Fairtree Fixed Income FR Retail Hedge Fund

Collective Investment Scheme | Key Investor Information Document

30 September 2026

Key Investor Information

This document provides the investor with key information about these portfolios. It does not serve as marketing material. The publishing of this information is required by law (Collective Investments Schemes Control Act 45 of 2002 ("CISCA"), Board Notice 52 ("BN52"), section 27), to help you understand the nature of the portfolios as well as the risks associated with investing in these portfolios. All potential investors are advised to read and familiarise themselves with the contents of this document in order to arrive at an informed investment decision.

Portfolio Information	
Launch Date	1 January 2010
CISCA Launch Date	December 2016
Directors of the Management Company	JG February, R Jobing (Non-executive Directors) GFJ Abrahams, OSJ Engel-Jacobs (Executive Directors)
Distribution Date	On the last day of December
Financial Year End	On the last day of December
Auditor	Deloitte
Legal Structure	Collective Investment Scheme
Prime Broker	RMB
Fund Administrator	Apex Fund and Corporate Services SA
Risk Profile	Medium-High

The risk category shown is not guaranteed and may change over time. The lowest category does not mean the investment is risk free. There may be other special areas of risk relating to the investment including liquidity risk, credit risk, market risk, and settlement risk. FundRock Collective Investments (RF) (Pty) Ltd, ("the manager"), and the investment manager do not render financial advice. Our risk indicator does not imply that the portfolio is suitable for all types of investors. You are advised to consult your financial adviser.

List of Portfolios

FR Retail Hedge Fund Scheme

*Fairtree Fixed Income FR Retail Hedge Fund
*Fairtree Silver Oak Equity Long Short FR Retail Hedge Fund
*Fairtree Wild Fig Defensive Multi Strategy FR Retail Hedge Fund
*Fairtree Wild Fig Multi Strategy FR Retail Hedge Fund
*Fairtree Worldwide Multi-Strategy Flexible FR Retail Hedge Fund

FR Qualified Investor Hedge Fund Scheme

*Fairtree Assegai Equity Long Short FR QI Hedge Fund
*Fairtree Equity Market Neutral FR QI Hedge Fund
*Fairtree Wild Fig Multi Strategy FR QI Hedge Fund
*Fairtree Woodland Multi Strategy FR QI Hedge Fund
*Fairtree Worldwide Multi-Strategy Flexible FR QI Hedge Fund

Investment Objective

The objective of the fund is to create medium to long-term wealth for investors by taking advantage of valuation discrepancies that emerge in the credit market.

Investment Strategy

The portfolio is a long / short focused fixed income portfolio. The strategy is focused on extracting pure alpha returns from capital markets. These returns are accessed through fundamental knowledge of financial instruments vis-à-vis economic growth and broad economic themes as well as medium and long-term relative valuation opportunities.

Changes to the Investment Strategy and/or Investment Policy

In order to amend any provision(s) contained in the supplemental deed, the manager has to request and receive prior approval from the FSCA. Such request shall state the reasons for the proposed amendment and the impact or benefit this is likely to have for the investor. Upon receiving such approval, the auditor of the scheme must oversee a balloting process which is undertaken to obtain consent from the investors.

Investors holding at least 75% (seventy-five percent) in value of the participatory interests in the portfolio and who constitute more than 50% (fifty percent) of the portfolio's investors must vote in favour of the amendment for the amendment to be effected.

Voting shall be conducted by electronic ballot in accordance with the provisions of the deed, and the manager shall, after having dispatched the ballots to investors, allow for a period of thirty days for investors to return the ballots.

Does Portfolio Invest in Underlying Funds?

Yes

The Types of Assets in which the Portfolio may invest

The portfolio will be investing in a broad spectrum of local and and foreign instruments ("Permitted Assets"), including but not limited to:

Equity Instruments

Listed equities
Preference shares
Listed commodities
Listed property
Unlisted equities

Derivatives

Listed
Futures
Options
Warrants
Index tracking

Unlisted

Swaps
Forwards
Contracts for difference(CFDs)
Options

Fixed Income Instruments

Money Market Instruments
Assets in liquid form
Bank accounts
Banker's acceptance
Commercial papers
Debentures
Trade bills or trade notes
Land Bank bills
Negotiable certificates of deposits (NCDs)
Public entity bills
Notes and promissory notes
Treasury bills
Exchange traded notes (ETNs)
Forward rate agreements (FRAs)
Floating rate notes (FRNs)

Bonds

Listed Bonds

Other

Participatory interests in collective investment schemes and in foreign equivalents
Exchange traded funds (ETFs)
Foreign exchange (Forex)

The portfolio may from time to time invest in listed and unlisted financial instruments,in accordance with the provisions of the Act and the regulations thereto, as amended from time to time, in order to achieve the portfolio's investment objectives

Instances where the Portfolio may Use Leverage

The Types and Sources of Leverage

Hedge Funds can generate leverage by:

*Shorting securities and utilising the proceeds to purchase additional securities;
*Utilising derivative instruments that have leverage built into their construction; or
*Borrowing money - typically achieved through repurchase transactions or physical borrowing of cash.

The Risks Associated with the Leverage

The portfolio may use leverage techniques from time to time to purchase or carry investments. The interest expense and other costs incurred in connection with such leverage or borrowing may not be recovered by an appreciation in the investments purchased or carried.Gains realised with leveraged investments may cause the underlying portfolio's net asset value to increase at a faster rate than would be the case without leverage. If, however, investment results fail to cover the cost of leverage or borrowings, the portfolio's net asset value could also decrease faster than if there had been no leverage or borrowings. Because of the leveraged nature of certain of the investments, a relatively small movement in the market price of traded instruments may result in a disproportionately large profit or loss.

The Restrictions on the Use of Leverage

The degree to which leverage may be employed in the portfolio shall be limited by the terms of the mandate. The limits laid down in the mandate should be carefully reviewed in making an investment decision.

Collateral and Asset Re-Use Arrangements

The cash and long positions held in the portfolio are available for use as collateral for the short positions held.

The Maximum Leverage allowed for the Portfolio

The portfolio will utilize the commitment approach to measure leverage.

Limit	20%
Probability Level	99%
Period	1 Calender Month

Material Arrangements of the Manager with the Prime Broker / The Manner of Managing Conflicts of interest

The prime brokerage agreement determines that the manager and the prime broker shall endeavour to avoid conflicts of interest between them and shall, in order to protect investors, exercise due care and skill and note to any affected investor the nature and extent of a potential conflict of interest as well as the steps undertaken to minimise the effect thereof.

The Manner of Managing Conflicts of Interest

The parties agree that, for the duration of this agreement, they shall endeavour to avoid any conflict of interest between them.

In order to protect the investors, the parties shall exercise due care and skill and note to any affected party the nature and extent of the potential conflict of interest as well as the steps undertaken to minimise the effect on any affected party by such conflict.

The Level of Counterparty Exposure

The portfolio will comply with the counterparty exposure limits as set out in BN52.

The Methodology of Calculating Counterparty Exposure

In terms of Section 8(2) of BN52 counterparty exposure shall be calculated to equal any initial margin held by a counterparty, the market value of any derivative, any net exposure generated through a scrip lending agreement and any other exposures created through reinvestment of collateral

Investment Restrictions applicable to the Portfolio

The following rules will apply:

*The VAR (99% 1 month) shall be limited to 20% of the underlying capital.
*The Delta (PV01) shall be limited to 0.2% of the underlying capital.
*No instruments (PV01) shall exceed 0.25% of the underlying capital, subject to the instrument's liquidity.

The portfolio will further have the following credit limits:
*Geared positions in NCD's of Investec, RMB, ABSA, Nedbank and Standard bank Shall not exceed 20 times the underlying capital

*To facilitate the calculation of this, all NCD positions will be converted to an equivalent 1 year NCD position. The nominal value of this position shall not exceed the underlying capital of the portfolio by more than 20 times.

*Corporate Bonds - limited to the following criteria:
I AAA rated bonds - may not exceed 5 times underlying capital - Position size llimited to 30% of the portfolio.
II AA rated bonds - may not exceed 3 times underlying capital - position size limited to 20% of the portfolio.
III A rated bonds - may not exceed 1 times underlying capital - position size limited to 15% of the portfolio.
IV Senior Corporate Debt - may not exceed 1 times underlying capital - position size limited to 20% of the portfolio.
V Mezzanine Corporate Debt - may not exceed 1 times of underlying capital - position size limited to 20% of the portfolio.

Gating, Side-Pocketing and Repurchase Restrictions

Sections 5(b) (ii) and 6(5) of BN52 provide that both retail hedge funds and qualified investor hedge funds may suspend the repurchases of units under exceptional circumstances and when it's in the interests of investors.

Delegated Administration and Management of Conflicts of Interest that May Arise

The manager has appointed Apex Fund and Corporate Services SA as the portfolio's administrator. The manager and the administrator have separate governance structures and are subject to independent oversight and internal controls, in addition to the FSCA's regulatory oversight. Both entities have adopted a conflict of interest management policy to the satisfaction of the FSCA.

The administration agreement determines that the manager and the administrator shall endeavour to avoid conflicts of interest between them and shall, in order to protect investors, exercise due care and skill and note to any affected investor the nature and extent of a potential conflict of interest as well as the steps undertaken to minimise the effect thereof.

The Portfolio's Valuation and Pricing Methodologies

The portfolio will apply the portfolio valuation and asset pricing policy of the Manager. This policy will be consistently applied and meets the requirements of BN52.

The Liquidity Risk Management of the Portfolio and the Repurchase Rights

Liquidity management is facilitated through real time monitoring of the portfolio liquidity profile using both an independent third party risk monitoring system and internal proprietary system.

The investment manager shall ensure that the liquidity of the securities included in the portfolio shall not compromise the liquidity terms of the portfolio.

Regular liquidity stress-testing will be applied, providing for increased investor repurchases, and shortage of liquidity of the underlying assets in the portfolio.

The Repurchase of participatory interests

The portfolio is valued daily. The transaction cut-off time is 14:00pm on a business day. Investor instructions received after 14:00pm shall be processed the following business day.

Provisions in the Contract with the Depositary and Custodian on the Possibility of Transfer an Re - hypothecation of Assets

The prime broking agreement may allow for the re-hypothecation of assets.

The portfolio's prime broker may provide a financing service to the portfolio, whereby any shortfall in the financing of the portfolio's assets is provided by the prime broker. Any such financing will be collateralised from the assets of the portfolio. However, unlike a normal borrowing situation, the prime broker takes physical delivery of the portfolio's assets and is permitted to deal with them for its own account. The portfolio's assets are therefore treated as being indistinguishable from the assets of the prime broker and are not segregated as client money or assets.

In the event of the insolvency of the prime broker, the assets of the portfolio that are held as collateral against money owed to the prime broker, are completely exposed to the prime broker's creditors. In such instances, any action by the prime broker's creditors may lead to the closing out of positions without the consent of the investment manager and at a loss.

Other Fees

The portfolio may directly deduct and pay other fees if such payments are permitted in terms of Section 93 of CISCA and are due and payable under lawful agreement.

The Charges Paid by the Portfolio

These charges make up the running costs of the portfolio.
Permissible deductions from a portfolio shall include:

*Initial fee & VAT;
*Investment management fee;
*Administration fee;
*Exit fee;
*Trading charges e.g. brokerage, securities transfer tax, VAT, and other levies
*Auditor's fees;
*Bank charges; and
*Trustee and custodian fees.

Fair Treatment of Customers

The Manager observes a policy of Treating Customers Fairly ("TCF") and this permeates throughout the business and informs all business dealings of the Manager. The Manager strives to design, distribute, and provide products that meet the objectives of the TCF code and all investors investing in our products - simple and complex - are encouraged to seek qualified financial advice in order to select and invest in a product that not only meets their requirements, but is to their level of understanding and sophistication.

Preferential Treatment

The directors and employees of the investment manager may hold an investment in the portfolio. These investment may be zero fee at the discretion of the Investment Manager.

Minimum Investment Amount

Minimum Investment: R 50 000 Lump sum or R 1000 montly
Additional Lump sum: R 10 000

Special Repurchase Arrangements or Rights of Some Investors

None

Investment Management Fees, Charges, and Expenses - Class 1

Service Fee	1.59% (Including VAT)
Performance Fee	20% of the total performance above the high water mark, subject to a hurdle rate of 3 months STEFI (excl.VAT).
Performance Fee Method	Performance fee calculated on Total performance above relative high watermark
High watermark	The performance fee calculation employs a relative high water mark principle ensuring no performance fee is accrued until the portfolio has shown growth from the highest relative outperformance at the end of any previous day during the last 12 month rolling period (excl purchase and repurchase of any participatory interest).
Performance fee benchmark	3 month STEFI
Entry Charge	0%
Exit Charge	0%

The portfolio may offer multiple classes of units for different types of investors and unit holders. The various classes in the portfolio may each have different fee structures for the different types of investors. All investments will be allocated to specific classes at the discretion of the investment manager. All classes of units in the portfolio will invest in the same investment portfolio of securities and share the same investment objective and policy.
For more detailed information about charges and how these are calculated, a detailed fee methodology is available on request from the Manager.

The Latest Annual Report

The latest annual report of the portfolio shall be kept at the office of the Manager for viewing by the investor.

Selling and Issuing Participatory Interest in the Portfolio

Purchase of Participatory Interests

The portfolio is valued daily. The transaction cut-off time is 14:00pm on a business day. Investor instructions received after 14:00pm shall be processed the following business day.

INVESTMENT MANAGER	MANAGEMENT COMPANY	TRUSTEE
Fairtree Asset Management (Pty) Ltd An Authorised Financial Services Provider, FSP No. 25917 Willowbridge Place, Cnr. Carl Cronje Drive, & Old Oak Road, Bellville,7530 Telephone: +27 21 943 3760 Email: info@fairtree.com Website: www.fairtree.com	FundRock Collective Investments (RF) (Pty) Ltd Registration No: 2003/024082/07 Catnia Building, Bella Rosa office Park, Bella Rosa Street, Bellville, 7530, South Africa Telephone: +27 21 879 9937 / 9939 Email: sa-hedgesupport@fundrock.com Website: www.fundrock.com/fundrock-south-africa	FirstRand Bank Limited, Johannesburg (acting through its RMB Custody and Trustee Services Division) 3 Merchant Place Ground Floor Corner Fredman and Gwen Streets Sandton 2146 Telephone: +27 87 736 1732

Mandatory Disclosures

Investment Manager: Fairtree Asset Management (Pty) Ltd, Registration Number: 2004/033269/07 is an authorised Financial Services Provider (FSP25917) under the Financial Advisory and Intermediary Services Act (No.37 of 2002), to act in the capacity as investment manager. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (N0.37 of 2002). Please be advised that there may be representatives acting under supervision. Physical Address: Willowbridge Place, Cnr. Carl Cronje and Old Oak Road, Bellville, 7530. Postal Address: PO Box 4124, Tygervalley, 7536. Telephone Number: +27 86 176 0760. Website: www.fairtree.com. Management Company: FundRock Collective Investments (RF) (Pty) Ltd (the "Manager"), Registration Number: 2003/024082/07, is authorised in terms of the Collective Investment Schemes Control Act (CISCA) to administer Collective Investment Schemes (CIS). Physical Address: Catnia Building, Bella Rosa office Park, Bella Rosa Street, Bellville, 7530, South Africa. Telephone Number: +27 21 879 9937 / 9939. Website: www.fundrock.com/fundrock-south-africa. Trustee: FirstRand Bank Limited (acting through its RMB Custody and Trustee Services Division). Physical Address: 3 Merchant Place, Ground Floor , Corner Fredman and Gwen Streets, Sandton, 2146 Telephone: +27 87 736 1732. Collective Investment Schemes are generally medium to long-term investments. The value of participatory interests (units) may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investments are traded at ruling prices and can engage in scrip lending and borrowing. A schedule of fees, charges, minimum fees and maximum commissions, as well as a detailed description of how performance fees are calculated and applied, is available on request from Fundrock Collective Investments (RF) (Pty) Ltd ("the Manager"). The Manager does not provide any guarantee in respect to the capital or the return of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressure and in such circumstances, a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. Commission and incentives may be paid, and if so, are included in the overall costs. The Manager may close the portfolio to new investors in order to manage it efficiently according to its mandate. Prices are published monthly on our website. Additional information, including key investor information documents, minimum disclosure documents, as well as other information relating to the basis on which the manager undertakes to repurchase participatory interests offered to it, and the basis on which selling and repurchase prices will be calculated, is available, free of charge, on request from the Manager. The value of an investment is dependent on numerous factors which may include, but not limited to, share price fluctuations, interest and exchange rates and other economic factors. Where foreign investments are included in the portfolio, performance is further affected by uncertainties such as changes in government policy, political risks, tax risks, settlement risks, foreign exchange risks, and other legal or regulatory developments. The Manager ensures fair treatment of investors by not offering preferential fee or liquidity terms to any investor within the same strategy. The Manager is registered and approved by the Financial Sector Conduct Authority under CISCA. The Manager retains full legal responsibility for the portfolio. FirstRand Bank Limited, is the appointed trustee. Fairtree Asset Management (Pty) Ltd, FSP No. 25917, is authorised under the Financial Advisory and Intermediary Services Act 37 of 2002 to render investment management services.

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