Current Collective Investment Schemes in Securities Structure

Governing Body/Board of Directors

CIS Manager ((Pty)Ltd)
- Contract on behalf of the portfolio

Asset Manager/Investment Manager (CAT II FAIS Licence)
- Does investment management of the portfolio

Trustee/Custodian
- General administration of the business
- Provides daily fiduciary oversight/holds assets

DEED (Contract between Manager & Trustee to establish the scheme)

Scheme

Portfolio 1
Portfolio 2
Hedge Fund Partnership Structure

**Governing Body (BoD)**
- (new requirement)

**General Partner ((Pty) Limited (GP))**
- Fiduciary oversight on the scheme
- GP contracts Asset Manager on behalf of the fund

**Asset Manager/ Investment Manager (CAT IIA FAIS Licence)**

**Hedge Fund (Scheme)**
- GP daily administers the hedge fund and can invest in the fund

**Limited Partner**
- Invests in the fund

**Portfolio/Asset management**
- Portfolio 1
- Portfolio 2

**Note:** Where FAIS Cat II A is a General Partner, it must also register as a CIS Manager in terms of CISCA.
Simplified Debenture Hedge fund Structure

- **Investors (debt holders)**
  - Investors buy units from a private company

- **Private company issues debentures to investors**
  - Proceeds from sale of debt units transferred to a trust, where the HF is housed

- **Hedge fund Manager (Pty) Limited (CAT IIA Licence)**
  - Portfolio/Asset management

- **Trustee**
  - Trustee daily administers the hedge fund. Contracts Asset Manager on behalf of the fund
  - Fiduciary oversight on the scheme

- **Trust**
  - Portfolio 1
  - Portfolio 2