



Out of the Ordinary®

# SA Credit Co-investment QI Hedge Fund

Minimum disclosure document as at 31 March 2017

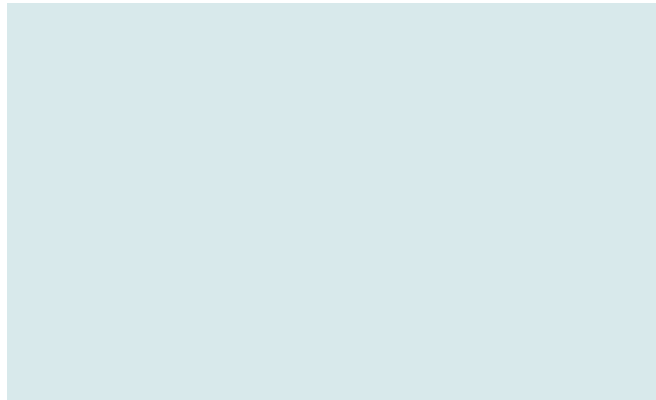
## Investment objective

The Investec Specialist Investments SA Credit Co-investment QI Hedge Fund (the "Fund") is a specialist portfolio that aims to provide the investor with income and capital growth by investing in diversified credit opportunities originated by Investec Bank Limited. The Fund invests primarily in listed and unlisted financial debt and credit instruments, including loans, sourced from the existing loan origination activities of Investec Bank Limited.

## Performance summary

Performance will be displayed 6 months after the fund inception.

Period	Fund	Benchmark
3 Months		
6 Months		
1 Year		
Since inception		



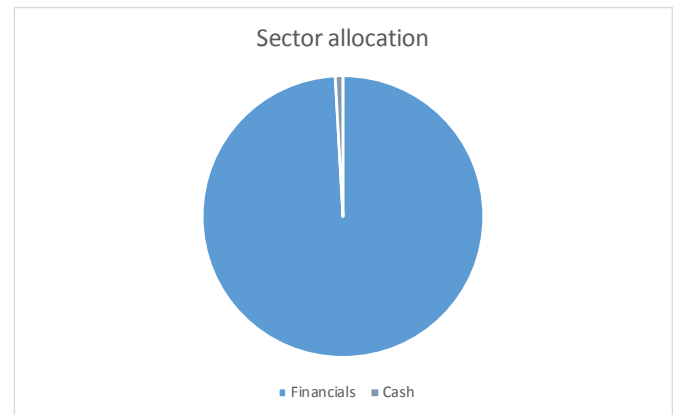
## Investment universe

The Fund may invest in loans sourced from the loan origination activities of Investec Bank on a co-investment basis. The Fund may invest in listed and unlisted financial instruments including debt instruments, floating rate notes, zero coupon bonds and the derivatives of such instruments including credit default swaps, credit linked notes and other structured credit instruments. The investment is made in accordance with the provisions of the Act, the regulations thereto and any applicable exchange control provisions, as amended from time to time, in order to achieve the portfolio's investment objective. The Fund may invest in financial instruments domiciled in territories included in the G10.

## Investor profile

The Fund is appropriate for institutional investors, pension funds, asset managers and life insurance clients as well as high net worth individuals who require stable inflation beating returns over time. The Fund is suited to investors with a conservative risk profile and a medium to longer term investment horizon.

## Sector allocation (%)



## Fund information

Fund Value	R103m
Target return	3 month JIBAR + 2%
Fund Manager	Investec Specialist Investments (RF) Limited
Inception date	Jan 2017
Maximum leverage	1.5 times NAV
Total Expense ratio	n/a

## Fee structure

Initial Fee	0.00%
Annual Management Fee	1.00% (ex VAT)
Performance Fee	20% of out performance above 115% of rolling 12 month STeFI



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## Why invest in the fund

**Alignment and participation in co-investment arrangement** – the Fund has a unique right to co-invest with Investec Bank Limited (“IBL”), a premier and experienced credit originator in South Africa.

**Access** – the Fund provides the investor with access to a diversified exposure to assets that are not readily available in the market and is complementary to traditional fixed income securities.

**Diversification** – the Fund provides diversified exposure across a range of issuers, sectors, credit ratings and maturities.

**Yield and volatility** – the Fund provides the investor with access to a portfolio that is likely to achieve a relatively attractive yield with low volatility and is not sensitive to increasing interest rates as the assets are floating rate in nature.

**Risk management** – Investec Specialist Investments (RF) Limited has a rigorous investment process that aims to reduce the risk to the investor over the life-cycle of the investment. The Fund is managed by an experienced team of investment professionals.

## Regulatory

The Fund is managed as a Qualified Investor hedge fund according to BN52 of Collective Investment Schemes Control Act and available to qualified investors only. The Fund prescribes to the principles of best execution and the Risk Management Framework incorporates best practice for the management of liquidity, credit, counterparty and operational risk.

## Contact information

If you require, please contact our Investor Services Department on (+27)11 286 8060, alternatively, please contact the investment manager on [isi@investec.co.za](mailto:isi@investec.co.za) or consult your financial advisor. Website: [www.investec.co.za](http://www.investec.co.za)

## Fund information

Fund Classification	Qualified Investor hedge fund
NAV Price	1010.50
Minimum investment	ZAR 1m
Subscriptions	Monthly
Hurdle rate	115% of 12 month STeFI
Fund Managers	Investec Specialist Investments (RF) Limited
Domicile	South Africa
Management Company	Investec Specialist Investments (RF) Limited
Administrator	Maitland Fund Services
Prime Broker	Investec Prime Services
Trustee	Nedbank Limited
Auditors	KPMG SA
Risk manager	Riscura Analytics
Reporting Currency	ZAR
Domicile	South Africa

## Important information

Investec Specialist Investments (RF) Ltd (Reg. No 2016/006142/06) is a registered and approved Manager in a QI Hedge Fund Collective Investment Scheme. Collective investment schemes are medium- to long-term investments. Investors should be aware that investing in a financial product entails a level of risk which depends on the nature of investment. The merits of any investment should be considered together with the specific risk profile and investment objectives. Past performance is not necessarily an indication of future performance. The value of investments may go down as well as up and is therefore not guaranteed. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down.

A schedule of fees and charges and maximum commissions is available from the Manager on request. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Performance is calculated for the portfolio and the individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax. The Manager has a right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate.

The document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional advice before investing in a product. Investec accepts no liability whatsoever for any loss or damage of any kind arising out of the use of all or any part of this communication. Investec does not make representation that the information provided is appropriate for use in all jurisdictions or by all Investors or other potential Investors. Parties are therefore responsible for compliance with applicable local laws and regulations.

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