

Regulation 28

Restrictions



| Item | Categories of assets | Limits being the maximum percentage of aggregate fair value of total assets of fund | |
|-----------|---|---|---|
| | | Per issuer/entity as applicable | For all issuers/entities |
| 1. | CASH | | 100% |
| 1.1 | Notes and coins, any balance or deposit in an account held with a South African bank; A money market instrument issued by a South African bank including an Islamic liquidity management financial instrument; Any positive net balance in a margin account with an exchange; and Any positive net balance in a settlement account with an exchange, operated for the buying and selling of assets | 25% | 100% |
| 1.2 | Any balance or deposit held with a foreign bank; A money market instrument issued by a foreign bank including Islamic liquidity management financial instrument | 5% | |
| 2. | DEBT INSTRUMENTS INCLUDING ISLAMIC DEBT INSTRUMENTS | | 100% for debt instruments issued by or guaranteed by the Republic, otherwise 75% |
| 2.1 | Inside the Republic and foreign assets | | |
| | a) Debt instruments issued by and loans to, the government of the Republic, and any debt or loan guaranteed by the Republic. | | 100% |
| | b) Debt instruments issued or guaranteed by the government of a foreign country | 10% | |
| | c) Debt instruments issued or guaranteed by a South African bank against its balance sheet: | | 75% |
| | i. Listed on an exchange with an issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed | 25% | |
| | ii. Listed on an exchange with an issuer market capitalisation of between R2 billion & R20 billion, or an amount or conditions as prescribed | 15% | |
| | iii. Listed on an exchange with an issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed | 10% | |
| | iv. Not listed on an exchange | 5% | 25% |

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| | | Per issuer/entity as applicable | For all issuers/entities |
| | d) Debt instruments issued or guaranteed by an entity that has equity listed on an exchange, or debt instruments issued or guaranteed by a public entity under the Public Finance Management Act, 1999 (Act No. 1 of 1999) as prescribed: | 10% | 50% |
| | i. Listed on an exchange | 10% | 50% |
| | ii. Not listed on an exchange | 5% | 25% |
| | e) Other debt instruments | 5% | 25% |
| | i. Listed on an exchange | 5% | 25% |
| | ii. Not listed on an exchange | 5% | 15% |
| 3. | EQUITIES | | 75% |
| 3.1 | Inside the Republic and foreign assets | | |
| | a) Preference and ordinary shares in companies excluding shares in property companies, listed on an exchange: | | 75% |
| | i. Issuer market capitalisation of R20 billion or more, or an amount or conditions as prescribed | 15% | |
| | ii. Issuer market capitalisation of between R2 billion and R20 billion, or an amount or conditions as prescribed | 10% | |
| | iii. Issuer market capitalisation of less than R2 billion, or an amount or conditions as prescribed | 5% | |
| | b) Preference and ordinary shares in companies, excluding shares in property companies, not listed on an exchange | 2.5% | 10% |
| 4. | IMMOVABLE PROPERTY | | 25% |
| 4.1 | Inside the Republic and foreign assets | | |
| | a) Preference shares, ordinary shares and linked units comprising shares linked to debentures in property companies, or units in a Collective Investment Scheme in Property, listed on an exchange: | | 25% |
| | i. Issuer market capitalisation of R10 billion or more, or an amount or conditions as prescribed, | 15% | |
| | ii. Issuer market capitalisation of between R3 billion and R10 billion, or an amount or conditions as prescribed, | 10% | |
| | iii. Issuer market capitalisation of less than R3 billion, or an amount or conditions as prescribed | 5% | |
| | b) Immovable property, preference and ordinary shares in property companies, and linked units comprising shares linked to debentures in property companies, not listed on an exchange | 5% | 15% |
| 5. | COMMODITIES | | 10% |
| 5.1 | Inside the Republic and foreign assets | | |
| | a) Kruger Rands and other commodities listed on an exchange, including exchange traded commodities: | | 10% |
| | i. Gold | 10% | |
| | ii. Each other commodity | 5% | |

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| 6. | INVESTMENTS IN THE BUSINESS OF A PARTICIPATING EMPLOYER INSIDE THE REPUBLIC IN TERMS OF: | | |
| | a) Section 19(4) of the Pension Funds Act | | 5% |
| | b) To the extent it has been allowed by an exemption in terms of section 19(4a) of the Pension Funds Act | | 10% |
| 7. | HOUSING LOANS GRANTED TO MEMBERS IN ACCORDANCE WITH THE PROVISIONS OF SECTION 19(5) | | 95% |
| 8. | HEDGE FUNDS, PRIVATE EQUITY FUNDS AND ANY OTHER ASSET NOT REFERRED TO IN THIS SCHEDULE | | 15% |
| 8.1 | Inside the Republic and foreign assets | | |
| | a) Hedge funds | | 10% |
| | i. Funds of hedge funds | 5% per fund of hedge funds | |
| | ii. Hedge funds | 2.5% per hedge fund | |
| | b) Private equity funds | | 10% |
| | i. Funds of private equity funds | 5% per fund of private equity funds | |
| | ii. Private equity funds | 2.5% per private equity fund | |
| | c) Other assets not referred to in this schedule and excluding a hedge fund or private equity fund | | 2.5% |

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