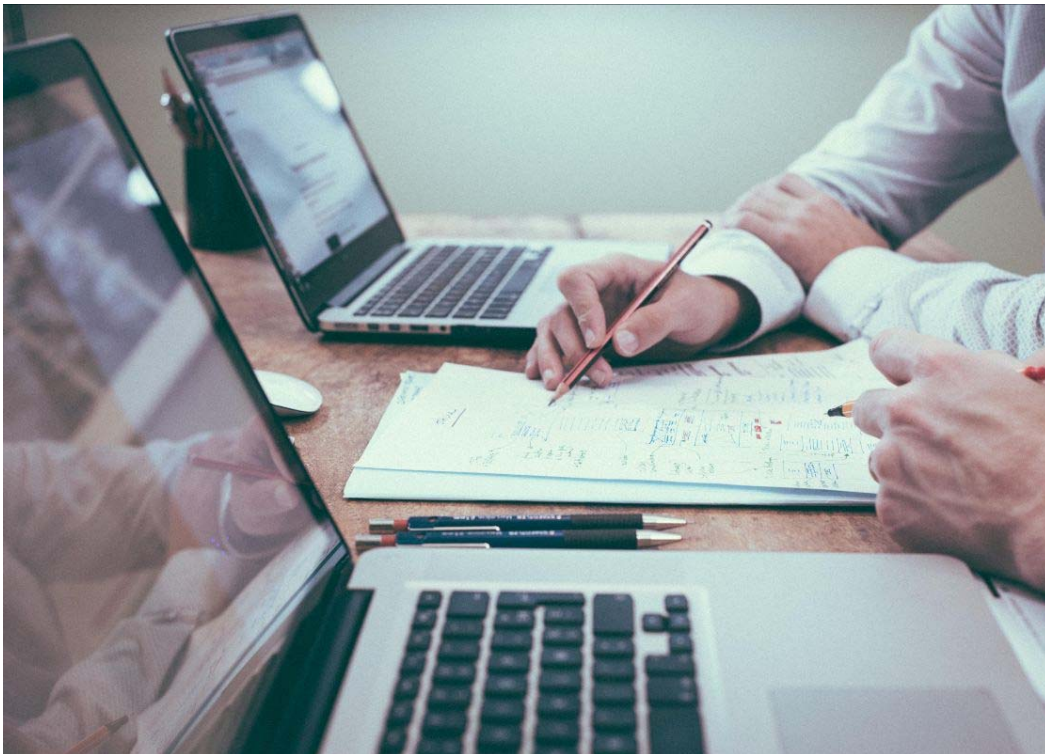


# Global & Local Model Portfolios



Dear Client,

[Re: Introduction of Global & Local Model Portfolios to your Allan Gray Investments](#)

Thank you for taking the time to read this letter, this is quite an important development in our quest to best serve your investment requirements and to provide you with the most cost effective and best performing investment product and

structures we can find or create.

You may notice in the next few weeks that the unit trust allocations on your Allan Gray investments will reduce from approximately 8 different funds down to a single "fund".

Please be advised that we are not reducing the diversification across multiple funds and fund managers. We still very much believe that diversification across different funds, fund management companies and asset classes is as important as ever, we have just found a way to provide this to you in a more efficiently.

Let me explain...

In collaboration with Allan Gray, we have been able to develop **Global & Local's** house view model portfolios on the Allan Gray Platform.

This will now allow us at **Global & Local** to manage the exposure you have to all the funds underlying in your investment as a single unit rather than having to look through every single client account to see who has exposure to a specific unit trust fund.

The **Global & Local** House View model portfolios will appear as a single fund on your statement, but in real terms you are still invested in the same underlying funds.

The advantages of going the model portfolio route can be summarised as follows:

- **Global & Local** will have the ability to manage your investment more efficiently by implementing changes as soon as possible if market conditions change.
- Diversification: Reduces risks by investing in different asset classes at appropriate times.
- In-house analysis and research: The model will be easier to manage internally. While we have always analysed each fund in your investments a Model Portfolio structure simplifies this process and provides us with a clear review process for each underlying fund. The performance of each fund will also be simpler to evaluate on an ongoing basis.
- Rebalancing: When/if a fund switch is required a single instruction to Allan Gray will be issued by Global & Local rather than submitting a switch instruction per client account across our whole client base makes this process simpler and reduces the probability of fund switches not being effected or being missed.

Once again thank you for reading this important announcement.

Should you have any queries or questions on this process please do not hesitate to contact our offices on **011 486 2500** or [info@globallocal.co.za](mailto:info@globallocal.co.za).

Kind Regards,

**Michael Haldane**

BCom (Hons)

Managing Director