

<Owner Title> <Owner Initial> <Owner Surname>
<Address Line 1>
<Address Line 2>
<Address Line 3>
<Postal Code>

<System date>

Investment: <Product>
Investment number: <Policy number>

Dear <Owner Title> <Owner Surname>

Amalgamation of the Discovery Global Balanced Fund of Funds into the new Discovery Global Multi-Asset Fund

Historically, the Global Balanced Fund of Funds was sufficient to achieve its aim. However, the Global Multi-Asset management team's investment approach has evolved with market conditions and client needs. In particular, a need for more flexibility, including the ability to invest directly in securities, is highly desirable from an asset management point of view.

We recently launched the new Discovery Global Multi-Asset Fund. This fund:

- Incorporates a new specialised investment team who have a wealth of combined knowledge and expertise and a strong track record
- Has an unconstrained investment approach in terms of allocation by geography, size or asset class with a minimum offshore exposure of 80% and a maximum equity exposure of 75% (in line with the Global Balanced Fund of Funds)
- Has a far-reaching and broad global-investment universe, capturing the full range of investment opportunities around the world
- Has the same benchmark, ASISA sector and management fees as the Discovery Global Balanced Fund of Funds. However, it has the structure of a standard portfolio which gives the investment management team the ability to invest in securities directly.

Given the above, the Discovery Global Balanced Fund of Funds has been amalgamated into the Discovery Global Multi-Asset Fund. You still have a diversified global multi-asset fund with no change to investment management fees. With a new, experienced management team who have a strong track record in place and the ability to invest directly in securities, the Discovery Global Multi-Asset Fund is designed to position you for growth going forward.

Summary of changes

Fund characteristic	Old	New	Impact
	Discovery Global Balanced Fund of Funds	Discovery Global Multi-Asset Fund	
Investment policy	Aims to provide long-term total returns through investment in collective investment scheme portfolios managed by asset managers who provide access to international diversified and managed portfolios. These portfolios consist of any combination of cash instruments, fixed income securities, convertible securities and quoted equity securities on an international basis.	Aims to provide long-term income and capital growth through investment in a diversified portfolio of global assets. These assets may occasionally include equities, equity-related securities, fixed-interest instruments, certificates, cash and near cash (which includes money-market instruments and deposits in any currency), derivatives and units in other funds. The Fund will invest in a flexible multi-asset approach in a manner that is unconstrained by geography, size, or asset class with a maximum equity exposure of 75%.	You will be invested in a standard portfolio as opposed to a fund of funds. This will grant your asset managers the added benefit of being able to hold assets directly. You will continue to be invested in a diversified global multi-asset fund.
Portfolio manager	Philip Saunders	Philip Saunders and team	Revamped investment team

Date of these changes and how this affects you

All of these changes have come into effect on **21 September 2020**. On this date, all the assets remaining in Discovery Global Balanced Fund of Funds were transferred to the Discovery Global Multi-Asset Fund and the Discovery Global Balanced Fund of Funds was closed. You have been issued with replacement participatory interests in the new fund equal in market or monetary value to the participatory interests held before the merger and you have received a special interim income distribution three days before the amalgamation.

You may notice a switch on your statement reflecting the above. Note that the switch may have triggered a capital gains tax event. Any boosts, integration benefits and protectors on your investment (if applicable) have remained unaffected by this change.

Contact us

If you would like more information, please contact your financial adviser or call us on 0860 67 57 77. You can also email us at invest_support@discovery.co.za

Thank you for investing with Discovery as we continue to enhance our offering and make your money work harder for you.

Regards



Lance Geysers
Chief Operating Officer
Discovery Invest

Your financial adviser's details:

<Intermediary name(/s)> <Intermediary surname>
 <Intermediary House>
 Cellphone: <Intermediary telephone number>
 Email: <Intermediary email address>
 <Franchise name>

FAIS notice and disclaimer

Discovery is not liable for any actions taken by any person based on the correctness of this information. For full details on the products, benefits and any conditions, please refer to the relevant brochure or fact file. Investors should be aware of the risks when purchasing a financial product, as past performance is not necessarily a guide to the future.

This letter is meant for information purposes and must not be taken as financial advice. For tailored financial advice, please contact your financial adviser.

Discovery Life Investment Services Pty (Ltd): Registration number 2007/005969/07, branded as Discovery Invest, is an authorised financial services provider. All life assurance products are underwritten by Discovery Life Ltd. Registration number: 1966/003901/06. An authorised financial service provider and registered credit provider, NCA Reg No. NCRCP3555. Product rules, terms and conditions apply.

<p>CIS disclosures: Long only portfolios (CIS in securities) Risks (portfolio specific) Derivatives: There is no assurance that a portfolio's use of a derivative strategy will succeed. A portfolio's management may employ a sophisticated risk management process to oversee and manage derivative exposures within a portfolio. However, the use of derivative instruments may involve risks different from, and in certain cases, greater than, the</p>	<p>General Collective Investment Schemes (unit trusts) are generally medium- to long-term investments. The value of participatory interests (units) or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending (that is, borrowing and lending of assets). The manager does not provide any guarantee, either with respect to the capital or the</p>	<p>Illustrative investment performance is for illustrative purposes only. Valuations and transaction cut-off times Pricing date is daily, except weekends and public holidays. Valuation point is at 16:00 on each pricing date, except at month end where it will be at 17:00. Offers to repurchase participatory interests must be received by 16:00 on each pricing date. Additional information</p>
---	---	--

risks presented by the securities from which they are derived.

Exposure to foreign securities: Foreign securities within portfolios may have additional material risks, depending on the specific risks affecting that country. These are specific risks like potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Money market portfolios: A money market portfolio is not a bank deposit account. A constant price (CNAV) is applied to a participatory interest. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument. In most cases the return will merely have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses, it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures. In such circumstances a process of ring-fencing of withdrawal instructions and managed payouts over time may be followed.

Fund of funds: A fund of funds is a portfolio that invests in portfolios of collective investment schemes (unit trusts) that levy their own charges, which could result in a higher fee structure for the fund of funds.

Feeder funds: A feeder fund is a portfolio that invests in a single portfolio of a collective investment scheme, which levies its own charges and which could result in a higher fee structure for the feeder fund.

Drawdown: The potential magnitude of loss – the largest peak-to-trough decline in returns over the period, also known as the maximum drawdown.

Liquidity: The risk that a given security or asset cannot be traded quickly enough in the market to prevent a loss (or make the required profit).

Equities: The value of equities may vary according to company profits and future prospects, as well as more general market factors. In the event of a company default, the owners of their equity rank last in terms of any financial payment from that company.

Bonds: The value of fixed income investments (example, bonds) tends to decrease when interest rates, inflation, or both rises. Bonds issued by major governments and companies will be more stable than those issued by emerging markets or smaller corporate issuers. If an issuer experiences financial difficulty, there may be a risk to some or all of the capital invested. Any historical or current yields quoted should not be considered reliable indicators of future performance.

For a detailed description of these risks, and other risks that are relevant to the portfolio, please refer to the CIS risk disclosure document, available on the website www.discovery.co.za.

return of a portfolio. Any forecasts, commentary or both in this document are not guaranteed to occur. Different classes of participatory interests apply to these portfolios and are based on different fees and charges. A schedule of all fees and charges, inclusive of VAT and maximum commissions, is available on request from us or from your financial adviser. Forward pricing is used.

Redemptions

The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. The ability of the portfolio to repurchase is dependent upon the liquidity of the securities and cash of the portfolio. A manager may suspend repurchases for a period, depending on regulatory approval, to await liquidity, and the manager must keep the investors informed about these circumstances.

Yields

The yield for bond, income and money-market portfolios is historic and is calculated quarterly.

Prices

The latest prices and total expense ratios (TERs) are published daily in the Business Report (South Africa's National Financial Daily) and are made available on our website www.discovery.co.za.

Performance fees

Performance fees are not levied on the portfolios.

Performance returns

Lump-sum performance returns are being quoted. Income distributions, before the deduction of applicable taxes, are included in the performance calculations. Net asset value (NAV) to NAV figures have been used for the performance calculations, as calculated by the manager at the valuation point defined in the deed, over all reporting periods. Investment performance calculations are available for verification upon request by any person. Reinvestment of income is calculated on the actual amount distributed per participatory interest, using the ex-dividend date NAV price of the applicable class of the portfolio, irrespective of the actual reinvestment date. The performance is calculated for the fee class. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. The rate of return is calculated on a total-return basis, and the following elements may involve a reduction of the investor's capital: interest rates, economic outlook, inflation, deflation, economic and political shocks or changes in economic policy. Annualised returns are period returns rescaled to a period of one year. This allows investors to compare returns of different assets that they have owned for different lengths of time. All period returns greater than one year have been annualised. Returns for periods less than one year have not been annualised. A cumulative return is the aggregate amount an investment has gained or lost over time, independent of the period of time involved. Actual annual figures are available to the investor on request.

For additional information on the portfolio, refer to the following documents, available on our website, from your financial adviser, or on request from the manager, free of charge:

- Application forms
- Annual report
- Fee schedule
- Quarterly General Investor Report.

Complaints and conflicts of interest

The complaints policy and procedure, as well as the conflicts of interest management policy, are available on our website www.discovery.co.za. Associates of the manager may be invested within certain portfolios, and the details of this are available from the manager.

Closure of the portfolio

The manager has the right to close certain portfolios to new investors to manage them more efficiently, in accordance with their mandates.

Contact details

CIS Manager

Discovery Life Collective Investments (Pty) Ltd, registration number 2007/008998/07, 1 Discovery Place, Sandton, 2196, www.discovery.co.za. The manager is registered as a manager of collective investment schemes, in terms of the Collective Investment Schemes Control Act. The manager is a member of the Association for Savings and Investment South Africa (ASISA).

Trustee

Standard Chartered Bank (Johannesburg Branch), registration number 2003/020177/10, 2nd Floor, 115 West Street, Sandton, 2196, P O Box 782080, Sandton, 2146, www.standardchartered.com/za. The trustee is registered as a trustee of collective investment schemes, in terms of the Collective Investment Schemes Control Act.

Investment Manager of all other portfolios

Ninety One SA(Pty) Ltd, registration number 1984/011235/07, FSP number 587, 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001, www.investecassetmanagement.com, 0860 11 01 61.

The investment managers are authorised financial services providers (FSP), as discretionary FSPs, in terms of Section 8 of the Financial Advisory and Intermediary Services Act (FAIS). This information is not advice, as defined in FAIS. Please be advised that there may be representatives acting under supervision.