

Dear Investor

Ballot letter - Ashburton Money Market Fund amendment of the supplemental deed

This letter is important and requires your immediate attention.

The purpose of this letter is to obtain your approval on the amendment to the investment policy of the Ashburton Money Market Fund established under the Ashburton Collective Investment Scheme.

The amendment of the investment policy as contained in the supplement deed and the ballot is conducted by the CIS Manager namely Ashburton Management Company (RF) (Pty) Ltd. The Manager wants to amend the investment policy to align to its conservative investment management philosophy that it has followed since January 2020. The portfolio's existing investment policy allows for the inclusion of corporate exposure and the investment policy change that is being sought would exclude the use of any corporate exposure in the portfolio. It is important to note that the portfolio has only consisted of bank exposure since January 2020.

Subject to a successful investor ballot, the proposed changes will be effected at no cost or loss of value to you as investor in the existing portfolio.

A vote in favour of the investment policy change will allow for the supplemental deed to be updated. This affords you, as an investor, an opportunity to vote in favour of, or against, the proposed investment policy change. If you are in any doubt about what action to take, please consult your financial advisor, or contact Ashburton Investments directly on +27 (0) 860 000 339.

Action required

- Please complete the enclosed Ballot Form and return it to our auditors, PWC in the accompanying pre-paid self-addressed envelope, or email the Ballot Form to za_ashburtonballots@pwc.com, before **7 June 2021**.
- If you have already disposed of your investment, no action is required.

In terms of section 67 of the Main Deed, the ballot will be valid if no less than 25% in value of the total number of participatory interests issued in the class or classes of the portfolio should respond with their vote. Furthermore, the majority of respondents must be in favour of the investment policy change.

How the proposed investment policy change affects your investment

The investment policy change will have a positive impact on your investment as this change aligns the management of the portfolio to the formal mandate and how the fund is already being managed. It is important to note that the portfolio has only consisted of bank exposure since January 2020 which made the investment more conservative.

Tax implications

The investment policy changes will have no tax implications.

Charges, performance and unit pricing

All charges, performance and unit pricing will not be affected by the investment policy changes.

Commitment to TCF principles

The Ashburton Management Company (RF) Proprietary Limited is committed to the fair treatment of its customers and the 6 TCF outcomes are deeply engrained in how we deal with our customers. With specific reference to the proposed investment policy change of the Ashburton Money Market Fund, we would like to reiterate that clients will not face unreasonable post-sale barriers with regards to these mandate changes.

Your rights as an investor

The rights of investors are firmly entrenched in the Collective Investment Schemes Control Act, 2002 and the Deed. In terms of section 67 of the Main Deed, the Authority of Collective Investment Schemes requires that:

- All investors invested in the portfolio will be advised, in writing, of the details of the proposed investment policy changes to the portfolio.
- All investors are given an opportunity to vote in favour of, or against, the proposed investment policy change.

- An independent auditor will verify the outcome of the ballot.
- The Financial Sector Conduct Authority will not consent to the investment policy change of the Ashburton Money Market Fund unless it is satisfied that the change will not be detrimental to investors.
- Should you not be comfortable with the proposal of the investment policy change, in so far as it relates to the Ashburton Money Market Fund, you may switch your investments to any of the portfolios available, at no switching cost, provided that we receive your switching instructions before **7 June 2021**. Should you not be comfortable with the proposal and do not wish to switch your investments you may elect to redeem your participatory interests at any time and withdraw your money at the net asset value price, as defined in the Deed, subject to that it is a discretionary investment. Please note that redeeming or switching your participatory interests will trigger a tax event.
- Enclosed is a ballot form. Please complete, sign and return the ballot form below to our auditors in the enclosed pre-paid, self-addressed envelope to reach us by no later than midnight on **7 June 2021**.
- **If investors do not participate in the mandate change ballot timeously, they will be deemed to have voted in favour of the said changes.**

COVID-19 contingency

Due to the impact of the current COVID-19 crisis we have implemented various contingency plans, amongst others:

- In the event that you are unable to provide us with a copy of your signed ballot letter, then please contact us via email or call us at the number below and we will arrange for alternative arrangements to assist you in getting your vote to the auditors before the due date.
- In the event of the ballot being aborted or delayed before the response deadline, **7 June 2021**, we will stop the ballot process. In such a case, we will agree to a new effective date with the Authority of Collective Investment Schemes and recirculate ballot letters once we can recommence with the ballot process.

- In the event that the response deadline is met and the ballot is successful, but the effective date has to be postponed, then we will agree a new effective date with intermediary investment platforms and obtain approval from the FSCA where after we will notify investors of the change.

Effective date of the mandate change

The effective date of the proposed mandate change is **1 July 2021**, provided that the necessary consent is obtained from investors and the Authority of Collective Investment Schemes.

For more information

Should you require further information about what action to take, please consult your financial adviser, or contact Ashburton directly on +27 (0) 860 000 339.

Attachments

Appendix A: Ballot Form

Yours sincerely

Appendix A: Portfolio Comparisons (with investment policy changes underlined)

ASHBURTON MONEY MARKET FUND (CURRENT INVESTMENT POLICY)	ASHBURTON MONEY MARKET FUND (AMENDED INVESTMENT POLICY)
<p>Investment policy</p> <p>The investment objective of the Ashburton Money Market Fund is to provide a medium whereby investors can obtain undivided participation in a diversified portfolio of such money market instruments as defined from time to time. The portfolio will be allowed to use interest rate swaps as permitted by the Act.</p> <p>The primary performance objective of the portfolio is to obtain as high a level of current income as is consistent with capital preservation and liquidity. Capital gains will be of an incidental nature.</p> <p>Nothing in this supplemental deed shall preclude the Manager from varying in the</p>	<p>Investment policy</p> <p>The investment objective of the Ashburton Money Market Fund is to provide a medium whereby investors can obtain undivided participation in a diversified portfolio of such money market instruments as defined from time to time. The portfolio will be allowed to use interest rate swaps as permitted by the Act. <u>The portfolio will only invest in bank-issued money market instruments, short-dated securities issued by the South African Reserve Bank (SARB), and highly rated foreign banking institutions, authorised to conduct business in South Africa.</u></p> <p><u>The maximum term of instruments included will be limited to 13 months and the weighted average duration will not exceed 3 months.</u></p> <p>The primary performance objective of the portfolio is to obtain as high a level of current income as is consistent with capital preservation and liquidity. Capital gains will be of an incidental nature.</p>

<p>ratio of securities or assets in liquid form in changing economic environment or market conditions, or to meet the requirements in terms of legislation and from retaining cash or placing cash on deposit in terms of the deed and this supplemental deed.</p> <p>This portfolio will be managed in compliance with prudential investment guidelines for retirement funds in South Africa to the extent allowed by the Act.</p> <p>For the purposes of the Ashburton Money Market Fund, the Manager shall reserve the right to close the portfolio to new investors. This will be done in order to be able to manage the portfolio in accordance with its mandate. This critical size shall be determined from time to time by the Manager.</p> <p>The Trustee shall ensure that the investment policy set out in this supplemental deed is carried out.</p>	<p>Nothing in this supplemental deed shall preclude the Manager from varying in the ratio of securities or assets in liquid form in changing economic environment or market conditions, or to meet the requirements in terms of legislation and from retaining cash or placing cash on deposit in terms of the deed and this supplemental deed.</p> <p>This portfolio will be managed in compliance with prudential investment guidelines for retirement funds in South Africa to the extent allowed by the Act.</p> <p>For the purposes of the Ashburton Money Market Fund, the Manager shall reserve the right to close the portfolio to new investors. This will be done in order to be able to manage the portfolio in accordance with its mandate. This critical size shall be determined from time to time by the Manager.</p> <p>The Trustee shall ensure that the investment policy set out in this supplemental deed is carried out.</p>
<p>Portfolio benchmark STeFI 3-month Index</p>	<p>Portfolio benchmark No change</p>
<p>Service charges</p> <p>The below charges exclude VAT</p>	<p>Service charges No change</p>

B1 class (0.30%), B4 class (0.20%) L class (0.30%) Z class 0.00% (internal use only)	
Performance fees None	Performance fees None
Distribution declaration dates Monthly	Distribution declaration dates No change
ASISA Category South African Interest Bearing – Money Market	ASISA Category No change
Trustee Standard Bank of South Africa Limited	Trustee No change

Impact of changes to the investment policy:

The investment policy will need to be updated to reflect the fund will not invest in corporate exposure. The fund will now be recognised as a corporate money market fund.

Change in benchmark

None

Change in service charges

None

Change to distribution periods

None

Appendix B: Ashburton Ballot Form

I, the undersigned,

(please print full names)

Account number.....

and date of birth/registration number.....

Administrative financial services provider (LISP) name:

do hereby vote to accept/reject the proposed amendment of the supplemental deed of the Ashburton Money Market Fund established under the Ashburton Collective Investment Scheme and in terms section 67 of the Main Deed, as set out in this Ballot Letter.

Please tick the appropriate box (only for portfolios in which you hold participatory interests):

	Portfolio	Accept	Reject
1	Ashburton Money Market Fund investment policy change		

SIGNED AT

on this day of

2021

(please sign in full)

If you are signing in a representative capacity, please insert your own name and the name of the person/trust/deceased estate/company /close corporation on whose behalf you are signing.

Note: Please complete, sign and return the ballot form to our auditors in the enclosed pre-paid, self-addressed envelope or via email to za_ashburtonballots@pwc.com, to reach them by no later than midnight on **7 June 2021**.