

## Practice Note 240

23 April 2015

### New disclosure regulations for collective investment schemes

We are changing our fund factsheets, and introducing quarterly manager's reports for each of our funds, to comply with the Financial Service Board (FSB)'s new disclosure regulation for collective investment schemes (Board Notice 92 of 2014), which comes into effect on 1 May 2015. The table below explains the changes:

Requirement	What we are doing	Implementation	Frequency
Create a 'minimum disclosure document' (MDD) for each unit trust to disclose information to an investor prior to investing and when they transact. This should include the characteristics of the unit trust, and the nature of the risks, to equip investors to make informed decisions.	Our fund factsheets will be updated to meet the new requirements and will become our MDDs.	From 1 May 2015 you will be required to give MDDs to your clients as part of the new investment process, as well as when they set up a new debit order, make an additional contribution, switch or set up a phase-in. MDDs will be available via our website.	Monthly
Create a 'general investor's report' for each unit trust, that provides additional detail to the MDD, such as changes to the composition of the unit trust during the reporting period.	We will provide a 'quarterly manager's report' for each unit trust.	From early July 2015, quarterly manager's reports will be available via our website.	Quarterly

### Your clients must acknowledge that they have read and understood the MDDs relating to their fund selection when completing the relevant forms or submitting an instruction online

To help make this easier for you, we have incorporated this into our transactional forms and online processes.

If you have any questions or feedback, please contact your Business Development Manager, our Adviser Service Centre on 0860 000 653 or email us at [ifa@allangray.co.za](mailto:ifa@allangray.co.za).