



## GROOM INVESTMENT CONSULTING CC

Principal Member - Mr Brian Leonard Ivan Groom

B.ECON (STEL) 1986, ADV DIP INT'L TAX (IAS) 1997, AFP (FPI)

Member - Mrs Margaret Anne Groom

B.ARTS (UCT) 1983, HDE POST GRAD PRIM (UCT) 1984, POST GRAD SEC DIP (CAPE  
TECHNIKON) 1986

### *Legal and contractual status*

Groom Investment Consulting cc is a close corporation registered with the registrar of companies South Africa REG. NO. CK 1999 018575/23, VAT. NO. 4440182154, TAX. REF. NO. 9341/718/03/0. Groom Investment Consulting cc is involved in giving advice relating to the management of non-discretionary investment portfolios and is registered with the Financial Services Board as a financial services provider, FSP no. 13262.

This typically involves the review of existing portfolios in relation to the objectives, risk tolerance level, preferences and degree of sophistication of the investor. It also involves the construction, in consultation with the investor, of an appropriate portfolio, taking into consideration the appropriate currency, asset allocation and geographic requirements of the investor. Once the portfolio has been created it is then discussed and reviewed with the investor on an ongoing basis in order to achieve the agreed-upon objectives.

Brian Groom is a properly accredited and lawfully appointed intermediary of the following local and offshore product suppliers:

#### Local:

Allan Gray Unit Trust Management Limited	<a href="http://www.allangray.co.za">www.allangray.co.za</a>
Coronation Fund Managers	<a href="http://www.coronation.co.za">www.coronation.co.za</a>
Discovery Life, Discovery Invest & LISP	<a href="http://www.discovery.co.za">www.discovery.co.za</a>
Foord	<a href="http://www.foord.co.za">www.foord.co.za</a>
Glacier by Sanlam	<a href="http://www.glacier.co.za">www.glacier.co.za</a>
Marriott	<a href="http://www.theincomespecialists.co.za">www.theincomespecialists.co.za</a>
Investec Personal Investments	<a href="http://www.investecfunds.co.za">www.investecfunds.co.za</a>
Nedgroup Investments	<a href="http://www.nedgroupinvestments.co.za">www.nedgroupinvestments.co.za</a>
RECM	<a href="http://www.recm.co.za">www.recm.co.za</a>
Sentinel Trust	<a href="http://www.sentineltrust.co.za">www.sentineltrust.co.za</a>

#### Offshore:

Ashburton	<a href="http://www.ashburton.com">www.ashburton.com</a>
Coronation	<a href="http://www.coronation.com">www.coronation.com</a>
Franklin Templeton Investments	<a href="http://www.franklintempleton.co.za">www.franklintempleton.co.za</a>
Glacier International	<a href="http://www.glacier.co.za">www.glacier.co.za</a>
Invesco	<a href="http://www.invesco.co.za">www.invesco.co.za</a>
Investec	<a href="http://www.investecfunds.com">www.investecfunds.com</a>
Lloyds TSB	<a href="http://www.lloydstsb-offshore.com">www.lloydstsb-offshore.com</a>
Marriott	<a href="http://www.marriott.co.za">www.marriott.co.za</a>
Nedgroup Investments (IOM) Limited	<a href="http://www.nedgroupinvestments.com">www.nedgroupinvestments.com</a>
Orbis	<a href="http://www.orbisfunds.com">www.orbisfunds.com</a>
Sarasin	<a href="http://www.sarasin.co.uk">www.sarasin.co.uk</a>
Standard Bank Offshore Services	<a href="http://www.sboff.com">www.sboff.com</a>
Trident Trust	<a href="http://www.tridenttrust.com">www.tridenttrust.com</a>

Brian Groom is also a representative of Intasure Life (PTY) Ltd trading as Intasure Financial Planners (PTY) Ltd in DiepRiver, Cape Town as well as of Garden Route Life and Investments (PTY) Ltd in George.

Groom Investment Consulting cc has the necessary controls and procedures in place to ensure that the Key Individuals and Representatives comply with the prescribed FAIS Fit and Proper Requirements (including qualifications, experience, having passed all required regulatory exams as well as all Honesty and Integrity requirements).

Groom Investment Consulting cc accepts legal responsibility for the rendering of the services by the said representatives.

No specific exemption was granted to Groom Investment Consulting cc by the registrar of financial services providers.

#### *Fees*

In the event that a fee is negotiated between the client and Groom Investment Consulting cc, such fee shall be disclosed in full to the client prior to being levied.

Consultation fees are R500-00 + VAT per hour. The first consultation shall not attract a fee.

Investment proposals and financial needs analyses are together charged at R2,000-00 + VAT.

Annual review meeting fees may also be agreed between the client and Groom Investment Consulting cc. These fees may include a R2,000-00 + VAT annual service fee which may be leviable upfront or pro-rata after each half-annual or quarterly meeting.

Annual trail fees are typically levied at 1% + VAT of the market value of the investment portfolio per annum. These trail fees may be levied quarterly, half-annually or annually.

#### *Financial services for which authorised*

Groom Investment Consulting cc has been authorised by the Financial Services Board to provide financial advice and intermediary services in respect of the following investment products:

Long term Insurance: Category B1  
Long term Insurance: Category B2  
Long term Insurance: Category C  
Retail Pension Benefits  
Participatory Interests in Collective Investment Schemes

Groom Investment Consulting cc is authorised to render advice and to recommend financial products in respect of the types below:

Life Assurance Policies  
Guaranteed Life Annuities  
Linked Life Annuities  
Local Collective Investment Schemes  
Offshore Collective Investment Schemes  
Direct Local Unit Trusts  
Direct Offshore Unit Trusts

Brian Groom has also satisfied all requirements of and pledged to abide by The Financial Planning Institute of South Africa's Code of Conduct and practise standards and has been accepted as an associate of the Financial Planning Institute of South Africa (FPI).

### *Basis of Advice*

In order for us to provide you with appropriate advice and financial products it is important that you give us sufficient particulars of your financial affairs. Failure to make a full disclosure could result in our advice being compromised and may result in you thus making a financial commitment to a product that is inappropriate to your needs and objectives.

In order to help ensure that you make a financial commitment to a product that is appropriate to your needs you are strongly advised to ensure that you have all the necessary documentation and information that you require from your advisor before you make a final decision.

### *Financial Intelligence Centre Act (FICA)*

Please note that in terms of the Financial Intelligence Centre Act (FICA), Groom Investment Consulting cc is obliged to report suspicious and unusual transactions that may facilitate money laundering to the authorities.

### *Professional Indemnity*

The services offered by Groom Investment Consulting cc (as performed by Brian Groom) are covered (up to a specific limit) by professional indemnity insurance in South Africa.

### *Compliance Function*

Glenn Burjins, a lawyer employed by Masthead Distribution Services (Pty) Ltd, is the Compliance officer for Groom Investment Consulting cc, however, Brian Groom, as key individual at Groom Investment Consulting cc, is ultimately responsible for compliance in the practise.

### *Confidentiality*

Where applicable all information will be kept by Groom Investment Consulting cc on a confidential basis and it will not be made available to third parties unless so authorised by the client beforehand or if required to divulge such information in the public interest or under any law.

### *Conflict of Interest*

In accordance with Groom Investment Consulting cc's conflicts management policy, Groom Investment Consulting cc places a high priority on its clients' interests. As conflicts of interest affecting clients could undermine the integrity and professionalism of our business, any instances of potential conflict of interest must be identified as soon as possible. If conflict situations cannot be avoided, they must be managed equitably and in the client's interest. Detecting potential or recognized conflicts of interest that could compromise the interest of our clients and managing and limiting the impact of conflicts of interest therefore constitute an integral part of Groom Investment Consulting cc's duties and obligations.

Potential conflicts of interest are inherent in any business and therefore it is not the aim of Groom Investment Consulting cc to avoid all conflicts of interest but to rather take steps to identify and manage them to ensure that our clients are not unduly prejudiced by them.

Groom Investment Consulting cc maintains an active Conflicts of Interest Management Policy which can be obtained from the key individuals.

Annexure B highlights our current conflicts of interest. (There are currently none).

Currently Allan Gray pays Groom Investment Consulting cc roughly 30% of its recurring commission.

Groom Investment Consulting cc has no shareholding in any of our product suppliers.

*Complaint resolution system and procedures*

In the case where you feel it necessary to lodge a complaint, please communicate such grievance in written form to: Groom Investment Consulting cc, P O Box 416, Edgemean, 7407. Copies of such correspondence may also be sent direct to the relevant authorities.

Financial Services provider Ombud – Noluntu Bam, Tel. 0860 324 766, Fax. 012-348 3447, Postal address: P O Box 74571, Lynnwoodridge, 7735, [info@faisombud.co.za](mailto:info@faisombud.co.za), [www.faisombud.co.za](http://www.faisombud.co.za)  
Financial Services Board - P O Box 35655, Menlo Park, 0102.

*Signing of incomplete documents*

You are hereby advised and cautioned that no person acting on behalf of the provider may in the course of the rendering of a financial service request you to sign any written or printed form or document unless all details required to be inserted thereon by you or on your behalf have already been inserted.

I, ....., hereby acknowledge receipt of this Disclosure letter from Brian Groom of Groom Investment Consulting cc, and I declare that I understand its contents and their ramifications in their entirety.

.....  
Name  
Date