

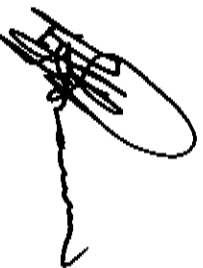
NOTICE 572 OF 2008

FINANCIAL SERVICES BOARD

COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002

**DETERMINATION OF ASSETS WHICH MAY BE INCLUDED IN A PORTFOLIO OF A
COLLECTIVE INVESTMENT SCHEME IN PROPERTY**

Under section 47(2) of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002), I, Robert James Gourlay Barrow, Registrar of Collective Investment Schemes, hereby determine in the Schedule in respect of a collective investment scheme in property, assets, other than those referred to in the definition of "collective investment scheme in property", which may be included in a portfolio of a collective investment scheme in property and the limits and conditions subject to which such assets may be so included.



R J G BARROW
REGISTRAR OF COLLECTIVE INVESTMENT SCHEMES

SCHEDULE**1. Definitions. - In this Schedule -**

"assets" means -

- (a) participatory interests in a collective investment scheme in property;
- (b) linked units (consisting of shares and debentures) in a property loan stock company; or
- (c) shares or interests in a company or concern which derives its income solely from property related investments,

which assets must be listed on an exchange in the Republic; and

"the Act" means the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002), and any word or expression to which a meaning has been assigned in the Act bears the meaning so assigned to it.

2. Limits and conditions of inclusion. – (1) A manager may include assets in a portfolio of a collective investment scheme in property, subject to the following limitations and conditions:

- (a) The total investment exposure to assets included in a portfolio may not exceed 25 per cent of the market value of all the assets comprised in a portfolio;
 - (b) all assets issued by a single concern may not exceed 10 per cent of the market value of all the assets comprised in a portfolio; and
 - (c) a manager must obtain the prior consent of the Trustee for the inclusion of any asset in a portfolio.
- (2) The limits determined in subparagraph 2(1) may be exceeded except in so far as the excess is due to appreciation or depreciation of the market value of the underlying assets comprised in the portfolio, or as a result of any corporate action by any of such concern: Provided that a manager may not make any further investments in the asset in question as long as any limit determined in subparagraph 2(1) is exceeded.
- (3) A manager shall ensure that a portfolio's investment policy empowers the manager to include assets in a portfolio.

NOTICE 573 OF 2008

FINANCIAL SERVICES BOARD

COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002

**EXEMPTION OF MANAGER OF COLLECTIVE INVESTMENT SCHEME IN
PROPERTY FROM PART OF SECTION 94 (1)(a) OF COLLECTIVE
INVESTMENT SCHEMES CONTROL ACT, 2002**

Under section 22(a) 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, hereby exempt a manager administering a collective investment scheme in property under the Act, from the prohibition in section 94(1)(a) of the Act to sell any participatory interest at a price which is less than the net asset value of that participatory interest.



R.J.G. BARROW

REGISTRAR OF COLLECTIVE INVESTMENT SCHEMES