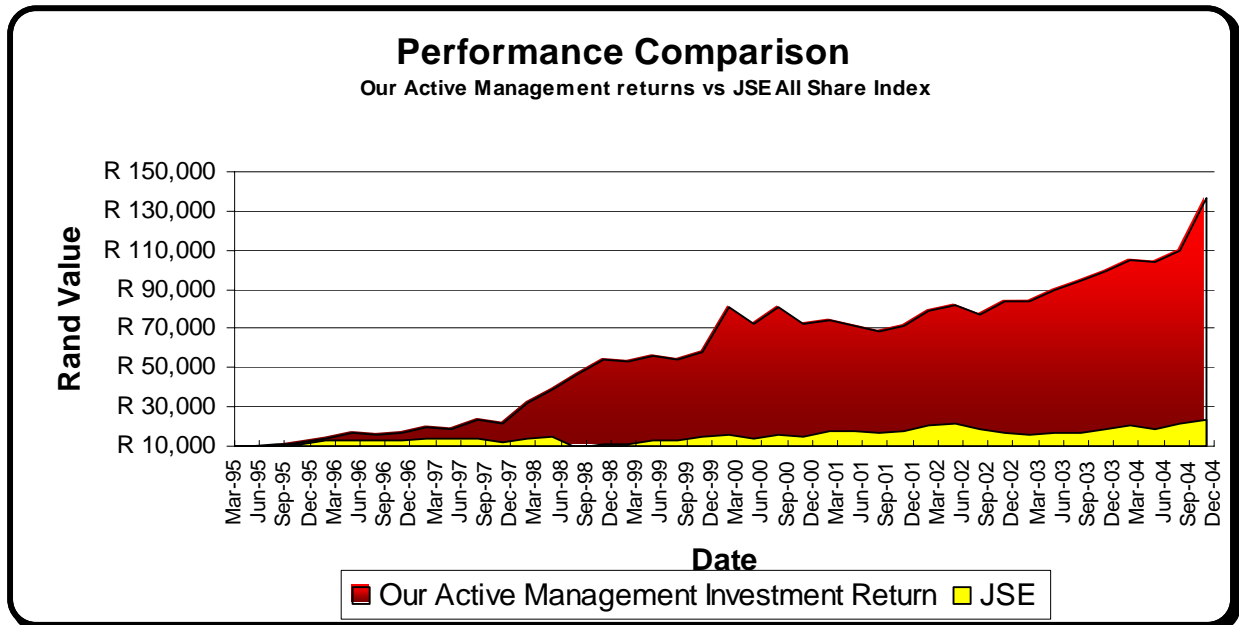
- Prudential
- Flexible

Performance

The following graph indicates the performance of the active management style of Philip Craib.



(Note: Past performance is no indication of future performance, and prices can fall as well as rise)



Contact

Heiko Weidhase heiko@efgroup.co.za
 Reginald Labuschagne reggie@efgroup.co.za
 Hugo Snyman hugo@efgroup.co.za
 Tel: (012) 460-6959 Faks: (012) 460-6950

Documentation required

1. Philip Craib Investments Mandate
2. Philip Craib Investments Power of Attorney
3. Philip Craib Investments Client Information Sheet
4. Recent Client Investment Statement, Copy of ID Document & Copy of Utility Bill
5. The above documents must be completed and faxed to us at (012)460-6950. When Philip Craib Investments receives the documentation, the investment will be adjusted and thereafter managed in accordance with a common investment strategy.

MANDATE ENTERED INTO BETWEEN

_____ AND **PHILIP CRAIB INVESTMENTS C.C.**
(I.D. _____) (C.C. REG. CK 97/57637/23) (FSP REG. 26/10/670)
(hereinafter referred to as the Client) (hereinafter referred to as the Discretionary Financial Service Provider)

FOR THE MANAGEMENT OF INVESTMENTS

WHEREBY IT IS AGREED

1. INTRODUCTION

- 1.1. The approval granted to the Discretionary Financial Service Provider in terms of section 7(1) of the Financial Advisory and Intermediary Services Act, 2002 applies to the management of investments as prescribed in the Codes of Conduct for Administrative and Discretionary Financial Service Providers, section 15(1)(a) of the said Act.
- 1.2. Chapter II, Part II, section 5.1 of the said Code which specifically sets out the Code of Conduct for discretionary FSP's requires that a discretionary FSP shall enter into a written mandate with the Client to record the arrangements between the Client and the discretionary FSP.

2. DEFINITIONS

- 2.1. **'the Act'** means the Financial Advisory and Intermediary Services Act, 2002 (Act No. 37 of 2002) and any word or expression to which a meaning has been assigned in the Act shall have the meaning so assigned to it; **'discretionary FSP'** hereinafter referred to as **'the FSP'** means an authorised FSP that renders, without implementing any bulking, intermediary services of a discretionary nature as regards the choice of particular financial product, acting for that purpose in terms of the Code of Conduct referred to in paragraph 1.2 above; **'investments'** in terms of the Act mean – (i) securities and instruments listed on the stock exchange or a foreign exchange including: shares, debentures and securitized debt, warrants, certificates and other instruments acknowledging; (ii) participatory interests in collective investment schemes registered or licenced either in South Africa or in a foreign country; (iii) funds intended for the purchase of any such investments; **'management of investments'** means the buying and selling of investments by the FSP on behalf of the Client in terms of this mandate; and **'value'** means the realisable market value of the investments referred to.

3. SCOPE AND REGISTRATION OF INVESTMENTS

- 3.1. The Client authorises the FSP to buy, sell or otherwise deal with the investments of the Client listed in paragraph 3.2 below at the sole and absolute discretion of the FSP.
- 3.2. The FSP shall register the investments that the FSP has from time to time purchased on behalf of the Client either in the name of the Client (for LISPs) or in the name of the nominee company (Members of the Stock Exchange) as the case may be.

INSTITUTION	INVESTMENT NUMBER	REGISTERED NAME*

- **For LISP='Client', For Members of Stock Exchange='Name of registered nominee company'**

- 3.3. The investment objectives of the Client are to achieve (i) long term capital growth or (ii) other - state _____ (Delete item not applicable).
- 3.4. The Client authorises the FSP to vote on the Client's behalf at any meeting of shareholders held in respect of investments listed in paragraph 3.2 above.

3.5. The FSP shall obtain and transmit to the Client any information which a relevant product supplier must disclose in terms of any law.

3.6. The Client authorises the FSP, in order to render the desired intermediary service, to utilise the services of its own staff or that of another approved FSP.

4. TREATMENT OF FUNDS

4.1. The FSP shall forthwith deposit, and when applicable, withdraw moneys received in the connection with the management of investments to the credit of the Client into a trust account held at the First National Bank bearing the name Philip Craib Investments CC Trust Account with the account number 51790020262.

4.2. Cash accruals (including dividends and interest) that become due to the Client shall be re-invested by the FSP in terms of this mandate.

5. REPORTING

5.1. The FSP shall furnish, upon request, but in any event at intervals not exceeding three months, a client report to the Client.

5.2. The client report submitted to the Client by the FSP will be based on information contained in, and is to be regarded as supplementary to, that furnished to the client by the party referred to in paragraph 3.2 of this mandate. The said report already contains sufficient accounting information to enable the client to produce a set of financial statements and to understand the extent of the true economic value of the investments and the changes therein over the period reported.

5.3. The primary purpose of the supplementary client report submitted to the Client by the FSP will be to appraise the client of the comparative performance of his/her investments relative to certain accepted norms and accordingly will provide at least the following information;

5.3.1. details of all assets held at the end of the review period at current realisable market values by asset and by class;

5.3.2. details of cash injections or withdrawals by the client during the period which are necessary to determine the adjusted performance of the investment;

5.3.3. a graphic comparison with all the required accompanying data of the adjusted performance for the year to date of the investment with a relatively riskless investment in the money market at prevailing interest rates;

5.3.4. a separate, detailed statement of account of any remuneration which may be payable, in arrears, at the end of the review period to the FSP by the Client for services rendered, calculated and recoverable as set out in paragraphs 6.1.1 and 6.1.2 below;

6. REMUNERATION

6.1. The Client shall remunerate the FSP for the management of investments on behalf of the Client, at the end of each reporting period, as follows:

6.1.1. a share of the profit equal to 15% (fifteen percent) of any increase in the realisable value of the investment above the highest previously attained periodic value.

6.2. The Client shall at the time of initiating the investment pay the FSP an acceptance fee of 0% (nil percent) of the investable amount.

6.3. No further remuneration other than that detailed in paragraphs 6.1.1 and 6.2 above will be receivable by the FSP from the institution referred to in paragraph 3.2

6.4. In the case of listed securities and instruments the Client authorises the FSP to recover the remuneration referred to in paragraphs 6.1.1 in arrears, from the investments of the Client. In the case of participatory interests in collective investment schemes the Client authorises the party referred to in paragraph 3.2 of this mandate to recover the portfolio management fees (including the performance fees) referred to in paragraph 6.1.1 at the percentage or rate instructed by the FSP from the underlying investment portfolio of the Client by repurchasing participatory interests from the underlying funds and to pay such investment fee in arrears to the FSP.

6.5. In instances where the rules of the party referred to in paragraph 3.2 of this mandate do not permit this, the Client agrees to pay the said amount directly to the FSP.

7. PROHIBITION FROM SELLING OR BUYING CERTAIN INVESTMENTS

7.1. The FSP shall not directly or indirectly;

7.1.1. sell any investments owned by the FSP to the Client;

7.1.2. buy for own account any investments owned by the Client.

8. RISK DISCLOSURE

- 8.1. The Client acknowledges that he/she has been made aware by the FSP that all securities/participatory interests in collective investment schemes carry the inherent risk not only of failing to yield a positive return but also of actual capital loss. In the case of Clients with foreign securities/ participatory interests in a collective investment scheme(s), he/she also acknowledges that such investments are in addition exposed to risks associated with uncontrollable changes in currency exchange rates.
- 8.2. The Client records that he/she accepts such risks, which may result in financial loss and will not hold the FSP responsible therefore.

9. TERMINATION OF MANDATE

- 9.1. Any amendment of any provision of this mandate shall be in writing and shall be by means of a Supplementary or New Agreement between the Client and the FSP.
- 9.2. The Client or the FSP shall be entitled to terminate this mandate after notice in writing of not more than 60 (sixty) calendar days.
- 9.3. When this mandate is terminated, the FSP shall immediately provide the Client with a final detailed statement of account.

10. ADMINISTRATIVE ARRANGEMENTS

10.1. The Client and the FSP hereby designate as their *domicilium citandi et executandi* for all purposes of this mandate the following addresses:

10.1.1. The Client (physical address) _____

10.1.2. The FSP: **PHILIP CRAIB INVESTMENTS CC, 72 DELY ROAD, WATERKLOOF 0181**

11. EFFECTIVE DATE

- 11.1. This mandate will become of force and effect on the signing of this mandate by the Client and the FSP.
- 11.2. In the event that the Client or the FSP do not sign this mandate at the same time, the Client or the FSB, as the case may be, shall sign this mandate within seven (7) days of the first signature on the mandate.

SIGNED AT _____ ON THIS _____ DAY OF _____ 200_

By the Client

As witnesses to the signature of the Client

_____ 1. _____ 2. _____

SIGNED AT PRETORIA ON THIS _____ DAY OF _____ 200_

By the Financial Service Provider

As witnesses to the signature of the FSP

_____ 1. _____ 2. _____

PHILIP CRAIB INVESTMENTS CC (FSP REG. 26/10/670)
POWER OF ATTORNEY APPOINTMENT & INDEMNIFICATION AGREEMENT

I, _____, residing at _____ do hereby appoint **PHILIP CRAIB INVESTMENTS CC** whose *domicilium citandi et executandi* is **72 Dely Road, Waterkloof, 0181**, and whose daytime telephone number is **(012) 460-6959**, and the specimen signature of whose representative appears below, my true and lawful investment management agent for me and in my name to purchase, redeem or transfer shares/units with respect to:

account number _____ of _____ **plan** and

account number _____ of _____ **plan**

at _____ (**linked investment service provider (LISP)**).

I hereby authorise and direct the said LISP and each of their officers to treat such transaction requests with the same force and effect as if the requests had been made by me personally. When making transaction requests pursuant to the authority granted hereunder the said investment management agent will disclose such capacity.

I hereby agree to indemnify and hold the said LISP harmless from acting upon any written instruction believed to have originated from the said investment management agent and from any and all his acts with respect to the shares/units held in the said account(s).

Notwithstanding any of the above I hereby accept that _____ of _____ (**Broker Code: _____**)

will continue to act in all other respects as the **servicing agent** for the said investment account(s).

This agreement is to remain in full force until revoked by me in writing. Such revocation will not effect any transactions initiated by the said investment management agent before such revocation has become effective.

The undersigned has read and understood the foregoing in its entirety before signing.

Executed by the undersigned at _____ on this _____ day of _____, 200_

Signature of INVESTOR

Witness to signature of Investor

I have read this document and accept the appointment as agent hereby conferred.

Executed by the undersigned in _____ on this _____ day of _____, 200_ .

Signature of PHILIP CRAIB INVESTMENTS CC

Witness to signature of Investment Agent

PHILIP CRAIB INVESTMENTS CC
FSP REG 26/10/670

INVESTOR PROFILE FORM / KLIËNTE INLIGTINGSBLAD

ENG

AFR

(Please select your preferred language / Kies asb u voorkeur taal)

SURNAME / VAN	
TITLE / TITEL	
FIRST NAMES / VOORNAAM	
POSTAL ADDRESS / POSADRES	
CODE / KODE	
PHONE NUMBER / TELEFOON NOMMER	
MONTHLY DEBIT ORDER ON INVESTMENT/ MAANDELIKSE DEBIETORDER OP BELEGGING (RAND)	
MONTHLY WITHDRAWAL ON INVESTMENT / MAANDELIKSE ONTTREKKING OP BELEGGING (RAND)	
BANKING DETAILS / BANK BESONDERHEDE	
Bank	
Branch & Branch Number/Tak & Taknommer	
Account Number/ Rekening Nommer	
Account Type/Rekening Tipe	
For further information contact:	Britta Weidhase on (012) 460-6959 or email britta@efgroup.co.za

**Please complete all fields in this document / Voltooi asb alle bostaande inligting.
Please attach a recent investment statement / Heg asb 'n onlangse beleggingstaat aan.**

I(Full names and surname of Broker)
confirm that:

I have established and verified the identity of the client and all associated persons if applicable in accordance with section 21 of the Financial Intelligence Centre Act (38 of 2001), read with the regulations thereto.

Client name:

Client ID Number: Reference Number:.....

Broker code: Brokerage Name:.....

Broker Signature: Date:

FINANCIAL SERVICES BOARD

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Tel (012) 428-8000 Fax (012) 347-0221 E-Mail info@fsb.co.za
Int +27 12 428-8000 Int +27 12 347-0221 Toll free 0800110443



Enquiries: Miss Felicity Mabaso
Our ref: 14/2/11/2/228
Date: 03 March 1998

Direct dialling: 428-8186
Fax: (012) 347-1379

Philip Craib Investments CC
44 Long Street
BREDASDORP
7280

Attention: Mr Philip Craib

Dear Sir

STOCK EXCHANGES CONTROL ACT, 1985, ("SECA") APPROVAL TO ACT AS INVESTMENT MANAGER

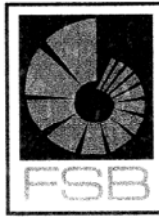
Your application for approval dated 30 January 1998 refers.

1. Philip Craib Investments CC is hereby approved as an investment manager in terms of section 4(1)(a) of the SECA.
2. The record of the authorised representative of Philip Craib Investments CC is as follows:

RECORD OF AUTHORISED REPRESENTATIVES AS AT 03 MARCH 1998	
Stock Exchanges Control Act, 1985	Mr Philip Craib

Yours faithfully


REGISTRAR OF STOCK EXCHANGES



FINANCIAL SERVICES BOARD

LICENCE No. 670

FINANCIAL SERVICES PROVIDER
Financial Advisory and Intermediary Services Act, 2002

It is hereby certified that with effect from 30 September 2004

PHILIP CRAIB INVESTMENTS CC

**IS LICENSED AS A FINANCIAL SERVICES PROVIDER IN TERMS OF SECTION 8 OF THE
FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT, 2002 (ACT No. 37 OF 2002)**
subject to the conditions and restrictions set out in the Annexure



REGISTRAR OF FINANCIAL SERVICES PROVIDERS

This document to be displayed in terms of section 8(8)(a) of the Act. The Annexure to be available for the information of clients.

**CERTIFIED A TRUE
COPY OF THE
ORIGINAL**

Loraine Zeelle
Commissioner of Oaths
EX OFFICIO ADVOCATE R.S.A
C/o Financial Services Board
446 Rigel Avenue South
Erasmusrand - Pretoria

