

2009-03-24

Registrar of Collective Investment Schemes

SUPPLEMENTAL DEED NO: 282

In respect of the

METROPOLITAN COLLECTIVE INVESTMENTS SCHEME

ENTERED INTO BETWEEN

METROPOLITAN COLLECTIVE INVESTMENTS LIMITED

(Registration No. 1991/003741/06)

("the Manager")

and

THE STANDARD BANK OF SOUTH AFRICA LIMITED

(Registration No. 1962/000738/06)

("the Trustee")

entered into for the purpose of establishing a portfolio to be known as the

GRINDROD GLOBAL PROPERTY INCOME FUND

under the deed executed under the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002) ("the Act").

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1. PREAMBLE:

- 1.1. As a result of the coming into effect of the Act on 3 March 2003, the manager on 7 March 2003 and the trustee on 12 March 2003 signed and executed a deed, in order to provide for the continuation of the **Metropolitan Collective Investments Scheme** in accordance with the provisions of the Act, which deed was approved by the Registrar of Collective Investment Schemes ("the Registrar") on 14 April 2003.
- 1.2. The manager and the trustee, with the consent of the Registrar, agreed to establish a new portfolio to be known as the **Grindrod Global Property Income Fund**.
- 1.3. The **Grindrod Global Property Income Fund** shall be subject to all the provisions of the deed, the supplemental deeds and this supplemental deed, except to the extent that this supplemental deed amends provisions of the deed and or the supplemental deeds.
- 1.4. Expressions defined in the deed and the supplemental deeds shall bear the same meaning therein assigned to them when used in this supplemental deed, except to the extent that this supplemental deed amend those definitions.

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IT IS RECORDED THAT THE PARTIES HERETO AGREE TO THE FOLLOWING:

2. Establishment of new portfolio

Under paragraph A of the pre-amble of the deed, read with clause 21 of the deed, a portfolio to be known as the **Grindrod Global Property Income Fund** is hereby established in terms of the deed.

3. Investment Policy

3.1 The **Grindrod Global Property Income Fund** is a specialist global property portfolio with a primary objective to provide the investor with a high current income. The secondary objective is capital appreciation.

3.2 The portfolio may invest in global real estate securities and property securities, property related securities and participatory interests in collective investment schemes in property listed on exchanges, non-equity securities and assets in liquid form. The portfolio may also invest in participatory interests and other forms of participation in portfolios of collective investment schemes or other similar schemes operated in territories with a regulatory environment which is to the satisfaction of the manager and trustee of a sufficient standard to provide investor protection at least equivalent to that in South Africa and which is consistent with the portfolio's primary objective. The portfolio may invest in derivatives that will only be limited by the statutory limitations placed on the inclusion of financial instruments in portfolios. The portfolio's property exposure will always exceed 75%.

3.3 Nothing in this Supplemental Deed shall preclude the manager from varying the ratios of securities, non-equity securities or assets in liquid form in changing economic environment or market conditions, or to meet

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the requirements in terms of legislation and from retaining cash or placing cash on deposit in terms of the Deed and this Supplemental Deed.

3.4 The Trustee shall ensure that the investment policy set out in this Supplemental Deed is carried out.

3.5 For the purpose of this portfolio, the manager shall reserve the right to close the portfolio to new investors on a date determined by the manager. This will be done in order to be able to manage the portfolio in accordance with its mandate. The manager may, once a portfolio has been closed, open that portfolio again to new investors on a date determined by the manager.

4. DISTRIBUTION

For the purpose of the **Grindrod Global Property Income Fund** definitions regarding the "accounting period", the "distribution date" and the "ex-dividend date" described in the Deed are replaced by the following:

"**accounting period**", in relation to the first distribution in respect of a portfolio to be made in terms of this Supplemental Deed, means the period not exceeding two months commencing on the date of commencement of such portfolio as declared by the Manager in consultation with the Trustee and ending on the day immediately prior to the first day of the next calendar month as may be determined by the manager in consultation with the Trustee and, in relation to each subsequent distribution, means the period beginning with the last ex-dividend date and ending on the day immediately prior to the next ex-dividend day, provided that after the first distribution in respect of this portfolio the financial year end of the **Grindrod Global Property Income Fund** must each year coincide with the day immediately before one of the ex-dividend dates referred to below.

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“distribution date”, in relation to the **Grindrod Global Property Income Fund**, means the last business day of each calendar month, or such other day or days as may be determined by the Manager and the Trustee; provided that the first distribution date of the **Grindrod Global Property Income Fund** may not be more than two months after the date of creation of the **Grindrod Global Property Income Fund**.

“ex-dividend date” means the first business day of calendar month or such other day or days as may be determined by the Manager and the Trustee and approved by the Registrar.

5. CHARGES AND METHOD OF CALCULATION

- 5.1 The first supplemental deed, approved by the Registrar on 5 June 2003, and the forty seventh supplemental deed, approved by the Registrar on 20 December 2004, amended the deed by allowing the manager to introduce different classes of participatory interests in portfolios and by providing for the manner of calculation of charges in respect of different classes of participatory interests in any of the portfolios established under the deed. The first and forty seventh supplemental deed will apply to this portfolio and the manager reserve the right to introduce different classes and charges in respect of this portfolio from time to time. This will be done in accordance with provisions of the Act, the deed and relevant supplemental deeds.

- 5.2 Charges and method of calculation: It is hereby agreed, for the purpose of the **Grindrod Global Property Income Fund**, to amend clause 50 of the Deed to make provision for the following service charge:

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(a) **Fixed portion**

The service charge applying in respect of the **Grindrod Global Property Income Fund** shall be calculated at a per annum percentage rate, to be determined by the Manager from time to time of the daily market value of the total assets of the portfolio excluding income accruals and permissible deductions, if any.

(b) **Variable portion (Performance Fee)**

In the event that the portfolio outperforms its benchmark as measured at the previous business day or at the end of any other period as decided upon by the Manager in consultation with the trustee, during any given business day, the Manager will levy a performance fee equal to a percentage, to be determined from time to time by the Manager, of the out-performance. The performance fee, if any, will be calculated daily and payable monthly and will be recovered from the portfolio as part of the service charge of the portfolio. The portfolio's daily value to which the performance rate is to apply to calculate the performance fee shall be the daily market value of the portfolio determined by the Manager from time to time of the daily market value of the total assets of the portfolio excluding income accruals and permissible deductions, if any.

(i) The performance fee ("PF") shall be calculated per the formula set out below:

$$PF = PR * (PC - BM)$$

where

PR = the rate of participation as defined in (ii) below

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PC = the daily return of the **Grindrod Global Property Income Fund**, as defined in paragraph (iii) below

BM = the benchmark as defined in (iv) below

If the **Grindrod Global Property Income Fund** return ("PC") is less than the benchmark ("BM"), then any shortfall will be carried forward to the next calculation period for set-off against future excesses.

For example: If a positive return after a shortfall is less than the accumulated shortfall, no performance fee will be levied. Only once the total accumulated shortfall has been eroded, will a performance fee be levied on the positive excess performance.

- (ii) The rate of participation ("PR") shall be:
 - (a) Nil, if the **Grindrod Global Property Income Fund** return ("PC") is less than the benchmark ("BM").
 - (b) be expressed as a percentage, to be determined from time to time by the Manager, if the **Grindrod Global Property Income Fund** daily return ("PC") exceeds that of the benchmark ("BM") per day.
 - (iii) For the purpose of calculating the performance related charge rate, the daily return ("PC") of the **Grindrod Global Property Income Fund** shall be the percentage change in the participatory interest price, as described in the formula below.

$$PC = ((A1+B1) - (A0+B0)) / (A0+B0) \times 100$$

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where

A = the per participatory interest aggregate market value of the underlying securities in the Portfolio, excluding income accruals and payments as referred to in B on any business day relevant for the calculation, or if any exchange was closed on that day, on the last day on which that exchange was open for business;

B = the per participatory interest aggregate of all income accruals during the relevant period up to the day relevant for the calculation (but excluding specifically for the sake of clarity, payments received in lieu of income accruals from the creation of new participatory interests in the portfolio) net of all portfolio expenses accrued and/or expended during the relevant period;

0 = the start of the period; and

1 = the end of the period

provided that on the ex dividend dates, in the above formula, the net asset value at the start of the period, (A_0+B_0) , shall be equal to the net asset value per participatory interest on the close of the day previous to the current day less the dividend per participatory interest declared on that day.

(iv) The benchmark ("BM") for calculation of the performance fee on the **Grindrod Global Property Income Fund** shall be equal to the MSCI World Real Estate Index.

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6. UNDERTAKING

The parties to this supplemental deed hereby confirm that the deed executed under the Act and all supplemental deeds have been scrutinised to ensure that this supplemental deed is compatible with the deed and relevant supplemental deeds.

7. APPLICATION OF THE DEED

The portfolio shall be subject to all the provisions of the deed as amended by the preceding clauses of this supplemental deed.

8. EFFECTIVE DATE

This supplemental deed shall take effect from the date of its approval by the Registrar of Collective Investment Schemes.

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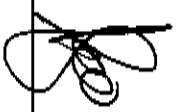
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Signed by the Manager at Bellville on the 23rd day of March 2009.

AS WITNESSES:

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For:
Metropolitan Collective Investments
Limited

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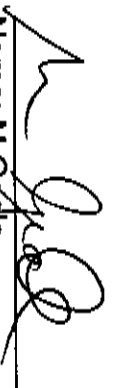

Name: R H Walton
In his capacity as Managing Director
who is duly authorised hereto

Signed by the Trustee on the 19th day of March 2009.

AS WITNESSES:

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For:
The Standard Bank of South Africa
Limited


Name: M Geale
In her capacity as authorised signatory
who is duly authorised hereto

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