



Obsidian Sanlam Collective Investments Multi Asset Retail Hedge Fund

Minimum Disclosure Document (Fund Fact Sheet)

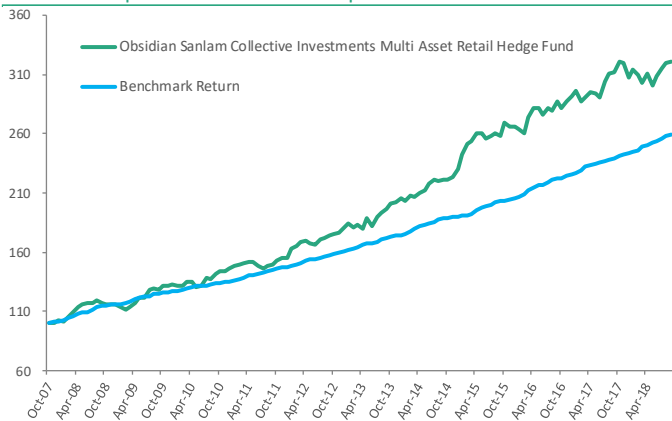
September 2018

Issue date: 18 October 2018

Fund objective

The Obsidian Sanlam Collective Investments Multi Asset Retail Hedge Fund will aim to maximise investment returns over the medium to long term. It invests across the full asset class spectrum, both locally and offshore and uses a combination of asset allocation and stock selection to achieve long-run outperformance of the CPI + 3% benchmark. The fund mandate is available upon request.

Cumulative portfolio return - 30 September 2018



Performance as at 30 September 2018 on a rolling monthly basis

	Cumulative (%)		Annualized (%)	
	Fund	Benchmark	Fund	Benchmark
YTD	4.4	6.4		
1 Year	3.0	8.1		
3 Year	24.2	27.3	7.5	8.4
5 Year	63.0	50.5	10.3	8.5
10 Year	174.2	126.3	10.6	8.5
Since Inception	221.0	158.9	11.3	9.0

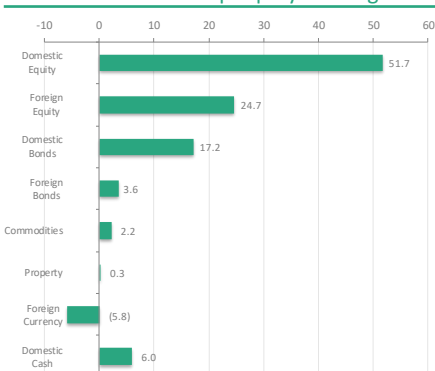
*Reported periods now include 10 years

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	Benchmark
2007										0.70%	-0.28%	2.08%	2.51%	2.01%
2008	-1.47%	5.08%	2.56%	4.27%	2.22%	0.62%	0.18%	1.85%	-1.72%	-1.11%	0.37%	-0.29%	13.02%	13.98%
2009	-1.68%	-2.48%	2.96%	2.86%	3.86%	-0.39%	5.32%	0.65%	-0.38%	2.54%	-0.40%	1.62%	15.13%	9.03%
2010	-0.91%	-0.36%	2.35%	0.35%	-3.30%	0.81%	4.62%	-0.52%	2.97%	2.27%	-0.48%	2.08%	10.08%	6.72%
2011	0.87%	1.33%	0.18%	1.13%	-0.25%	-1.74%	-1.84%	1.27%	0.73%	2.64%	1.21%	0.50%	6.10%	9.33%
2012	4.47%	1.93%	1.52%	0.84%	-1.28%	-0.50%	2.49%	0.93%	0.91%	0.83%	0.69%	2.48%	16.30%	8.79%
2013	2.03%	-2.27%	1.21%	-1.40%	5.02%	-3.53%	4.04%	1.81%	1.82%	1.97%	0.78%	1.84%	13.79%	8.54%
2014	-1.21%	2.17%	-0.89%	1.72%	1.30%	2.59%	1.27%	-0.30%	0.72%	-0.34%	1.35%	2.90%	11.78%	9.01%
2015	5.27%	3.72%	0.71%	3.00%	-0.28%	-1.73%	0.80%	1.08%	-0.85%	4.40%	-1.31%	0.15%	15.70%	7.94%
2016	-1.13%	-1.18%	5.12%	2.73%	0.10%	-2.08%	2.03%	-0.71%	2.85%	-1.95%	1.93%	1.48%	9.28%	9.83%
2017	1.89%	-3.10%	0.95%	1.82%	-0.42%	-1.25%	4.50%	2.35%	0.18%	3.17%	-0.50%	-3.84%	5.56%	7.79%
2018	2.26%	-1.44%	-2.34%	2.85%	-3.57%	2.89%	2.20%	1.37%	0.29%				4.36%	6.38%
	Annualised returns since inception												11.28%	9.03%

*Returns are presented net of all fees

*Highlighted performance was generated prior to the CIS establishment date

Asset Allocation & Top Equity Holdings - 30 September 2018



Top Long/Shorts	%
Old Mutual Ltd	7.4
ABSA	5.2
Sasol	4.6
Transaction Capital	3.9
Imperial Brands	3.7
Famous Brands	-4.8
Clicks	-3.7
Cashbuild	-2.2
Tiger Brands	-2.1
Firstrand	-1.6

*Please note that included in our domestic equity and foreign currency exposures are equity index futures and FX futures, respectively. The asset allocation above has been calculated using effective exposure to give a true view of our positioning.

Actual highest and lowest annual figures for rolling 10 years

Highest annual (%)	2017-2018	3.1%
Lowest annual (%)	""	-

Note: Income reinvested on ex-dividend date. The lowest and highest annualised performance numbers are based on 10 non-overlapping one year periods or the number of non-overlapping one year periods from inception where performance history does not exist for 10 years.

Fund information

Fund managers	Richard Simpson, BSc Hons, PDM Royce Long, CA (SA), CFA
Fund Inception (prior to CIS)	25 October 2007
CIS Establishment Date	1 February 2017
Portfolio size	R72m
Benchmark	CPI + 3%
ASISA fund classification	Retail Investor Hedge Fund
Risk profile	Moderate
Bi-annual distributions	11.47c on 31 December 2017 24.08c on 30 June 2018
Income payment dates	1st working day of January and July
Income distribution dates	30 June and 31 December
Portfolio valuation time	15h00
Transaction cut off time	15h00
Daily price information	www.sanlamunitrusts.co.za

Risk Statistics

	Current	Maximum	Mandate Limit
1 month VAR at Risk at 99%	5.28%	5.73%	20%
Leverage	1.47x	1.47x	2.0x
Liquidity	0.14	0.14	30

Counterparty Exposure

Firstrand Bank limited	100% (Gross)
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- All performance prior to the CIS establishment date are actual net of fee performances in pre-regulated investment structures.
- When return and risk figures are quoted for periods greater than 12 months, these returns are annualised. In other words, they are scaled to represent an equivalent one year measure.
- VAR represents the statistical loss that the fund can experience given its current holdings over a one month period with a 1% probability.
- Sources of leverage are from equity and/or fixed interest derivatives provided by the Prime Broker. The types and sources of leverage are based on strategies that implement derivatives, short selling, and borrowed money as by the Prime Broker.
- Portfolio stress testing is performed by subjecting the portfolio to extreme market conditions and noting profit and loss, VAR, and exposure movements.
- The assets of the portfolio is deployed through a Prime Broker and may be re-hypothecated.



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Fees (excluding VAT)

	A1 Retail Class (%)
Initial advice fee	None
Annual management fee	1.68%
Performance fee	20% above benchmark, high-water mark
Total Expense Ratio (TER)	2.48%
Transactions costs	1.22%
Total investment charges	3.70%

*The portfolio applies a high water mark when charging performance fees, this means if the portfolio outperforms the benchmark by 20% only then are performance fees charged.

Initial advice fee | Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor

Annual management fee | The minimum fee is 1.68% p.a. (excl. VAT).

Total expense ratio (TER) | This fund class has a TER of 2.48% for the period 1 February 2017—30 June 2018. 2.48% of the value of the Financial Product was incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's.

Transaction costs | 1.22% of the value of the Financial Product was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.

Total Investment Charges (TER + TC) | 3.70% of the value of the Financial Product was incurred as costs relating to the investment of the Financial Product.

The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Fluctuations or movements in exchange rates may cause the value of the underlying international investments to go up or down. This fund is also available via certain LISPS (Linked investment service providers), which levy their own fees.

Investment manager information

Obsidian Capital (Pty) Ltd	
Physical Address	Suite 1, 5 Fricker Road, Illovo, Johannesburg, 2196
Postal Address	PO Box 413407, Craighall, Johannesburg, 2196
Website	www.obsidiancapital.co.za
Tel no.	011 219 6311
Fax	011 268 5251
Email	wkelly@obsidiancapital.co.za

Independent Prime Brokers and Risk Monitoring

Prime Brokers	RMB
Risk Specialist	Risk Café

Management company information

Sanlam Collective Investments RF (Pty) Ltd	
Physical Address	2 Strand Road, Belville, Cape Town 7530
Postal Address	PO Box 30, Sanlamhof, 7532
Website	www.sanlamunittrusts.co.za
Tel no.	021 916 1800
Fax	021 947 8224
Email	service@sanlaminvestments.com

Trustee information

Standard Bank of South Africa
Tel no: 021 441 4100
E-mail: Compliance-SANLAM@standardbank.co.za

Glossary terms

Annualised total returns

An annualised return is the weighted average compound growth rate over the period measured.

Asset allocation funds

Also known as balanced or managed funds. A fund manager invests in a spread of assets such as equities, property, bonds and cash depending on market conditions.

Collective Investment Schemes (CIS)

Collective Investment Schemes (also called unit trusts) are portfolios of assets such as equities, bonds, cash and listed property, in which investors can buy units. They allow private investors to pool their money together into a single fund, thus spreading their risk across a range of investments, getting the benefit of professional fund management, and reducing their costs.

Distributions

The income that is generated from an investment and given to investors through monthly or quarterly distribution payouts.

Fixed-interest investments

Fixed interest funds invest in bonds, fixed-interest and money market instruments. Interest income is a feature of these funds and, in general, capital should remain stable. A fixed-interest investment aims to offer investors a regular income at a set interest rate, which can be fixed over a specified term. If interest rates fall, the fixed interest investment typically becomes more valuable. Conversely if interest rates rise, the value of the investment will fall.

The interest provides you with a fixed amount at regular intervals. So this is usually a very predictable way of getting an income from your investment.

LISP (Linked Investment Service Providers)

A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

Leverage

This refers to the use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment.

Value at Risk (VaR)

A measure of a maximum expected loss of a portfolio at a given confidence level over a specified time period.

Total Expense Ratio (TER)

This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

Risk Profile (Moderate)

The primary objective of the Fund is to provide consistently superior, risk-adjusted absolute returns to investors.