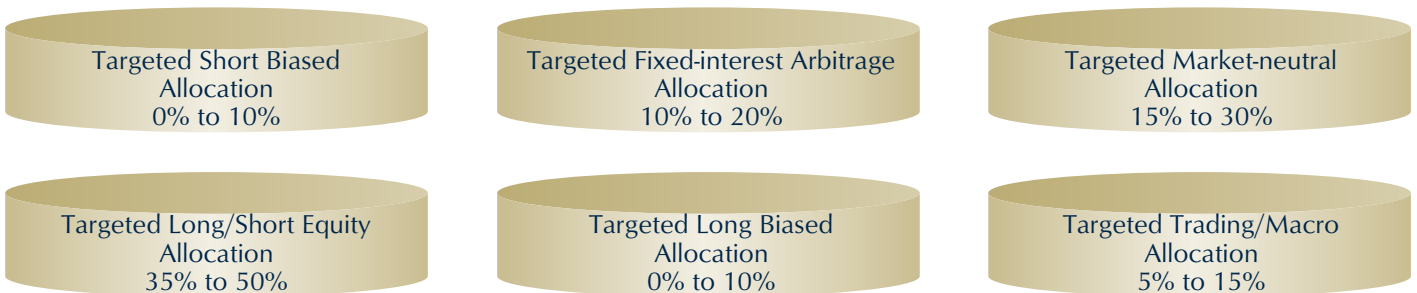


Investment Portfolio Profile

This portfolio, managed by Caveo Fund Solutions, is aimed at delivering positive investment returns and preserving capital in all market conditions without the volatility normally associated with traditional “long-only” investment strategies. It may be appropriate for investors requiring returns with a low correlation to the equity markets and diversification benefits to their overall investment profiles. Within this portfolio, returns above inflation plus 5% a year over any three-year rolling period are targeted.

Local Investment Strategy



The strategy allocation may be adjusted away from the targeted allocation limits depending on market conditions.

Risk Meter

Risk refers to the predictability or volatility of returns over a five-year period.



This portfolio is aimed at investors pursuing absolute returns over the short-to-medium term (one to three years) and diversification benefits to their overall investment profiles. Caveo expects this portfolio to have:

- A low probability of capital loss over any one-year period
- A low correlation to the equity markets
- Investment returns above inflation and cash over the medium to longer term
- Volatility of returns (measured by standard deviation) between 5% and 7% a year

The portfolio does not comply with the investment limitations set out in Regulation 28 of the Pension Funds Regulations.

Please note the following:

1. Hedge funds and the Caveo Portfolios are not regulated by the Financial Services Board (“FSB”) in the Republic of South Africa.
2. The shareholders of Caveo Fund Solutions (Pty) Ltd are Investment Solutions Holdings Limited and Peregrine Financial Services Holdings (Proprietary) Limited. A portion of the Caveo Portfolios may be managed by underlying investment managers in whom the shareholders may have an economic interest. Caveo Fund Solutions (Pty) Ltd selects these managers solely on their merits as investment managers. Portfolios with similar risk and return objectives, but specifically excluding any underlying investment managers in whom the shareholders may have an economic interest are available. Should investors be interested in linking their policies to these similar portfolios, they may contact Caveo Fund Solutions (Pty) Ltd for further information, promotional material and application forms.
3. The volatility of returns in the Caveo Portfolios is expected to be lower than that of portfolios managed according to traditional equity investment strategies, however investors should be aware that alternative investment and hedging strategies have unique risks and that they have to consult their investment advisors and/or financial planning experts to gain an understanding of all the risks involved.
4. Investment in the Caveo Portfolios will only be made if Caveo Fund Solutions (Pty) Ltd receives payment at least five business days before the first business day of any calendar month. Caveo Fund Solutions (Pty) Ltd will process the investments into the Caveo Portfolios on the first business of each calendar month.
5. Withdrawals or switches from the Caveo Portfolios may only be made if Caveo Fund Solutions (Pty) Ltd receives written notice at least 36 days before the end of the calendar month at which the withdrawal or switch is required. Caveo Fund Solutions (Pty) Ltd will process withdrawals or switches on the last business day of each calendar month.
6. The investments in the portfolios are managed by selected investment managers in a multi-manager arrangement. In addition to the annual investment management fees, performance fees may be payable to some managers if the investment returns on the investments managed by them are above a hurdle rate or benchmark. The fees are subject to change and the total fees paid over the past financial year, as a percentage of the portfolio, is available on request from Caveo Fund Solutions (Pty) Ltd. For sake of clarity: the performance fees are not payable from the policy fees and are therefore levied against the relevant portfolios over and above the policy fees.

DISCLAIMER FOR CAVEO PORTFOLIOS

I, _____ (full name(s))
_____ (identity number(s))

have invested or am/about to invest a sum of R _____

in a long-term insurance policy linked or to be linked to the Caveo Stable Portfolio / Caveo Moderate Portfolio / Caveo Performer Portfolio (delete the portfolio(s) which is/are not applicable).

I/We declare that all the unique risks associated with and consequences of investing in the Caveo Portfolios, which are managed according to alternative investment strategies (sometimes referred to as hedge funds), have been explained to me/us and I/we fully understand, appreciate and consent to taking these unique risks and consequences as set out in the promotional material of Caveo Fund Solutions (Pty) Ltd and as fully explained to me by my intermediary.

I/We also understand and declare that:

- Hedge funds and the Caveo portfolios are not regulated by the Financial Services Board (“FSB”) in the Republic of South Africa.
- The shareholders of Caveo Fund Solutions (Pty) Ltd are Investment Solutions Holdings Limited and Peregrine Financial Services Holdings (Proprietary) Limited and that a portion of the Caveo portfolios may be managed by underlying investment managers in whom the shareholders may have an economic interest. Caveo Fund Solutions (Pty) Ltd selects these managers solely on their merits as investment managers. Portfolios with similar risk and return objectives, but specifically excluding any underlying investment managers in whom the shareholders may have an economic interest are available. Should I/we be interested in linking my/our policy to these similar portfolios, I/we may contact Caveo Fund Solutions (Pty) Ltd for further information, promotional material and application forms.
- The volatility of returns in the Caveo portfolios is expected to be lower than that of portfolios managed according to traditional equity investment strategies, however I/we are aware that alternative investment and hedging strategies have unique risks and therefore I/we have to consult my/our investment advisor and/or financial planning expert to gain an understanding of all the risks involved.
- Given these unique risks, the portfolios may not be suitable or appropriate for me/us as investor(s) and that I/we should make my/our own investment decisions based on my/our own investment objectives and strategies, as well as with reference to my/our own personal financial and/or retirement plans using such intermediary, independent investment and other professional advisers as I/we believe necessary.
- The promotional material is not intended to be, nor was it represented to me/us by the insurer or the financial services providers to be, advice as defined and/or contemplated in the FAIS Act or other investment advice to myself/ourselves or to my/our intermediary(ies), the retirement-fund products, financial products, and the investments referred to in this Application Form.
- The value of any policy benefits or consideration and specifically the value of the Caveo portfolios may increase or decrease as a result of changes in the values of the underlying investments and that any past investment returns or portfolio-benchmark returns are not necessarily indicative of or a guarantee or warranty of any future investment returns.
- The value of my/our policy benefits or investment may change for the worse as a result of economic and financial market forces. Therefore, the value of my/our policy benefits or investment may be reduced to a value below the original premium or investment amount, as the case may be, paid by me/us or transferred to the insurer. I/We will not be entitled to recover any such losses from the insurer or the financial services providers or any of their directors, officers, trustees, advisers, agents, or employees.
- In deciding whether to make any investment on my/our behalf, the insurer or the financial services providers will endeavour to act in my/our best interests in view of their understanding of factors they consider relevant. The insurer or the financial services providers give no undertaking whatsoever that I/we will not suffer any loss or damages as a result of any investment decisions. However, I/we will not be entitled to recover any such loss or damages from the insurer or the financial services providers or any of their directors, officers, trustees, advisers, agents, or employees.
- Provided the insurer or the financial services providers have exercised reasonable care and diligence in the management of the policy and/or the underlying portfolios to which my/our policy benefits are linked, in accordance with prevailing investment and other management practices, they shall not be liable to me/us or any third party for any loss or damages incurred or suffered as a result of the management of the policy or investment portfolios to which my/our policy benefits are linked.
- I/We have had full and adequate prior access to the promotional material and documents and all other relevant information regarding the Caveo Portfolios setting out the particular terms and conditions of the portfolios.
- No representations other than those contained in the abovementioned documents and material were made to me/us and/or my/our intermediary.
- I/We have invested or am/about to invest in a long-term insurance policy linked to the relevant Caveo Portfolios based solely on the representations made and advice given to me/us by my/our intermediary.

Signature

Witness

D	D	M	M	Y	Y	Y	Y
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Date of Signature