

Application Form for Investors in the Republic of South Africa

This application form is for residents and citizens of South Africa only. If you are not a South African resident, please go to www.fundsmith.co.uk and download the correct application form.

To make an investment in Fundsmith Equity Fund, you will need to send us a hard copy of this application form, together with all the necessary identification/KYC documents (see page 14). Please note these deals have to be placed via post.

The fund is valued each day at midday UK time. Any deals which we receive before that time will be placed and valued at that day's price. Any deals that we receive after UK midday will be placed and valued at the next day's price.

- **Please complete this form in ink using BLOCK CAPITALS.**
- Return the form to **Fundsmith LLP, PO Box 10846, Chelmsford, CM99 2BW, United Kingdom.**
- The Minimum Disclosure Document, Key Investor Information Document and the Supplementary Information Document contain important information about the Fundsmith Equity Fund and all investors should read these prior to completing this form. All of these documents can be found at www.fundsmith.co.uk/global/za
- Please read and retain the terms and conditions as set out on page 16 of this document.
- If you wish to courier the form please send it to **Fundsmith, Adams House, 2 Springfield Lyons Approach, Chelmsford, Essex, CM2 5LG.**

Name of holder

For an individual holder

Title

Surname

Forename(s)

D.O.B.

D

D

/

M

M

/

Y

Y

Y

Y

For a corporate

Full name of corporate

Existing Fundsmith account number (if available)

If the account is for a specific purpose, you can designate the account for your reference.

Account designation (if applicable)

You can have up to four joint holders if you wish, in which case please fill their names in the separate section at the end of this form.

Permanent residential address in full

Postcode

Email

Telephone

Mobile

Postal address

If different from residential address

Postcode

Source of funds invested

Please indicate below the source of the funds that you are investing:

Inheritance <input type="checkbox"/>	Investment income <input type="checkbox"/>
Savings <input type="checkbox"/>	Sale of business <input type="checkbox"/>
Gift <input type="checkbox"/>	Sale of other assets (please specify below) <input type="checkbox"/>
Pension <input type="checkbox"/>	<input type="checkbox"/>
Other (please specify) <input type="checkbox"/>	<input type="checkbox"/>

Investment amount

Share class	Lump sum	
	Minimum amounts	Amount
T Class – 1.0% Annual Management Charge	£1,000	
R Class – 1.5% Annual Management Charge	£1,000	
I Class – 0.9% Annual Management Charge	£5,000,000	

Income choice – please tick one of the boxes below

Accumulation <input type="checkbox"/>	Income is retained within the fund and added to your investment
Income <input type="checkbox"/>	Income will be paid to you semi-annually

Payment method

Please indicate the payment methodology

Cheque enclosed payable to Fundsmith LLP

Electronic transfer to Fundsmith LLP's account (Only available for amounts over £10,000)

Account name: Fundsmith LLP Sort code: 60-00-01
Account number: 39569128 IBAN: GB42NWBK60000139569128

Quoting your name and Fundsmith account number (if you have one)

Your bank details for income distributions (where applicable) and redemptions

Bank or building society <input type="text"/>	Branch <input type="text"/>
Account holder <input type="text"/>	Account number <input type="text"/>
Branch code <input type="text"/>	IBAN <input type="text"/>

If you would like us to pay redemption proceeds and/or income distributions into your bank account (as opposed to sending a cheque), we must know the IBAN number and verify that the bank account belongs to you. Please therefore send us one of the following documents as proof:

- a cancelled cheque for the nominated bank account;
- a paying in slip for the nominated bank account;
- a statement for the nominated bank account dated no more than 3 months of age; or
- a letter from the bank confirming ownership of the nominated bank account.

Additional sections		Completed
Joint holders	To be completed if the investment is to be held jointly	<input type="checkbox"/>
Beneficial ownership	To be completed if the named investor is not the beneficial owner	<input type="checkbox"/>
Financial advisor	If the investor is applying via a financial adviser or dealer	<input type="checkbox"/>
Entity self-certification	To be completed if the investor is an entity	<input type="checkbox"/>
Individual self-certification	To be completed if the investor is an individual	<input type="checkbox"/>
Money laundering requirements	Please read	<input type="checkbox"/>
Terms and conditions	Please read and retain	<input type="checkbox"/>

Declaration

By signing this form, the applicant declares:

- The information given in this application form is correct to the best of the applicant's knowledge and belief.
- Payment has been effected as stated above.
- The applicant is the beneficial owners of this investment, unless relevant section completed.
- The applicant accept(s) that, in accordance with the money laundering regulations, Fundsmith LLP may require additional information.
- The applicant acknowledges that electronic data sources may be used to check the applicant's identity.
- The applicant (is) NOT a U.S. Person, i.e. a U.S. citizen or tax resident in the United States of America. The applicant will notify Fundsmith LLP immediately in the event that the applicant becomes a U.S. Person. The applicant understand(s) that the Fundsmith Equity Fund is not available to U.S. Persons.
- The applicant has a copy of the Key Investor Information Document and the Supplementary Information Document and has kept them.
- The applicant confirms that they have received, noted and understand the following information:
 - the Minimum Disclosure Document
 - investment objectives
 - the calculation of the NAV and dealing prices
 - charges and fees
 - risk factors
 - distribution of income accruals
 - any additional information necessary to enable the investor to make an informed decision
- Fundsmith will hold any personal information provided by [me/us] in confidence and in accordance with data protection law. By completing this Application Form, consent is given to the processing of personal data in accordance with Fundsmith's data protection policy which is set out in the Supplementary Information Document including the transfer of personal data outside of the European Economic Area.

Delete as appropriate:

- [I declare that/the applicant declares that] [it/I] [has/have] read the data protection section of the Supplementary Information Document. Please tick this box if you wish to receive marketing communications via email and post from Fundsmith.

I have noted and understood all the information provided.

Signature **Date**

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Joint holder – Number 1

For an individual holder

Title	Surname																
Forename(s)							D.O.B.	D	D	/	M	M	/	Y	Y	Y	Y

For a corporate

Full name of corporate and company number

Permanent residential or registered office address in full (if different from the first named holder)

Postcode	Email
Telephone	Mobile

By signing below, I indicate that I have read the Declaration above and agree to be bound by its terms. Please also ensure that each joint holder completes the relevant self-certification section at the end of this form.

Signature	Date

Joint holder – Number 2

For an individual holder

Title	Surname																
Forename(s)							D.O.B.	D	D	/	M	M	/	Y	Y	Y	Y

For a corporate

Full name of corporate and company number

Permanent residential or registered office address in full (if different from the first named holder)

Postcode	Email
Telephone	Mobile

By signing below, I indicate that I have read the Declaration above and agree to be bound by its terms. Please also ensure that each joint holder completes the relevant self-certification section at the end of this form.

Signature	Date

Joint holder – Number 4

For an individual holder

Title	Surname																
Forename(s)							D.O.B.	D	D	/	M	M	/	Y	Y	Y	Y

For a corporate

Full name of corporate and company number

Permanent residential or registered office address in full (if different from the first named holder)

Postcode	Email
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Telephone	Mobile
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By signing below, I indicate that I have read the Declaration above and agree to be bound by its terms. Please also ensure that each joint holder completes the relevant self-certification section at the end of this form.

Signature	Date

Beneficial ownership details

If the applicant(s) is/are not the beneficial owner(s) please delete the relevant wording in the declaration, and the complete the box below with details of who the beneficial owner is and also advise your relationship to such person.

Title	Surname																			
Forename(s)										D.O.B.	D	D	/	M	M	/	Y	Y	Y	Y

For a corporate

Full name of corporate and company number

Permanent residential or registered office address in full (if different from the first named holder)

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Postcode	Email
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Telephone	Mobile
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Relationship to applicant

By signing below, I indicate that I have read the Declaration above and agree to be bound by its terms. Please also ensure that the beneficial owner completes the relevant self-certification section at the end of this form.

Signature

Date

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Financial adviser details

As Financial adviser on the deal, I/we certify that:

- the identity of the above named investor(s) has/have been verified by me/us.
- the documentary evidence to support the identification is held by me/us and can be produced on demand.
- I/we am licensed to render services in respect of this product.
- I/we have made the disclosures required in terms of the Financial Advisory and Intermediary Services Act 37 of 2002 (FAIS) and subordinate legislation thereto, to the investor/s.
- I/we have explained all fees that relate to this investment to the investor/s and I understand and accept that the investor/s may withdraw his/her authority for payment to me in writing.

Name of adviser

Financial services register number

Your Fundsmith agency code

Stamp (including registered address)

Signature

Date

Individual Self-certification

Tax residency

Tax regulations¹ require us to collect information about each investor's tax residency². In certain circumstances (including if we do not receive a valid self-certification from you) we will be obliged to share information about your account(s) with Her Majesty's Revenue & Customs (HMRC) who may in turn share this information with any or all participating tax jurisdictions³.

Please indicate all countries in which you are resident for tax purposes and your associated Tax Identification Number(s) in the table below. If you are also a U.S. citizen you must include United States in this table along with your U.S. Tax Identification Number. If you have any questions about your tax residency², please contact your tax adviser.

Country/Countries of tax residency	Tax identification number (e.g. SA tax number)
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

Declaration

I declare that the information provided on this form is, to the best of my knowledge and belief, accurate and complete.

I agree to notify Fundsmith immediately if any of this information changes in the future.

<input type="text" value="Name (please print in full)"/>	
<input type="text" value="Permanent residential address"/>	
<input type="text"/>	
<input type="text"/>	
<input type="text"/>	<input type="text" value="Postcode"/>
<input type="text" value="Country"/>	D.O.B. <input type="text" value="D"/> <input type="text" value="D"/> <input type="text" value="D"/> / <input type="text" value="M"/> <input type="text" value="M"/> <input type="text" value="M"/> / <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/> <input type="text" value="Y"/>

Signature

Date

Entity Self-certification

Entity Self-certification

Tax regulations¹ require us to collect certain information about each investor's tax residency and tax classifications. In certain circumstances (including if we do not receive a valid self-certification from you) we may be obliged to share information about your account(s) with the relevant tax authorities. If you have any questions about your organisation's classifications in the form below, please contact your tax adviser. **Please see explanatory notes for key definitions.** Should any information provided change in the future, please ensure you advise us promptly.

In order for this form to be valid all sections 1 to 4 must be completed

Section 1: Tax residency information

1.1 Please state the country in which your organisation is resident for tax purposes

1.2 Please provide us with your organisation's Tax Identification Number

Section 2A: Organisation's classification under FATCA²

Please tick only one box with reference to the tax residency stated in box 1.1

If your organisation is a Financial Institution⁵, please specify which type:

2.1 UK Financial Institution⁵ or a Partner Jurisdiction Financial Institution⁶

2.2 Participating Foreign Financial Institution (in a non-IGA jurisdiction⁷)

2.3 Non-Participating Foreign Financial Institution⁸ (in a non-IGA jurisdiction⁷)

2.4 Financial Institution resident in the U.S.A. or in a U.S. Territory⁹

2.5 Exempt Beneficial Owner¹⁰

2.6 Deemed Compliant Foreign Financial Institution¹¹ (besides those listed above)

If your organisation is not a Financial Institution, please specify the entity's FATCA status below:

2.7 Active Non-Financial Foreign Entity¹²

2.8 Passive Non-Financial Foreign Entity¹³ (if you tick this box, please include individual self-certification forms for each of your Controlling Persons⁴)

Section 2B: Complete this only if your organisation is U.S. Tax Resident (box 1.1)

Tick this box if your organisation is any of the following and therefore not a Specified U.S. Person¹⁶

- A regularly traded corporation on a recognised stock exchange.
- Any corporation that is a member of the same expanded affiliated group as a regularly traded corporation on a recognised stock exchange.
- A government entity.
- Any bank as defined in section 581 of the U.S. Internal Revenue Code.
- A retirement plan under section 7701 (a) (37), or exempt organization under section 501 (a) of the U.S. Internal Revenue Code.
- OR any other exclusion listed in Explanatory Note 16.

¹ The term "tax regulations" refers to the International Tax Compliance Regulations 2015 which implements the Foreign Account Tax Compliance Act (FATCA) and the OECD Common Reporting Standard for Automatic Exchange of Financial Account Information (CRS).

² In general, you are tax resident where you are liable to taxes, based on where you live and work permanently although different jurisdictions have different rules in relation to tax residency. If in doubt, please contact your tax adviser.

³ Those countries that have agreed to exchange information under FATCA and the CRS1.

Entity Self-certification

Section 3: Organisation's classification under the Common Reporting Standard (CRS)²

Please tick only one box in this section with reference to the tax residency stated in box 1.1

- 3.1 Financial Institution¹⁷ (this includes Non-Reporting Financial Institutions¹⁸ such as a pension scheme, government entity, international organisation and other entities listed in Explanatory Note 18)
- 3.2 A professionally managed Investment Entity²³ outside of a CRS Participating Jurisdiction²⁴ (if you tick this box, please include individual self-certification forms for each of your Controlling Persons⁴)
- 3.3 Active Non-Financial Entity²⁰ which is regularly traded on an established securities market or affiliated thereto, a Governmental Entity or an International Organisation
- 3.4 Active Non-Financial Entity²⁰ (other than those listed in 3.3 above)
- 3.5 Passive Non-Financial Entity²¹ (if you tick this box, please include individual self-certification forms for each of your Controlling Persons⁴)

Section 4: Declaration for FATCA and CRS²

I declare that the information provided on this form is, to the best of my knowledge and belief, accurate and complete. I agree to notify Fundsmith immediately in the event that information on this self-certification form changes (including any changes to Controlling Persons).

Signed by (please print name)

On behalf of (organisation name)

Position (in organisation)

Organisation address

Country of incorporation or organisation

Signature

Date

Entity Self-certification

Explanatory notes

The following explanatory notes are based on Tax Regulations as implemented in the UK. If you have any questions about your organisation's classification, please contact your tax adviser.

Definitions common to FATCA and CRS

1. Tax regulations

The term "tax regulations" refers to regulations created to enable automatic exchange of information and include Foreign Account Tax Compliance Act (FATCA), and the OECD Common Reporting Standard (CRS) for Automatic Exchange of Financial Account Information².

2. FATCA and CRS

- FATCA
FATCA regulations in sections 1471 to 1474 of the U.S. Internal Revenue Code and the Treasury regulations and official guidance issued there under, as amended from time to time. FATCA regulations have been adopted in the UK by the International Tax Compliance Regulations 2015.
- CRS
The OECD Common Reporting Standard (CRS) which has been adopted in the UK by the International Tax Compliance Regulations 2015.

3. Non-profit organisation

An entity that meets ALL of the following criteria:

- (i) it is established and operated in its jurisdiction of residence exclusively for religious, charitable, scientific, artistic, cultural, athletic, or educational purposes; or it is established and operated in its jurisdiction of residence and it is a professional organisation, business league, chamber of commerce, labour organisation, agricultural or horticultural organisation, civic league or an organisation operated exclusively for the promotion of social welfare;
- (ii) it is exempt from income tax in its country of residence;
- (iii) it has no shareholders or members who have a proprietary or beneficial interest in its income or assets;
- (iv) the applicable laws of the entity's country of residence or the entity's formation documents do not permit any income or assets of the entity to be distributed to, or applied for the benefit of, a private person or non-charitable entity other than pursuant to the conduct of the entity's charitable activities, or as payment of reasonable compensation for services rendered, or as payment representing the air market value of property which the entity has purchased; and
- (v) the applicable laws of the entity's country of residence or the entity's formation documents require that, upon the entity's liquidation or dissolution, all of its assets be distributed to a governmental entity or other non-profit organisation, or escheat to the government of the entity's country of residence or any political subdivision thereof.

4. Controlling Persons

The term "Controlling Persons" means the natural persons who exercise control over an Entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. The term "Controlling Persons" must be interpreted in a manner consistent with the Financial Action Task Force Recommendations.

"Control" over an Entity is generally exercised by the natural person(s) who ultimately has a controlling ownership interest in the Entity. A "control ownership interest" depends on the ownership structure of the legal person and is usually identified on the basis of a threshold applying a risk-based approach (e.g. any person(s) owning more than a certain percentage of the legal person, such as 25%). Where no natural person(s) exercises control through ownership interests, the Controlling Person(s) of the Entity will be the natural person(s) who exercises control of the Entity through other means. Where no natural person(s) is identified as exercising control of the Entity, the Controlling Person(s) of the Entity will be the natural person(s) who holds the position of senior managing official.

Classifications under FATCA

5. Financial Institution

The term "Financial Institution" means a Custodial Institution, a Depository Institution, an Investment Entity, or a Specified Insurance Company as defined for the purposes of FATCA². Please see the relevant Tax Regulations for the classification definitions that apply to Financial Institutions.

6. Partner Jurisdiction Financial Institution

A Partner Jurisdiction Financial Institution includes (a) any Financial Institution resident in the UK, but excluding any branches of such Financial Institution that are located outside the UK and (b) any UK branch of a Financial Institution not resident in the UK. For these purposes "Partner Jurisdiction" means any jurisdiction that has in effect an agreement with the U.S. to facilitate the implementation of FATCA.

7. Non-IGA jurisdiction

A non-IGA jurisdiction is one where there is no Model 1 or 2 Intergovernmental Agreement in place with the U.S. in respect of FATCA².

8. Non-participating Foreign Financial Institution (NPFPI)

The term "Non-participating Foreign Financial Institution" means a non-participating FFI, as that term is defined in relevant U.S. Treasury Regulations, but does not include a United Kingdom Financial Institution or other Partner Jurisdiction Financial Institution other than a Financial Institution identified as a Non-participating Financial Institution pursuant to a determination by IRS or HMRC that there is significant non-compliance with FATCA obligations.

Explanatory notes

9. U.S. Territory

This term means American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, the Commonwealth of Puerto Rico or the U.S. Virgin Islands.

10. Exempt Beneficial Owner

The term "Exempt Beneficial Owner" means:

- (i) a UK Governmental Organisation;
- (ii) an International Organisation (examples of which include The International Monetary Fund, The World Bank, The International Bank for Reconstruction and Development and The European Community – for a full list please see the relevant guidance issued by HMRC, or the IRS);
- (iii) a Central Bank; or
- (iv) a UK registered pension scheme, or non-UK pension scheme falling within the definition of Exempt Beneficial Owner for the purpose of FATCA.

11. Deemed Compliant Foreign Financial Institution

The term "Deemed Compliant Foreign Financial Institution" means:

- (i) those entities classified as such in Annex II of the UK IGA, which includes Non-profit Organisations³ and Financial Institutions⁵ with a Local Client Base; or
- (ii) entities which otherwise qualify as such under the FATCA Regulations.

12. Active Non-financial Foreign Entity (NFFE)

An Active NFFE is any Non-financial Foreign Entity¹⁴ that meets one of the following criteria:

- (i) less than 50 percent of the NFFE's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50 percent of the assets held by the NFFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
- (ii) the stock of the NFFE is regularly traded on an established securities market or the NFFE is a Related Entity¹⁵ of an Entity the stock of which is traded on an established securities market;
- (iii) the NFFE is organized in a U.S. Territory and all of the owners of the payee are bona fide residents of that U.S. Territory;
- (iv) the NFFE is a non-U.S. government, a government of a U.S. Territory, an international organization, a non-U.S. central bank of issue, or an Entity wholly owned by one or more of the foregoing;
- (v) substantially all of the activities of the NFFE consist of holding (in whole or in part) the outstanding stock of, and providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an NFFE shall not qualify for this status if the NFFE functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes. In these circumstances, the Entity will be a Passive NFFE¹³;
- (vi) the NFFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution; provided, that the NFFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFFE;
- (vii) the NFFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganising with the intent to continue or recommence operations in a business other than that of a Financial Institution;
- (viii) the NFFE primarily engages in financing and hedging transactions with or for Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity¹⁵ provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution; or
- (ix) the Entity is a Non-profit organisation³; or
- (x) the NFFE is an "Excepted NFFE" as described in relevant U.S. Treasury Regulations.

13. Passive Non-financial Foreign Entity (PNFFE)

A Passive NFFE is any Non-financial Foreign Entity¹⁴ that is not an Active NFFE¹².

14. Non-financial Foreign Entity (NFFE)

The term "NFFE" means any non-U.S. Entity that is not treated as a Financial Institution⁵.

15. Related Entity

An entity is a Related Entity of another entity if either entity controls the other entity, or the two entities are under common control. For this purpose control includes director in direct ownership of more than 50 per cent of the vote or value in an entity.

16. Specified U.S. Person

The term "Specified U.S. Person" means a U.S. Person, other than:

- (i) a corporation the stock of which is regularly traded on one or more established securities markets;

Explanatory notes

- (ii) any corporation that is a member of the same expanded affiliated group, as defined in section 1471 (e) (2) of the U.S. Internal Revenue Code, as a corporation described in clause (i);
- (iii) the United States or any wholly owned agency or instrumentality thereof;
- (iv) any State of the United States, any U.S. Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing;
- (v) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code;
- (vi) any bank as defined in section 581 of the U.S. Internal Revenue Code;
- (vii) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code;
- (viii) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64);
- (ix) any common trust fund as defined in section 584 (a) of the U.S. Internal Revenue Code;
- (x) any trust that is exempt from tax under section 664 (c) of the U.S. Internal Revenue Code or that is described in section 4947 (a) (1) of the U.S. Internal Revenue Code;
- (xi) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or
- (xii) a broker as defined in section 6045 (c) of the U.S. Internal Revenue Code.

Classifications under CRS

17. Financial Institution

The term "Financial Institution" means a Custodial Institution, a Depository Institution, an Investment Entity²³, or a Specified Insurance Company.

18. Non-reporting Financial Institution

The term "Non-reporting Financial Institution" means any Financial Institution which is:

- (i) a Governmental Entity, International Organisation or Central Bank, other than with respect to a payment that is derived from an obligation held in connection with a commercial financial activity of a type engaged in by a Specified Insurance Company, Custodial Institution, or Depository Institution;
- (ii) a Broad Participation Retirement Fund; a Narrow Participation Retirement Fund; a Pension Fund of a Governmental Entity, International Organisation or Central Bank; or a Qualified Credit Card Issuer;
- (iii) any other Entity that presents a low risk of being used to evade tax, has substantially similar characteristics to any of the Entities described in (a) or (b) above, and is included in the list of Non-reporting Financial Institutions provided to the European Commission by the UK;
- (iv) an Exempt Collective Investment Vehicle; or
- (v) a trust to the extent that the trustee of the trust is a Reporting Financial Institution and reports all information required to be reported pursuant to Section I with respect to all Reportable Accounts of the trust.

19. Related Entity

An Entity is a "Related Entity" of another Entity if (i) either Entity controls the other Entity; (ii) the two Entities are under common control; or (iii) the two Entities are Investment Entities, are under common management, and such management fulfils the due diligence obligations of such Investment Entities. For this purpose control includes direct or indirect ownership of more than 50% of the vote and value in an Entity.

20. Active Non-financial Entity (NFE)

The term "Active NFE" means any NFE²² that meets any of the following criteria:

- (i) less than 50% of the NFE's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50% of the assets held by the NFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
- (ii) the stock of the NFE is regularly traded on an established securities market or the NFE is a Related Entity²⁹ of an Entity the stock of which is regularly traded on an established securities market;
- (iii) the NFE is a Governmental Entity, an International Organisation, a Central Bank, or an Entity wholly owned by one or more of the foregoing;
- (iv) substantially all of the activities of the NFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an Entity does not qualify for this status if the Entity functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund, or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes. In these circumstances, the Entity will be a Passive NFE²¹;

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- (v) the NFE is not yet operating a business and has no prior operating history, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution, provided that the NFE does not qualify for this exception after the date that is 24 months after the date of the initial organisation of the NFE;
- (vi) the NFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganising with the intent to continue or recommence operations in a business other than that of a Financial Institution;
- (vii) the NFE primarily engages in financing and hedging transactions with, or for, Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any Entity that is not a Related Entity, provided that the group of any such Related Entities is primarily engaged in a business other than that of a Financial Institution; or
- (viii) the Entity is a non-profit organisation³.

21. Passive Non-financial Entity (PNFE)

A Passive NFE is any Non-financial Entity²² that is not an Active NFE, or an Investment Entity²³ that is not a Participating Jurisdiction²⁴ Financial Institution.

22. Non-financial Entity (NFE)

The term "NFE" means any Entity that is not a Financial Institution¹⁷.

23. Investment Entity

The term "Investment Entity" means any Entity:

- (i) which primarily conducts as a business one or more of the following activities or operations for or on behalf of a customer:
 - (a) trading in money market instruments (cheques, bills, certificates of deposit, derivatives, etc.); foreign exchange; exchange, interest rate and index instruments; transferable securities; or commodity futures trading;
 - (b) individual and collective portfolio management; or
 - (c) otherwise investing, administering, or managing Financial Assets or money on behalf of other persons.
- (ii) the gross income of which is primarily attributable to investing, reinvesting, or trading in Financial Assets, if the Entity is managed by another Entity that is a Depository Institution, a Custodial Institution, a Specified Insurance Company, or an Investment Entity described in subparagraph A(6)(a) of the EU Directive on Administrative Co-operation 2014/107/EU.

An Entity is treated as primarily conducting as a business one or more of the activities described in subparagraph A (6) (a), or an Entity's gross income is primarily attributable to investing, reinvesting, or trading in Financial Assets for the purposes of subparagraph A (6) (b), if the Entity's gross income attributable to the relevant activities equals or exceeds 50% of the Entity's gross income during the shorter of:

- (a) the three-year period ending on 31 December of the year preceding the year in which the determination is made; or
- (b) the period during which the Entity has been in existence.

The term "Investment Entity" does not include an Entity that is an Active NFE because that Entity meets any of the criteria in subparagraphs D (8)(d) through (g) of the EU Directive on Administrative Co-operation 2014/107/EU. This paragraph shall be interpreted in a manner consistent with similar language set forth in the definition of "financial institution" in the Financial Action Task Force Recommendations.

24. Participating Jurisdiction

The term "Participating Jurisdiction" means a jurisdiction which has an agreement in place to exchange information in accordance with the OECD Common Reporting Standard.

Anti-Money Laundering Requirements

As part of our client verification process we require evidence of the following documentation listed below. The copies must be certified by authorised signatories (lawyer, bank official, financial adviser, mortgage broker, stock broker or accountant).

- The authorised signatory must date and sign the document stating 'original seen'
- The person undertaking the certification must be easy to contact and not a family member
- The certification must be dated within the last 6 months
- Do not send original documents through the post

For individuals

Evidence of personal identity

- Current signed passport
- Current signed driving licence
- Evidence of entitlement to a state or local authority funded benefit (dated within the last year)
- Tax notification

Evidence of address

- Local authority tax bill (valid for current year)
- Current driving licence
- Solicitor's letter confirming house purchase or ownership
- Local council rent card or tenancy agreement
- Original utility bill no older than 3 months (not including mobile phone bill)

For entities

If you are a Corporation, we can accept:

- Certificate of Incorporation
- Articles of Association
- Together with details of beneficial owner (if any)

If you are a Partnership we can accept:

- Partnership Agreement and details of beneficial owner (if any)

If you are a Charity, we can accept:

- Charity Registration document
- Trust Deed and details of beneficial owner (if any)

If you are a Trust, we can accept:

- Trust Deed and details of beneficial owner (if any)

Beneficial owners

We are required under the UK Anti-Money Laundering legislation to obtain details of beneficial owners or controllers who own or control more than 25% of the voting rights or are entitled to more than 25% of the company's profits. We are also required to establish the identity of any directors, trustees or other controllers that may not be named on the application. For applicants who are body corporates or partnerships please provide details below of any natural person(s) that directly own or control more than 25% of the voting rights in the body or partnership or who own or are entitled to more than 25% of its capital or profits. Should the applicant not be directly owned by a natural person(s), please send details of the ownership structure to us and upon receipt we will advise you of any further information that may be required from you.

For applicants acting as Trustee(s) (or similar), please provide details of all Settlers (even if deceased), any further trustees or others (including Protectors) that have any control over the management of the trust or arrangement, and any named individuals or classes that have a potential entitlement to 25% or more of the property of the trust assets (even where discretion exists).

Investment

Investment Option Brochure

The investment objective of the Fund is to achieve long-term growth in value. It will invest in equities on a global basis, and will not adopt short-term trading strategies.

OEIC portfolio	Risk rating	Benchmark	Income distribution	Annual management fee	Annual distribution fee
Fundsmith Equity Fund R Class	5	N/a	Semi-annual	1.5%	Nil
Fundsmith Equity Fund T Class	5	N/a	Semi-annual	1.0%	Nil
Fundsmith Equity Fund I Class	5	N/a	Semi-annual	0.9%	Nil

Terms and Conditions

General

1. This application together with the Prospectus and Supplementary Investment Document, will govern the legal relationship between the investor and Fundsmith. It is Fundsmith's sole discretion to accept or reject the investor's application form.
2. Any references to the singular shall include the plural.
3. Please note this form must be received by Fundsmith by or before noon UK time, to be transacted at the net asset value price for that day.
4. No interest will accrue to monies awaiting allocation.
5. All redemptions must be submitted in writing and will be executed following receipt and acceptance of such instruction.
6. The net asset value price is calculated using the forward pricing methodology. The net asset value can be defined as the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio, divided by the number of shares in issue.
7. Shares will be bought and sold at the net asset value price in accordance with the Prospectus.
8. Fundsmith may, at its discretion, close the fund to new investors and existing shareholders.
9. Fundsmith reserves the right to terminate this contract in accordance with the Prospectus.
10. All material facts must be accurately and properly disclosed, and the accuracy and completeness of all answers, statements or other information provided by or on behalf of the investor, are the investor's own responsibility.
11. The Depository's details are: State Street Trustees Limited, 525 Ferry Road, Edinburgh, EH5 2AW, United Kingdom.

Instructions

1. Only signed written instructions from the applicant will be acted upon.
2. Fundsmith will not proceed with any transaction if there is any doubt as to the validity of any signatures/information or if it deems the application to be incomplete in any way and Fundsmith cannot be held liable for any resultant losses as a result thereof.

Reporting

Shareholder statements will be issued semi-annually. Transaction notes are sent on a transaction basis. Additional investor statements are available on request.

Risk warning

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. A schedule of fees, charges and maximum commissions is shown on the Key Investor Information Document and is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (including brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (shares) in issue. Forward pricing is used. Where foreign securities are included in a portfolio there may be potential constraints on liquidity and the repatriation of funds, macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks; and potential limitations on the availability of market information.

The investor acknowledges the inherent risk associated with the selected investments and that there are no guarantees.

Complaints

Any complaints concerning the Fund or Fundsmith should be referred to the Compliance Officer of Fundsmith at PO Box 10846, Chelmsford, Essex CM99 2BW, United Kingdom. A copy of our complaints procedure explaining how complaints will be dealt with is available on request. If a complaint is not resolved to the satisfaction of the complainant it may, subject to the status of the complainant, be referred to the Financial Ombudsman Service at South Quay Plaza, 183 Marsh Wall, London E14 9SR, United Kingdom.