

(16 May 2008 – date)

## COLLECTIVE INVESTMENT SCHEMES CONTROL ACT 45 OF 2002

*Government Notice 1583 in Government Gazette 24182, dated 13 December 2002. Commencement date:*  
*3 March 2003 [Proc. No.R. 18, Gazette No. 25007]*

### FINANCIAL SERVICES BOARD

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

*General Notice 572 in Government Gazette 31041 dated 16 May 2008. Commencement date: 16 May 2008.*

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.

(Signed)

**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.