



## NEWFUNDS (RF) PROPRIETARY LIMITED

( Incorporated under Registration Number 2005/034899/07 in the Republic of South Africa )

7<sup>th</sup> Floor, Absa Towers West  
15 Troye Street  
Johannesburg 2001

Tel no: (011) 350 5000  
Fax no: (086) 584 9927

### NEWFUNDS S&P GIVI SA TOP 50 INDEX ETF PORTFOLIO

Share code: NERA

ISIN: ZAE000205225

Portfolios in the NewFunds Collective Investment Scheme in Securities registered as such in terms of the Collective Investment Schemes Control Act, 45 of 2002 and managed by NewFunds (RF) Proprietary Limited (Registration Number 2005/034899/07)

### NERA MUR DISTRIBUTION ANNOUNCEMENT FOR THE QUARTER ENDED 30 SEPTEMBER 2019

NewFunds has today finalised a distribution to holders of ETF securities ("investors") recorded as such in the register on Friday, 1 November 2019, for the quarter ended 30 September 2019 as follows:

| Alpha code | Dividend/<br>Interest | Foreign/<br>Local       | Gross<br>Distribution<br>(Cents per unit) | Subject to<br>Withholding tax<br>Yes/ No | *Withholding<br>Tax (%) | Net<br>Distribution<br>(Cents per unit) |
|------------|-----------------------|-------------------------|---|--|-------------------------|---|
| NERA       | Interest              | Local                   | 0.69819                                   | No                                       |                         | 0.69819                                 |
|            | Dividend              | South African Dividend  | 54.52093                                  | Yes                                      | 20                      | 4361673                                 |
|            | Dividend              | Foreign Dividend        | 43.11398                                  | Yes                                      | 20                      | 34.49118                                |
|            | Dividend              | REITs**                 | 4.69869                                   | Yes                                      | 20                      | 3.75895                                 |
|            | Dividend              | Foreign (CFR)*** [S64N] | 6.53226                                   | No                                       |                         | 6.53226                                 |
|            |                       |                         | <b>109.56405</b>                          |  |                         | <b>89.09731</b>                         |

Further details are listed below:

Source of foreign taxable dividends:

|                       |         |
|-----------------------|---------|
| <b>United Kingdom</b> | 100.00% |
|-----------------------|---------|

Source of foreign non-taxable dividends

|                    |         |
|--------------------|---------|
| <b>Switzerland</b> | 100.00% |
|--------------------|---------|

Notice is hereby given that the following dates are of importance in regard to the distribution by the above ETF for the quarter ended 30 September 2019:

|                                       |                            |
|---------------------------------------|----------------------------|
| <b>Declaration/ Finalisation date</b> | Wednesday, 23 October 2019 |
| <b>Last day to trade</b>              | Tuesday, 29 October 2019   |
| <b>Ex distribution</b>                | Wednesday, 30 October 2019 |
| <b>Record date</b>                    | Friday, 1 November 2019    |
| <b>Payment date</b>                   | Monday, 4 November 2019    |



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The distribution will be paid on Monday, 4 November 2019 to all securities holders recorded on the register on Friday, 1 November 2019.

### **EFFECT OF DIVIDEND WITHHOLDING TAX ("DWT") ON DISTRIBUTION AMOUNTS:**

With effect from 22 February 2018, all South African local and certain foreign dividends paid to investors are subject to DWT at a current rate of 20% except where an investor is exempt or qualifies for a reduced rate of DWT.

### **EFFECT OF INTEREST WITHHOLDING TAX (IWT) ON DISTRIBUTION AMOUNTS:**

Interest accruing from a South African source to a non-resident, excluding a controlled foreign company, will be subject to withholding tax at a rate of 20% on payment, except interest,

- arising on any Government debt instrument
- arising on any listed debt instrument
- arising on any debt owed by a bank or the South African Reserve Bank
- arising from a bill of exchange or letter of credit where goods are imported into South Africa and where an authorized dealer has certified such on the instrument
- payable by a headquarter company
- accruing to a non-resident natural person who was physically present in South Africa for a period exceeding 183 days in aggregate, during that year, or carried on a business through a permanent establishment in South Africa

Investors are advised that to the extent that the distribution amount comprise of any interest, it will not be subject to WTI by virtue of the fact that it is listed debt instruments and/or bank debt.

\*Investors should seek advice from their tax advisor on whether the tax and rate shown is applicable to them.

#### **\*\* South African tax resident investors**

The dividend distribution by a REIT received by South African tax residents must be included in their gross income and will not be exempt in terms of the ordinary dividend exemption in section 10(1)(k)(i) of the Income Tax Act No. 58 of 1962 ("the Act") as a result of paragraph (aa) of the proviso thereto which provides that dividends distributed by a REIT are not exempt from income tax.

#### **\*\*Non-resident investors for South African income tax purposes**

The dividend distribution received by non-resident investors will be exempt from income tax in terms of section 10(1)(k)(i) of the Act, but will be subject to dividend withholding tax. Dividend withholding tax is levied at a rate of 20%, unless the rate is reduced in terms of any applicable agreement for the avoidance of double taxation ("DTA") between South Africa and the country of residence of the non-resident investor.

A reduced dividend withholding rate in terms of the applicable DTA may only be relied on if the non-resident investor has provided the following forms to their CSDP or broker, as the case may be in respect of its participatory interest:

- a) a declaration that the dividend is subject to a reduced rate as a result of the application of a DTA; and
- b) a written undertaking to inform the CSDP or broker, as the case may be, should the circumstances affecting the reduced rate change or the beneficial owner cease to be the beneficial owner, both in the form prescribed by the South African Revenue Service. Non-resident investors are advised to contact



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their CSDP or broker, as the case may be, to arrange for the abovementioned documents to be submitted prior to the payment of the distribution if such documents have not already been submitted.

*\*\*\* Compagnie Financiere Richemont is a Switzerland listed Company. The dividends received have been subject to 20% withholding tax.*

\*Investors should seek advice from their tax advisor on whether the tax rate shown is applicable to them.

| <b><u>Additional information:</u></b> | <b><u>Number of securities in issue</u></b> | <b><u>Tax reference number</u></b> |
|---------------------------------------|---|------------------------------------|
| GIVISA                                | 2,057,255                                   | 9180010184                         |

**23 October 2019**