



FAIRTREE PROTON RCIS RETAIL HEDGE FUND

30 JUNE 2019

VALUE AT RISK

Value at risk (VAR) is a statistical measure of a fund's financial risk over a specific period. The VAR of the Fund is calculated using historical data to determine the maximum potential loss over a month, 99% of the time. Such loss is expressed as a percentage of the Fund's net asset value.

Mandate limit	20.00%
Maximum for the quarter	4.05%
Value at quarter end	3.70%

LIQUIDITY

The Fund's redemption period remained unchanged. Liquidity stress testing was conducted throughout the quarter to assess the Fund's ability to meet its repurchase requests in varying market conditions. Stress scenarios included increasing investor repurchase levels and decreasing liquidity of the Fund's underlying assets.

LEVERAGE

Leverage is a strategy used to increase a fund's exposure beyond the capital employed. The Fund achieves leverage by borrowing funds, using short positions and engaging in derivative transactions.

COLLATERAL ASSETS

Collateral is the placement of an asset with a counterparty in order to secure an obligation. At quarter end, the value of assets encumbered as collateral was 5% of the Fund's NAV.

Re-hypothecation is the re-use of collateral by the prime broker. Re-hypothecation of the Fund's assets is prohibited.

PORTFOLIO STRESS TESTING

Portfolio stress testing was conducted throughout the quarter to assess the Fund's sensitivity to stressed market conditions. Stress scenarios were created by simulating the impact to historic financial crises.

COUNTERPARTY CREDIT EXPOSURE

Counterparty credit exposure represents the potential loss the Fund would experience in the event a counterparty defaults on its obligations and is expressed as a percentage of the Fund's net asset value.

The Fund's primary counterparties are disclosed below.

FirstRand Bank Limited	15%
Nedbank Limited	8%
Standard Bank of South Africa Limited	8%
Deutsche Bank Limited	6%
African Bank Limited	5%

CONTACT INFORMATION

MANAGEMENT COMPANY

RealFin Collective Investment Schemes (RF) Pty Ltd	
Registration Number	2013/170284/07
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Website	www.realfin.co.za

INVESTMENT MANAGER

Fairtree Asset Management Pty Ltd	
Registration Number	2004/033269/07
Physical Address	Willowbridge Place, Cnr. Carl Cronje Drive & Old Oak Road, Bellville Cape Town, 7530
Telephone Number	+27 86 176 0760
Email Address	clientservices@fairtree.com
FSP Number	25917
Website	www.fairtree.com

TRUSTEE

FirstRand Bank Ltd (acting through its RMB Custody & Trustee Services Division)	
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Email Address	trusteeservices@rmb.co.za
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