



GUIDANCE NOTE
FINANCIAL SERVICES BOARD
REPUBLIC OF SOUTH AFRICA

COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002
(NO 45 OF 2002) ("CISCA")

GUIDANCE ON REQUIREMENTS FOR ADVERTISING, MARKETING AND
INFORMATION DISCLOSURE FOR HEDGE FUNDS

HF02

11 May 2017

1. Following the declaration of hedge funds as collective investment schemes, all hedge funds are required to comply with the requirements of CISCA and relevant subordinate legislation. Accordingly all managers must as far as practically possible ensure compliance with the requirements of Board Notice 92 of 2014 ("Board Notice 92"), which prescribes requirements for marketing, advertising and information disclosure for collective investment schemes.
2. The aim of this Guidance Note is to provide clarity on the requirements of Board Notice 92 to the extent that the Notice applies to hedge funds.
3. It is noted that further to Board Notice 92, Board Notice 52 of 2015 ("Board Notice 52") also contains certain disclosure requirements specifically pertaining to the general investor quarterly report and the investor statement. In this instance managers are advised that paragraph 27 (3) & (4) of Board Notice 52 applies and not the equivalent requirements set out in paragraph 15 (4) & (5) of Board Notice 92.
4. It is noted that while paragraph 27(2) of Board Notice 52 provides for the disclosure of information to investors prior to investing in a hedge fund, it does not prescribe how the disclosures are to be made. The Registrar wishes to advise that to the extent that the requirements of Paragraph 27(2) are included in the Minimum Disclosure Document and similarly in the application form, the manager will be deemed to have complied with the prescribed disclosure requirements, provided that the disclosures are made in the appropriate manner.
5. As with the lodging process for other collective investment schemes, hedge fund managers must lodge material through the FSB online submission portal. (Refer to Annexure A to this Guidance Note: Process for the lodging of hedge funds material with the FSB). The online portal will be accessible to pre-registered individuals responsible for submissions on behalf of a manager.
6. It should be further noted that the Registrar has a complaints process in place to receive and address complaints related to marketing, advertising and other information disclosure material, whether received from members of the public or industry participants. Complaints can be sent to Hedgefunds.complaints@FSB.co.za.

A handwritten signature in black ink, consisting of a large, stylized 'J' followed by a series of horizontal strokes that form the letters 'A' and 'B'.

J A BOYD

REGISTRAR OF COLLECTIVE INVESTMENT SCHEMES



ANNEXURE “A”

Process for the lodging of hedge funds material with the FSB.

This document details the processes that hedge fund managers must follow to lodge materials with the Registrar in line with the requirements of Board Notice 92 of 2014.

Material must be lodged through the FSB CIS online portal. Managers with existing online portal access may use the existing profiles.

1. FSB CIS ONLINE Portal

1.1. Access to the system.

- Access will only be granted to nominated users;
- CIS Managers are required to send the nominated users full names and email address to: hedgefunds.marketing@FSB.co.za.

1.2. The FSB CIS Online System is located on the FSB website as follows.

- Visit: www.fsb.co.za;
- Go to Departments;
- Select CIS home page;
- Go to Electronic Submissions;
- Select the FSB CIS Online system.

1.3. User rights of nominated users.

- Upon registration, users are required to logon and update their user rights; by sending a request to access CIS Information Disclosure submission and have a CIS Manager linked to their profile from the online system;
- Once rights have been granted a user will receive an email confirmation.

1.4. Lodging Material on the portal

- Users must Log on to the FSB CIS Online System and select CIS Information Disclosure;
- To submit material users must follow the system instructions;



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- Once users have submitted material to the Registrar an acknowledgment email will automatically be sent to the users.