

Rand Swiss (Pty) Ltd

Discretionary Mandate

Entered into between **Rand Swiss Proprietary Limited**, Reg No. 2014/119362/07, an Authorised Financial Services Provider (FSP 45837) (hereinafter referred to as "**Rand Swiss**") and

APPLICANT SUITABILITY AND ONBOARDING			
PERSONAL INFORMATION			
Legal status:			
Individual Investor	<input type="checkbox"/>	Listed company	<input type="checkbox"/>
Club/ <u>Stockvel</u> /Partnership	<input type="checkbox"/>	Company	<input type="checkbox"/>
		Trust	<input type="checkbox"/>
		Close corporation	<input type="checkbox"/>
Surname/Company/Trust:		First Names:	
ID/Passport/ <u>Reg No</u> :		Prefix/Title:	Initials:
Income Tax/Vat No:		Male <input type="checkbox"/>	Female <input type="checkbox"/> <i>(Please tick)</i>
City of birth:		Language:	
CURRENT RESIDENTIAL ADDRESS			
Current address:		City:	
State/Province:		Country of residence:	Post code:
Own <input type="checkbox"/>	Rent <input type="checkbox"/> <i>(Please tick)</i>	Monthly payment/Rent:	How long?
CONTACT INFORMATION			
Email Address:			
Telephone (Home):		Mobile:	
Telephone (Work):		Facsimile:	
BANKING DETAILS			
A/c Name:		A/c No.:	
A/c Type:	Branch:	Bank:	
DISCLOSURES			
Do you currently have brokerage accounts elsewhere? Yes <input type="checkbox"/> No <input type="checkbox"/>		<i>(If yes, please specify the firm and type of account)</i>	
Are you a director of, or hold greater than 5% in, a JSE listed company? Yes <input type="checkbox"/> No <input type="checkbox"/>		Are you employed by a registered securities broker, FSP or other financial services company? Yes <input type="checkbox"/> No <input type="checkbox"/>	
<i>(If yes, please specify which company.)</i>		<i>(If yes, please specify the firm and in what capacity as a compliance letter may be required.)</i>	

(hereinafter referred to as the "**Client**")

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NOW THEREFORE IT IS AGREED AS FOLLOWS:

1. Interpretation and Preliminary

1. The headings of the clauses in this Mandate are for the purpose of convenience and reference only and shall not be used in the interpretation of nor modify nor amplify the terms of this Mandate nor any clause hereof. Unless a contrary intention clearly appears –
- 1.1. words importing –
- 1.1.1. any one gender include the other two genders;
 - 1.1.2. the singular include the plural and vice versa; and
 - 1.1.3. natural persons include created entities (corporate or unincorporate) and the state and vice versa;
- 1.2. the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely –
- 1.2.1. **“Act”** means the Financial Advisory and Intermediary Services Act No 38 of 2002, as amended from time to time, and the subordinate legislation, with particular reference to the General Code of Conduct for Authorised Financial Services Providers and Representatives;
 - 1.2.2. **“Alternative Investment”** and **“Hedge Fund”** shall mean a portfolio which uses any strategy or takes any position which could result in the portfolio incurring losses greater than its aggregate market value at any point in time, and which strategies or positions include but are not limited to -
 - 1.2.2.1. leverage; or
 - 1.2.2.2. net short positions.
 - 1.2.3. **“Business Day”** means any day except a Saturday, Sunday or public holiday in South Africa and may include any day which is deemed to be a non-trading day by a recognisable exchange including but not limited to the JSE, the London Stock Exchange (LSE), New York Stock Exchange (NYSE), the Frankfurt Stock Exchange (DAX), Paris Stock Exchange (CAC), Lagos Stock Exchange (LSE), the Nairobi Stock Exchange (NSE), the Accra Stock Exchange (ASE) and the Abidjan Stock Exchange (ASE);
 - 1.2.4. **“Client”** means the specific person or group of persons defined on page 2 of this Mandate, which excludes the general public, who is or may become the subject to whom a Financial Service is rendered intentionally, or is the successor in title of such person or the beneficiary of such service;
 - 1.2.5. **“Complaint”** means a specific complaint relating to a financial service rendered by a financial services provider or representative to the complainant on or after the date of commencement of the Act, and in which complaint it is alleged that the provider or representative –
 - 1.2.5.1. has contravened or failed to comply with a provision of the Act and that as a result thereof the complainant has suffered or is likely to suffer financial prejudice or damage;
 - 1.2.5.2. has wilfully or negligently rendered a financial service to the complainant which has caused prejudice or damage to the complainant or which is likely to result in such prejudice or damage; or
 - 1.2.5.3. has treated the complainant unfairly;
 - 1.2.6. **“Derivative Instrument”** means any:
 - 1.2.6.1. financial instrument; or
 - 1.2.6.2. contract,
 - 1.2.6.3. that creates rights and obligations and that derives its value from the price or value, or the value of which may vary depending on a change in the price or value, of some other particular product or thing;
 - 1.2.7. **“Discretionary FSP”** means a discretionary FSP as defined in the Notice of Codes of Conduct for Administrative and Discretionary FSPs, 2003. This mandate is an unlimited mandate to act on the Investor’s behalf without it being necessary to obtain further authority or consent from the Investor to effect any transaction in investments in terms of this mandate.
 - 1.2.8. **“Early-termination Event”** means any of the following:
 - 1.2.8.1. any event, circumstance or cause beyond the control of the Financial Product Provider that has or would be expected to have (as determined by the Financial Product Provider at its sole discretion) a material adverse effect on its ability to perform its obligations under, or hedge its positions with respect to, the Securities, including, for the avoidance of doubt, any situation where the Financial Product Provider is unable to borrow at acceptable rates, determined at the Financial Product Provider’s sole discretion, any Reference Instruments needed to hedge a Securities transaction where the Client sold a Security;
 - 1.2.8.2. any change in law or interpretation that makes it unlawful for the Financial Product Provider to give effect to any provision of these Terms and Conditions;
 - 1.2.8.3. any government, governmental agency, department or commission seizing, confiscating or compulsorily acquiring (whether permanently or temporarily and whether with payment of compensation or not) any property of the Client;
 - 1.2.8.4. Market Disruption Event occurring in relation to the Reference Instrument underlying a Security held by the Client; and
 - 1.2.8.5. The Client dying, ceasing to be of full legal capacity or otherwise becoming incapable of managing his own affairs for any reason.
 - 1.2.9. **“Effective Date”** means the Date of Signature Hereof of the last party signing;
 - 1.2.10. **“Financial Markets Act”** means the Financial Markets Act, 2012 (Act No. 19 of 2012);
 - 1.2.11. **“Financial Product”** as that term is defined in terms of the Act, including, but not limited to Securities as defined in section 1 of the Financial Markets Act;
 - 1.2.12. **“Financial Product Provider”** means another approved FSP which is utilised by Rand Swiss to provide the services, and may include, but is not limited to, an authorised member of the JSE Securities Exchange, a member of the SA Futures Exchange, and/or a Commercial Bank;
 - 1.2.13. **“Financial Service”** means any service as defined in terms of the Act, but specifically the rendering of Discretionary services by a FSP.
 - 1.2.14. **“Financial Services Board”** means the board established by section 2 of the Financial Services Board Act, 1990 (Act No. 97 of 1990);
 - 1.2.15. **“Financial Services Provider”** and **“FSP”** shall have the corresponding meaning, and means any person, other than a representative, who as a regular feature of the business of such person:

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- 1.2.16. furnishes advice; or
- 1.2.17. furnishes advice and renders any intermediary service; or
- 1.2.18. renders an intermediary service;
- 1.2.19. "**Index**" means an indicator that reflects changes in the value of a group of securities on one or more exchange or external exchange;
- 1.2.20. "**Intermediary Service**" means any act other than the furnishing of advice, performed by a person for or on behalf of a client or product supplier -
 - 1.2.20.1. the result of which is that a client may enter into, offers to enter into or enters into any transaction in respect of a financial product with a product supplier; or with a view to -
 - 1.2.20.2. buying, selling or otherwise dealing in (whether on a discretionary or non-discretionary basis), managing, administering, keeping in safe custody, maintaining or servicing a financial product purchased by a client from a product supplier or in which the client has invested;
 - 1.2.20.3. collecting or accounting for premiums or other moneys payable by the client to a product supplier in respect of a financial product; or
 - 1.2.20.4. receiving, submitting or processing the claims of a client against a product supplier;
- 1.2.21. "**JSE**" means the exchange operated by JSE Limited (Registration No. 2005/022939/06) (or any other name by which it may be known in the future) or its successor body;
- 1.2.22. "**Leverage**" or "**Gearing**" means the use of Financial Instruments or borrowed capital to increase the potential return of an investment;
- 1.2.23. "**Mandate**" means this agreement and all annexures thereto;
- 1.2.24. "**Parties**" means the Client and Rand Swiss and "**Party**" shall have the corresponding meaning;
- 1.2.25. "**Transactions**" means any trades in Securities performed by Rand Swiss, on behalf of the Client, via an approved Financial Product Provider;
- 1.2.26. "**VAT**" or "Value Added Tax" means value-added tax leviable in terms of the Value-Added Tax Act, 1991 (Act No. 89 of 1991);
- 1.2.27. "**Rand Swiss**" means Rand Swiss Proprietary Limited, Reg No. 2014/119362/07, a duly registered discretionary FSP;
- 1.2.28. "**ZAR**" or "**R**" or "**Rands**" or "**South African Rands**" means South African Rands, the lawful currency of South Africa;
- 1.3. any reference in this Mandate to "Date of Signature Hereof" shall be read as meaning a reference to the date of the last signature of this Mandate;
- 1.4. any reference to an enactment is to that enactment as at the Date of Signature Hereof and as amended or re-enacted from time to time and includes any subordinate legislation made from time to time under such enactment;
- 1.5. if any provision in a definition is a substantive provision conferring rights or imposing obligations on any party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Mandate;
- 1.6. when any number of days is prescribed in this Mandate, same shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a Saturday, Sunday or public holiday, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or public holiday;
- 1.7. where figures are referred to in numerals and in words, if there is any conflict between the two, the words shall prevail;
- 1.8. expressions defined in this Mandate shall bear the same meanings in schedules or annexures to this Mandate which do not themselves contain their own conflicting definitions;
- 1.9. the use of any expression in this Mandate covering a process available under South African law such as a winding up (without limitation *eiusdem generis*) shall, if any of the parties to this Mandate is subject to the law of any other jurisdiction, be construed as including any equivalent or analogous proceedings under the law of such defined jurisdiction;
- 1.10. where any term is defined within the context of any particular clause in this Mandate, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this Mandate, notwithstanding that that term has not been defined in this interpretation clause;
- 1.11. the expiration or termination of this Mandate shall not affect such of the provisions of this Mandate as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this;
- 1.12. the rule of construction that a contract shall be interpreted against the party responsible for the drafting or preparation of the contract, shall not apply;
- 1.13. any reference in this Mandate to a party shall include a reference to that party's assigns expressly permitted under this Mandate and, if such party is liquidated or sequestered, be applicable also to and binding upon that party's liquidator or trustee, as the case may be;
- 1.14. the words "include", "including" and "in particular" shall be construed as being by way of example or emphasis only and shall not be construed as, nor shall they take effect as, limiting the generality of any preceding word/s;
- 1.15. any reference in this Mandate to any other Mandate or document shall be construed as a reference to such other Mandate or document as same may have been, or may from time to time be, amended, varied, novated or supplemented;
- 1.16. the words "other" and "otherwise" shall not be construed *eiusdem generis* with any preceding words where a wider construction is possible.

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2. Introduction

- 2.1. This Mandate is entered into between Rand Swiss and the Client for the rendering of Financial Services in its capacity as holder of a Category II FSP License and is authorised to render intermediary services of a discretionary nature in respect of investment products residing under the financial product subcategories indicated in paragraph 2.2 hereunder;
- 2.2. The Provider is authorised to invest in any of the following financial product subcategories:

Category II		Intermediary Services
2.5	Securities and Instruments: Shares	<input checked="" type="checkbox"/>
2.8	Securities and Instruments: Warrants, certificates and other instruments acknowledging debt	<input checked="" type="checkbox"/>
2.10	Securities and Instruments: Derivative instruments excluding warrants	<input checked="" type="checkbox"/>

- 2.3. This Mandate describes the relationship between the Client and Rand Swiss, and explains your rights and obligations. Any special arrangements that have been agreed upon with Rand Swiss should be committed to writing and appended to this Mandate. The Client undertakes responsibility to obtain a full copy of this Mandate, duly initialed on each page and signed by both Parties.
- 2.4. Rand Swiss has adequate insurance to cover risk of loss from fraud and negligence by employees under our fidelity extension, and our professional indemnity policy. Subject to clause 2.4.1, Rand Swiss shall not be liable for, and the Client hereby indemnifies Rand Swiss against, any claims for loss, expense or damage which the Client may suffer, howsoever such loss, expense or damage may arise or be suffered, by the Client.
- 2.4.1. The exemption and indemnity in clause 2.4 shall not extend to any loss, expense or damage which arises as a result of the fraud, dishonesty or gross negligence of Rand Swiss or any director, employee, officer, or agent of Rand Swiss.
- 2.4.2. Rand Swiss shall, to the extent, and if required by the registrar in terms of the FAIS Act, arrange and maintain, at its own expense, insurance cover in respect of any liability which may be incurred by Rand Swiss in connection with this agreement. Rand Swiss shall on request from the Client furnish the Client with written confirmation of the amount of such insurance cover.
- 2.5. Rand Swiss may in its efforts in rendering the Financial Services make use of the Financial Services of its own staff or that of other approved FSP's.

3. Risk Acknowledgement

SIGNATURE

- 3.1. The Client acknowledges that he has been made aware by Rand Swiss of the risks pertaining to the Financial Product;
- 3.2. In light of the Client's circumstances and financial position, the Client confirms that the Financial Product(s) selected is a suitable investment to achieve his investment objectives and if deemed necessary, the Client has taken the appropriate independent advice prior to concluding this Mandate.
- 3.3. The FSP uses its discretion to invest on the Client's behalf with great care and diligence. The value of the investments and income may rise as well as fall, and there is the risk that the client may suffer financial losses. The past performance of any investment is not necessarily a guide to future returns.
- 3.4. The FSP reserves the right to leverage the investment, the maximum exposure for the Alternative Investment is 20 times with a maximum single counter exposure of 40%.
- 3.5. While Alternative Investments have many advantages over traditional long only equity portfolios, it is very important that you understand the risks involved before you open an account. You will be required to read the additional Risk Disclosure Statement included in Annexure A: Risk Disclosure and fully understand the contents thereof.
- 3.6. The risks inherent in investments with an Alternative Investment are greater than the risks in investments with a moderate to conservative risk profile. Such higher risk investments may be subject to sudden and large fluctuations in value. The Investor acknowledges that it understands, is aware and accepts the various risks that are involved in holding a portfolio of investments and in dealing therein in the financial markets as set out herein. The Rand Swiss is hereby indemnified against any loss or damage suffered by the Client as a consequence of any depreciation in the value of the Financial Product resulting from any adverse movement in market prices.
- 3.7. The Discretionary FSP hereby discloses to the Investor that there are various risks involved in investing in local and international financial markets due to fluctuations in market values. With international investments there is additionally a risk arising from fluctuations in international currency exchange rates and there are various risks involved in the use of futures, other derivative instruments. Further offshore investments in currencies other than the base currency of the Investor's portfolio will expose the offshore investment to possible currency risk and the movement of exchange rates may affect, unfavourably as well as favourably, any gain or loss on the investment or the investment itself.
- 3.8. The deduction of charges and expenses means that the Investor may not get back the amount initially invested;
- 3.9. The Client is responsible for the selection of the Financial Product. As such, the performance of any Financial Product will depend solely on investment decisions made by the Client;
- 3.10. The Rand Swiss will only conduct business with a Client for whom it considers such business to be appropriate and in assessing appropriateness, will rely on the information provided by the Client in his application form. For this reason, it is essential that the Client immediately advise the Rand Swiss in writing if there is subsequently an adverse change in the information which the Client has provided;
- 3.11. The Client, by signing this Mandate, hereby warrants that the total value of all assets held by him exceeds the total value of all liabilities owed by him and can be considered to be solvent;
- 3.12. In terms of the Rand Swiss internal policies and procedures, Rand Swiss is required to ensure that profile checks are done on all new Clients, the Client authorises and gives the Rand Swiss consent to conduct the following profile checks on the Client including, but not limited to: Identity verification, credit profile, tax number verification and/or criminal record.

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- 3.13. When investing in foreign investment products, it is important to be aware of the following risks:
- 3.13.1. Obtaining access to investment performance information may be more difficult than South African based investments;
 - 3.13.2. Investments are exposed to different tax regimes which may change without warning and which may influence investment returns;
 - 3.13.3. Exchange control measures may change in the country of investment and it may influence accessibility to the invested capital;
- 3.14. The value of the Rand has deteriorated over the last number of years. However, it is important to understand that should the Rand exchange rate strengthen against the exchange rate of the foreign currencies in which the Client's funds are invested, it may create a loss of capital or reduced returns when the money is returned to South Africa in Rand.

4. Authorisation & Scope

- 4.1. The Client authorizes Rand Swiss to provide a Discretionary Financial Service;
- 4.2. The Client authorises Rand Swiss to do all things necessary to give effect to the Transactions including, but not limited to, the execution of any required Client Mandate with a Financial Product Provider, the provision of settlement instructions and all ancillary documents associated with the Transactions to give effect thereto;
- 4.3. The Investor hereby authorises the Discretionary FSP to have complete discretion to invest in the Financial Products. Further, there shall be no restrictions in relation to the investment vehicles, investment products or jurisdiction used for the purpose of and/or applicable to the management of the investment except as prescribed by prevailing legislation.
- 4.4. The Client elects to waive both the *Full Needs Analysis* and the *Specific Needs Analysis*:

YES NO

SIGNATURE

If Yes above, the Client hereby undertakes to waive the Full Needs Analysis and the Specific Needs Analysis in respect of him/herself, his/her heirs, executors, administrators, or any others who may claim on the Client's behalf thereby indemnifying and releasing Rand Swiss' employees, officers and directors and/ or any duly authorised representative from any and all claims of whatsoever nature resulting from the exclusion of the Client's participation in the Risk Profiling and Investment Needs Analysis process in terms of this Mandate and that this exclusion is of the Client's own volition and deemed by the Client as superfluous and unnecessary to any decision to invest in any financial product and financial service offered by Rand Swiss.

- 4.5. No representative of Rand Swiss or any other person may request the Client nor offer any inducement to waive any right or benefit conferred on the Client in terms of any provision of the General Code of Conduct issued in terms of FAIS.
- 4.6. The Client's investment objectives are specified in the schedule that is attached to this Mandate.
- 4.7. The Client's risk profile is determined considering the Client's current set of information and circumstances and the Client acknowledges that these circumstances and information may change over time.
- 4.8. The Client warrants the on-going accuracy and correctness of the Client's investment objectives and any other information that has been provided to the Provider in order to conclude this Mandate.
- 4.9. The client accepts the discretionary FSP may, in order to render financial services to clients, utilize services of its own staff or that of another approved FSP.

5. Accounts to Opened

- 5.1. Rand Swiss may but shall not be obliged to open the trading/ investment account for the Client upon receipt of the account documentation required to open a trading/ investment account.
- 5.2. Rand Swiss shall only be obliged to maintain the Client's account provided that the Client is in compliance with the terms and conditions of this Mandate, the laws of the Republic of South Africa and any other express or implied terms regulating the conduct of trading and investment accounts in the Republic of South Africa.
- 5.3. The account shall be opened in the Client's name and Rand Swiss shall require satisfactory proof in terms of the Financial Intelligence Centre Act 38 of 2001. Accordingly the details provided by the Client in terms of this Mandate shall be deemed to be correct and the onus is on the Client to update such details periodically.
- 5.4. To give effect to the trading of the Financial Product choices selected, accounts will be opened in the Client's name with Financial Product Providers of Rand Swiss' choice;
- 5.5. The Financial Product account shall be opened in the Client's name and Rand Swiss shall require satisfactory proof in terms of the Financial Intelligence Centre Act 38 of 2001. Accordingly the details provided by the Client in terms of this Mandate shall be deemed to be correct and the onus is on the Client to update such details periodically.
- 5.6. Rand Swiss is authorised to switch funds between the Client's accounts with the various Financial Product Provider at Rand Swiss' discretion;
- 5.7. Rand Swiss will obtain and transmit to the Client any information which a Financial Product Provider must disclose in terms of any law, unless the Client in writing specifically requested Rand Swiss not to provide such information;
- 5.8. The Client acknowledges that Rand Swiss has no jurisdiction restrictions that apply to the rendering of the Financial Services in relation to the Financial Products supplied.

6. Registration of Financial Products

- 6.1. All Financial Products managed from time to time by Rand Swiss in terms of this Mandate shall be registered in the name of:
 - 6.1.1. The Client with a Financial Product Provider;
 - 6.1.2. An approved nominee company nominated by the Client;
 - 6.1.3. An approved nominee company of Rand Swiss; or
 - 6.1.4. The independent custodian of an administrative FSP.
- 6.2. The Client warrants and undertakes that all investments entrusted and/or delivered by it, or under its authority, to Rand Swiss in terms of or for the purposes of this Mandate, are not and will not be subject to any lien, charge or other encumbrance or impediment to transfer and that the same shall remain free to any such lien, charge, encumbrance or impediment whilst subject to Rand Swiss' authority pursuant to this Mandate.

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7. Treatment of Funds

7.1. Rand Swiss shall deposit monies, received in connection with providing the Financial Services, into Rand Swiss' inflow account:

Account Name:	Rand Swiss
Bank:	Nedbank
Branch:	Sandton City (197 005)
Account No.:	1119363608

7.2. Alternatively, at Rand Swiss' option, the monies entrusted to Rand Swiss will initially be deposited, pending investment, in the trust account or inflow account of a Financial Product Provider or an account in the Client's name, held with a Financial Product Provider.

7.3. Rand Swiss shall forthwith deposit all cash accruals, including interest, dividends, proceeds of disposal and cash received in connection with providing Financial Services, to the credit of the Client, into the Client's account held with a Financial Product Provider.

8. Reporting

8.1. Rand Swiss shall furnish:

8.1.1. the Client with quarterly reports concerning the Client's investments;

8.1.2. Electronic portfolio reports;

8.2. Rand Swiss shall, on request in a comprehensible and timely manner, provide to the Client any reasonable information regarding the investments, market practices and the risks inherent in the different markets and products

9. Remuneration

9.1. The Client shall remunerate Rand Swiss as follows:

9.1.1. Annexure B details indicative costs associated with the execution of the Financial Services;

9.1.2. The Client hereby irrevocably authorizes Rand Swiss to deduct fees due to Rand Swiss from the cash amount standing to the credit of the Client or from the sale of Financial Products should the cash amount be insufficient to cover the fees due;

9.1.3. The Parties hereto agree that any amendments to the manner in which fees due to Rand Swiss by the Client is calculated shall be in writing and signed by both Parties;

9.1.4. From time to time Rand Swiss may receive referral brokerage, and/or expense softing from its Financial Product Providers;

9.1.5. If the Client has been introduced to Rand Swiss by one of its "referrers or introducers of business", there may be a sharing of the agreed fees, as outlined in this Mandate, by Rand Swiss with such introducer.

10. Prohibition of Selling or Buying certain Financial Products

10.1. Rand Swiss shall not directly or indirectly:

10.1.1. sell any Financial Products owned by Rand Swiss to the Client;

10.1.2. buy for own account any Financial Products owned by the Client;

10.2. Unless such Financial Product is to directly hedge the Client's financial product.

11. Voting rights

11.1. Rand Swiss has the right and may, within its sole discretion, vote the Client's rights with respect to the Client's Financial Product holdings on behalf of the Client.

12. Deposits/Withdrawals from the Client's Account

12.1. Rand Swiss is authorised to withdraw from the Client's account such amounts as are required from time to time to settle any amounts due in the course of opening, closing or maintaining any positions on behalf of the Client and/or due in respect of any trades and/or contracts and to make such other payments as are necessary and/or required in the operation of the Client's account including but not limited to platform fees, JSE royalties, custodial fees, and/or third party data fees.

12.2. Rand Swiss and/or Financial Product Providers margin requirements are available on request, and may change from time to time at the discretion of Rand Swiss and/or Financial Product Provider;

12.3. The Client shall pay to Rand Swiss such amounts as Rand Swiss may require from time to time by way of initial, variation, retained or additional margin or any other amount required including interest or any other amount by Rand Swiss and/or Financial Product Provider in order to *inter alia* maintain margin balances in respect of or in connection with any position, trade and/or contract as required by Rand Swiss, the Financial Product Provider and/or this Mandate.

12.4. Rand Swiss has the right in its sole discretion to require the client to pay to Rand Swiss additional margin on demand in respect of any position, trade and/or contract, the amount of which will be determined and/or calculated by Rand Swiss according to the margin requirements of Rand Swiss' Financial Product Providers, as amended from time to time.

12.5. Notwithstanding the provisions of clauses 12.3 and 12.4 above, should the Client fail to pay any margin when payment is due as required by Rand Swiss, the Financial Product Provider and/or this Mandate, Rand Swiss is entitled to immediately close-out one, more or all of the positions, trades and/or contracts of the Client.

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13. Client instructions and authorisations

- 13.1. The Client agrees that all instructions given by the Client to Rand Swiss telephonically or in writing by e-mail or facsimile shall be valid and binding on the Client upon transmission and the instruction cannot be withdrawn without Rand Swiss' consent and that Rand Swiss is not obliged to further verify the authenticity of such Clients' instruction.
- 13.2. The Client hereby authorises Rand Swiss to accept receipt of the instructions in relation to the trading of Financial Products issued by the Client and or any of the authorised signatories, attorneys or agents. Any waiver of the condition by Rand Swiss will not absolve the Client or his / her authorised signatory from taking delivery of any Financial Product duly purchased by Rand Swiss on behalf of the Client or his/ her authorised signatory and to pay any fees due on any of such purchase.
- 13.3. Instructions received and acknowledged by Rand Swiss from the Client on a Business Day before noon in relation to withdrawals, shall be acted upon on the same day provided the account has sufficient funds. Instructions that a received thereafter or on a day other than a Business Day, shall be processed by Rand Swiss on the next succeeding Business Day.
- 13.4. The Client may, prior to receipt of a written confirmation from Rand Swiss, cancel any instruction given where Rand Swiss has not acted upon the said instrument. When Rand Swiss has already acted upon the Client's instruction, Rand Swiss may subject to certain, conditions and depending on whether any other third party is involved in which case Rand Swiss, may already be irrevocably bound to process such instructions
- 13.5. Rand Swiss may, upon giving reasonable prior written notice, not act upon the instruction, if:-
 - 13.5.1. The instructions are not clear;
 - 13.5.2. Rand Swiss has reason to believe that the instructions did not originate from the Client;
 - 13.5.3. the instruction have not been given in accordance with this Mandate; and
 - 13.5.4. Rand Swiss believes that in carrying out the instructions, a law, regulation, ode or other duty or obligation which Rand Swiss is required to comply with may be breached;
 - 13.5.5. Rand Swiss shall, in no way be liable for any loss, damage, cost or expense in respect of any order, communication or instruction from the Client which has not been given in writing, Rand Swiss, shall not accept and act in accordance with order, communication or instructions which have not been given in writing by e-mail and provided that such instruction is mailed to trade@randswiss.com, facsimile or telephonically by the Client.
- 13.6. All communication from Rand Swiss, shall be deemed delivered whether actually received or not upon the receipt of a clear transmission report in the case of facsimile or e-mail transmission and after 5 (five) calendar days in the case of pre-paid registered mail where it can be proven that that the communication was correctly addressed to the recipient. All communication transmitted by telephone shall be deemed to have been transmitted immediately and shall be recorded. The Parties acknowledge and confirm that they are conversant with the provisions of the JSE rules and general industry practices relating to the recording of telephone calls and each Party irrevocably consents to the making of such recordings.

14. Disclosure to third parties

- 14.1. Rand Swiss undertakes not to disclose confidential information relating to the Client except where such disclosure is:
 - 14.1.1. made under compulsion of law or in terms of the JSE rules and/or the Act;
 - 14.1.2. in compliance with a duty to the public to disclose;
 - 14.1.3. necessary to further the legitimate interests of Rand Swiss;
 - 14.1.4. made with the consent of the Client; or
 - 14.1.5. required by a Financial Product Provider, the Financial Services Board, and/or the JSE.

15. Client warranties

- 15.1. The Client warrants that:
 - 15.1.1. the information regarding the Client as set out in this Mandate is in all respects true and correct;
 - 15.1.2. the Client will keep Rand Swiss informed of any changes in required information
 - 15.1.3. the Client complies and will comply with all the requirements of the Act and Rand Swiss' internal policies and procedures for acceptance as a Client.
- 15.2. The Client warrants, declares and undertakes that all investments entrusted and/or delivered by it, or under its authority, to Rand Swiss in terms or for the purposes of this Mandate are derived from legitimate sources and do not constitute the "proceeds of unlawful activities" either as defined in the Prevention of Organised Crime Act No. 121 of 1998, as amended, or at all.
- 15.3. The Client further warrants that, where required, all funds entrusted to Rand Swiss in terms or for the purpose of this Mandate are duly declared in terms of the Income Tax Act of 1962 and that the Client has obtained all necessary approvals from the South African Reserve Bank for foreign funds, assets or investments owned by the Client.

16. Complaint procedure

- 16.1. In terms of the Act, Rand Swiss has established a formal internal complaints procedure;
- 16.2. Rand Swiss is fully committed to:
 - 16.2.1. Ensuring easy access for all Clients to the complaints resolution procedures;
 - 16.2.2. Ensuring that sufficient staffing and resources are available for the resolution of complaints;
 - 16.2.3. Analyse complaints to enable us to identify and then eradicate recurring problem areas;
 - 16.2.4. Delegate responsibilities and empower staff to ensure that routine complaints are timeously resolved;
 - 16.2.5. Ensure escalation of serious complaints to senior management.
- 16.3. A copy of this procedure is available on request on Rand Swiss' website.

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17. Conflict of Interest Policy

- 17.1. In terms of the Act, Rand Swiss has established a formal internal conflict of interest policy to ensure that the quality of our financial services is not significantly compromised by conflict of interest situations that may arise in the normal course of carrying out our business;
- 17.2. Conflicts of interest can be described as circumstances where Rand Swiss or a representative of Rand Swiss has an actual or potential interest that may, in rendering a financial service to a client:
- 17.2.1. Influence the objective performance of his, her obligations to that client; or
- 17.2.2. Prevent Rand Swiss or a representative of Rand Swiss from rendering an unbiased and fair financial service to that client, or from acting in the best interests of that client, including, but not limited to:
- 17.2.2.1. A financial interest;
- 17.2.2.2. an ownership interest;
- 17.2.2.3. any relationship with a third party;
- 17.3. A copy of this policy is available on request on Rand Swiss' website

18. Financial Intelligence Centre Act (FICA)

- 18.1. the Financial Intelligence Centre Act of 2001 ("FICA") provides for the establishment of an anti-money laundering regulatory body and introduces mechanisms aimed at preventing money laundering;
- 18.2. As an accountable institution, as defined by FICA, Rand Swiss complies and adheres to requirements, which include:
- 18.2.1. identifying all clients;
- 18.2.2. verifying all information gathered in the identification process above;
- 18.2.3. keeping records of all this information and documentation;
- 18.3. Rand Swiss' FICA requirements are included in Annexure C
- 18.4. The Clients hereby undertakes to:-
- 18.4.1. provide all necessary FICA documentation immediately on demand from Rand Swiss;
- 18.4.2. provide a new or additional FICA documentation immediately on demand from Rand Swiss should the Client open a new account thereby entering into a new financial transaction as that term is defined by the Act;
- 18.4.3. to update FICA documentation from time to time upon request of Rand Swiss.

19. Termination of mandate

- 19.1. Rand Swiss or the Client shall be entitled to terminate this Mandate after notice in writing of thirty (30) calendar days. Rand Swiss shall not initiate any new market transactions in any Financial Products on behalf of the Client after notice of termination has been received or given by Rand Swiss. Upon receipt of such notice of termination all outstanding fees due to Rand Swiss in respect of this Mandate shall be immediately due and payable. In this regard the Client irrevocably authorises Rand Swiss to deduct such fees either from the cash standing to the credit of the portfolio or from the sale of any Financial Products if such cash balance is insufficient to meet the fees due.
- 19.2. When this Mandate is terminated, Rand Swiss shall forthwith return all cash, assets and documents of title, to the Client and shall simultaneously provide the Client with a detailed final statement of account. If the assets and documents of title are in possession of a custodian or nominee company, Rand Swiss shall forthwith issue an instruction to such custodian or nominee company to return such assets or documents of title to the Client. Rand Swiss shall indicate on the final statement of account that such instruction has been given.
- 19.3. Should the Financial Services Board withdraw the approval of Rand Swiss, this Mandate shall, despite the notice period referred to in paragraph 20.1, automatically be cancelled without prejudice to the rights and obligations of Rand Swiss and the Client.

20. Administrative arrangements

- 20.1. Rand Swiss and the Client hereby designate as their domicilium citandi et executandi for all purposes of this mandate the following address:

Rand Swiss

10 Burnside Island,
410 Jan Smuts Avenue,
Johannesburg, 2196

The Client:

Physical address detailed in the Client Details schedule on page 2.

21. Effective Date

- 21.1. This Mandate will become of force and effect on the signing of this Mandate by Rand Swiss and the Client. In the event that Rand Swiss or the Client do not sign this Mandate at the same time it is specifically noted that this Mandate shall only commence from the date when it is confirmed by the authorised signatory of Rand Swiss on behalf of Rand Swiss. Rand Swiss reserves the right to refuse acceptance of this Mandate without having to give any reason therefore.

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22. **Default**

- 22.1. Where the Client is indebted to Rand Swiss, Rand Swiss has a general lien over all Financial Products of the Client in Rand Swiss' possession, including but not limited to funds held under the Client's trading/investment account in Rand Swiss' custody. Rand Swiss may cancel any outstanding order or commitments made by it on behalf of the Client.
- 22.2. Where the Client is indebted to Rand Swiss. A right of set off on all Financial Products set out in clause 22.1 hereof shall be held as security for the debt and against which Rand Swiss, shall have a legal right to set off.
- 22.3. Rand Swiss may at any time give the Client notice in writing that if accrued debt is not paid within a period of not less than 7 (seven) calendar days of the date of the notice the Rand Swiss may without further notice realize sufficient of the Client's Financial Products to discharge the debt. Any sum remaining after such a transaction will be held for the Clients account subject to the aforesaid terms and conditions.
- 22.4. Any part payment made by the Client will be accepted within Rand Swiss' discretion and without prejudice to any rights with Rand Swiss may have in terms of this Mandate.
- 22.5. Rand Swiss is under no obligation in respect of any sale contemplated in clause 22.3.

23. **Locking Account**

- 23.1. Rand Swiss, may at any time, freeze any account of the Client if and so long as there is any dispute or Rand Swiss has doubt for any reason (whether or not well founded) as to the person or persons entitled to operate same without any obligation to institute interpleader proceedings or to take any step of its own initiative for the determination of such dispute or debt.

24. **Amendments to be in writing**

- 24.1. This Mandate constitutes the sole memorial of the Mandate between Rand Swiss and the Client and no addition to or variation or amendment of this Mandate thereto shall be binding upon the Parties unless contained in a written document signed by or on behalf of both Parties.
- 24.2. Any schedule or annexures to this Mandate, if signed by or on behalf of the Parties, shall be binding on the Parties as if specifically incorporated into this mandate until cancelled by notices as contemplated in terms of this Mandate.

25. **Governing Law**

- 25.1. This Mandate shall be governed by and subject to the laws of the Republic of South Africa

For and on behalf of the **Client**, the signatory warranting that he/she is duly authorized.

Signed: _____

On this _____ day of _____

Signed at: _____

Witness 1: _____ Witness 2: _____

For and on behalf of the **Rand Swiss**, the signatory warranting that he/she is duly authorized.

Signed: _____

On this _____ day of _____

Signed at: _____

Witness 1: _____ Witness 2: _____

SCHEDULE – FULL DISCRETION

I hereby authorise the Provider to manage my investments at its sole and full discretion in order to achieve my investment objectives as indicated below. This means that the Mandate is an unlimited Mandate for the Provider to exercise its full discretion with regards to the process of managing my investments and the Provider shall not need to obtain further authority or consent from me to effect any transactions in terms of the Mandate to which this is attached. The Provider may reinvest in terms of this schedule any amounts that have accrued to me in the form of interests, dividends and the proceeds of disposals.

I hereby authorised the Provider to manage my portfolio in respect of:

Local jurisdictions only	<input type="checkbox"/>
Off-shore jurisdictions only	<input type="checkbox"/>
Both local and off-shore jurisdictions	<input type="checkbox"/>

The Client's investment objectives are specified as follows:

(*initial applicable selection)

Long Term (5 years or longer)	
Capital Growth	<input type="checkbox"/>
Income Generation	<input type="checkbox"/>
Medium Term (2 to 5 years)	
Capital Growth	<input type="checkbox"/>
Income Generation	<input type="checkbox"/>
Short Term (3 months to 2 years)	
Capital Growth	<input type="checkbox"/>
Income Generation	<input type="checkbox"/>
Risk Preference*	
Very Conservative	<input type="checkbox"/>
Conservative	<input type="checkbox"/>
Moderate	<input type="checkbox"/>
Aggressive	<input type="checkbox"/>
Very Aggressive	<input type="checkbox"/>

* Risk preference is determined considering the current set of information and circumstances of the Client but may change over time.

Signed by the Client

Client Signature:

Name:

At:

Date:

ANNEXURE A: RISK DISCLOSURE STATEMENT

The risks and characteristics contained in this schedule and outlined immediately hereunder represent some of the more general risks and characteristics prevalent in geared portfolios. The list below should not be seen as exhaustive. As more risks and characteristics are identified that were not initially mentioned in this schedule, then such risks and characteristics will, as they become prevalent, be included herein.

Investment strategies may be inherently risky

Alternative strategies may include leverage, short-selling and short-term investments. In addition, the portfolios often invest in unlisted instruments, low-grade debt, foreign currency and other exotic instruments. All of these expose investors to additional risk. However, not all fund managers employ any or all of these strategies and it is recommended that investors consult their advisers in order to determine which strategies are being employed by the relevant manager and which consequent risks arise.

Leverage usually means higher volatility

Geared fund managers may use leverage. This means that the fund manager borrows additional funds, or trades on margin, in order to amplify his investment decisions. This means that the volatility of the portfolio can be many times that of the underlying investments. The degree to which leverage may be employed in any given portfolio will be limited by the mandate the client has with the manager. The limits laid down by the mandate should be carefully reviewed in making an investment decision.

Short-selling can lead to significant losses

The fund manager may borrow securities in order to sell them short, in the hope that the price of the underlying instrument will fall. Where the price of the underlying instrument rises, the client can be exposed to significant losses, given that the manager is forced to buy securities (to deliver to the purchaser under the short sale) at high prices.

Unlisted instruments might be valued incorrectly

The fund manager may invest in unlisted instruments where a market value is not determined by willing buyers and sellers. The fund manager may have to estimate the value of such instruments, and these estimates may be inaccurate, leading to an incorrect impression of the fund's value. Investors should ensure that objective valuations are performed for all instruments in a portfolio and that the manager utilises the services of a competent administrator.

Fixed income instruments may be low-grade

Fund managers may invest in low-grade bonds and other fixed interest investments. These investments are more likely to suffer from defaults on interest or capital. They are also more likely to have volatile valuations when the market changes its view on credit risk. The mandate should also limit the extent (ie. lowest acceptable rating and maximum percentage exposure) to which low grade debt can be acquired by the client. Investors should review the mandate to gain an appreciation of the maximum possible exposure applicable to the relevant mandate.

Exchange rates could turn against the fund

A fund manager might invest in currencies other than the base currency. For example, a South African hedge fund manager might invest in UK or US shares. The portfolio is therefore exposed to the risk of the rand strengthening or the foreign currency weakening.

Other complex investments might be misunderstood

In addition to the above, fund managers might invest in complex instruments such as but not limited to futures, forwards, swaps, options and contracts for difference. Many of these will be derivatives, which could increase volatility. Many will be "over-the-counter", which could increase counterparty risk. Many exotic instruments may also be challenging for the manager to administer and account for properly. Investors should enquire into how these instruments are objectively and independently valued.

The client may be caught in a liquidity squeeze

Given their often short-term nature, fund managers need to be able to disinvest from or close certain positions quickly and efficiently. But market liquidity is not always stable, and if liquidity were to decrease suddenly, the fund manager might be unable to disinvest from or close such positions rapidly or at a good price, which may lead to losses.

The prime broker or custodian may default

Fund managers often have special relationships with so-called "prime" brokers. These are stock brokers that provide the required leveraging and shorting facilities. Prime brokers usually require collateral for these facilities, which collateral is typically provided using assets of the relevant client, and consequently such collateral might be at risk if the prime broker were to default in some way. A similar situation could occur with the custodian of the client's funds.

Regulations could change

Legal, tax and regulatory changes could occur during the term of the investor's investment in an alternative strategy based portfolio that may adversely affect it. The effect of any future legal, tax and regulatory change or any future court decision on a particular type of portfolio could be substantial and adverse.

Past Performance might be theoretical

Portfolios are on occasion marketed using theoretical or paper track records. Past performance is seldom a reliable indicator of future performance. Theoretical past performance is often an even less reliable indicator, and investors should place a lower significance on these.

The manager may be conflicted

The fund manager might be managing other geared portfolios or other traditional investment funds. The investor should ensure that sufficient controls are in place to manage any conflicts of interest between the different funds.

Manager accountability may be vague

Portfolios are often managed by specific individuals and investors should ensure that sufficient controls are in place for the times when the manager is being covered for by colleagues. In addition, a fund structure (for example, a fund of funds) and its managers or advisors may rely on the trading and/or investing expertise and experience of third-party managers or advisors, the identity of which may not be disclosed to investors. This constitutes an additional risk for investors, which they must take into account.

Fees might be high

Fund structures fees might be significantly higher than the fees charged on traditional investment funds. Investments should be made only where the potential returns justify the higher fees.

Fees might be performance-based

The fund manager's fees are usually performance-based. This means that the managers typically get a higher fee when their portfolios outperform specified performance targets, which might lead to riskier positions being taken. Investors need to ensure that performance fees allow for a fair sharing of both the good and the bad.

Transaction costs might be high

Given the often short term nature of investment positions, portfolios are often traded more aggressively. This implies more stock-broking commission and charges being paid from the portfolio, which is ultimately for the client's account. Again investments should be made only where the potential returns make up for the costs.

Transparency might be low

The fund manager's performance is often the result of unique proprietary strategies or contrarian investment positions. For obvious reasons, managers will want to keep these confidential. Managers are therefore less likely to disclose trades to their investors, and holdings might be disclosed only in part or with a significant delay.

Dealing and reporting might be infrequent

A fund manager's performance can often be disturbed by irregular cash flows into or out of the hedge fund structure. For this reason, a fund managers often limit the frequency of investments and withdrawals. Similarly, the manager may choose to report infrequently on performance and other statistics. Investors should ascertain, prior to investing, the nature and frequency of reporting.

Withdrawals might not be easy

As mentioned above, the frequency of withdrawals might be limited to monthly or quarterly dates. In addition, the manager may impose notice periods or lock-ins in order to ensure that he has the necessary time for his investment positions to deliver their desired results.

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ANNEXURE B: FEE SCHEDULE

Note: All fees and brokerage are exclusive of VAT unless indicated otherwise:

Brokerage Fees

Instruments	Suggested client pricing (excluding VAT)
Listed securities on JSE	Brokerage is 0.50%* with fee minimum of ZAR 100.
CFDs on South African securities	0.50% on South Africa Share CFDs. Minimum of ZAR 100 for top 40 SA listed securities only. Non-top 40 is a minimum of ZAR 100.
ALSI and ALMI	R20 for ALSI and R10 for ALMI. Includes VAT, Clearing and Settlement.

*Excludes Securities Transfer Tax

JSE Statutory Fees (Applicable to equity accounts)

Fee or tax type	Costs
STRATE	0.005459% (excluding VAT) based on the value of the share transaction: The minimum is R10.92 for trades with a value up to R200,000 The maximum is R54.59 for trades with a value over R1 million. This fee is for the electronic settlement of your share transactions through STRATE, the electronic settlement authority.
FSB Investor Protection Levy	0.0002% (Excluding VAT) on all trades

JSE Market Data Fees

Variable fees	R (excl VAT)
Delayed Equity Market data	R0 - Delayed by a minimum of 15 minutes to be classified as delayed
Live Level 1 Terminal – Non-Professional End User	R300 - Rand Swiss will cover the platform fee as long as the client has performed 3 trades in a given month or equivalent. Billing will occur monthly in arrears.

*All JSE policies can be found on the JSE website.

Administrative Costs

Service	Fee (excluding VAT)
Withdrawals	R20 - Per single withdrawal from account
Partial Portfolio Transfers	R100 - The fee to transfer only certain shares to another broker per share holding.
Full Portfolio Transfers	50 - The fee to transfer to another broker per share holding.

FEE TABLE: OFFSHORE UNDELYINGS

Instruments	Rate
US stock CFDs	USD 3.0c per CFD subject to applicable trade minimums per region
Canadian stock CFDs	USD 4.0c per CFD subject to applicable trade minimums per region
UK, European, Australian and New Zealand stock CFDs	20-50bps of traded value subject to applicable trade minimums per region
Asian stocks	20-50bps of traded value subject to applicable trade minimums per region
Indices & Commodites	Variable spread
Margin FX	Variable spread

Discretionary Fees

Instruments	Rate
Up Front Fee	In consideration for the management by the Provider of the investments, the Client shall make payment to the Provider by an initial administration fee of a maximum of 2% based on the market value of the portfolio of the Client at the outset, payable upfront.
Annual management fee	A maximum annual management fee of 1.5% based on the market value of the portfolio of the Client. Such management fee will be calculated on the market value of the portfolio at the end of each month.
Performance Fee	10% above a benchmark subject to high-water mark

A Product Schedule containing all up-to-date fees and margin rates can be found on our website: www.randswiss.com

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ANNEXURE C: FICA CHECK LIST

	Individual / Sole Proprietor	Partnership	Close Corporation	Registered Company	Trust
Proof of Identification Certified copies of Identity Documents for Individuals / All Principal(s) / Owner(s) / Director(s) / Trustee(s) and beneficiaries in respect of Trusts, and members of CCs, with 3 specimen signatures	Yes	Yes	Yes	Yes	Yes
Trade Information A certified copy of a Rates and Taxes / Municipality Bill (no less than 3 months old at date of application) or a Certified Copy of a Lease Agreement / Title Deed. These must contain the Trade Name and Business Address (CM22) or Residential Address and Full Name in the case of an Individual.	Yes	Yes	Yes	Yes	Yes
Proof of Tax Registration A certified copy of an official SARS document no less than 3 months old (at date of application) reflecting the tax registration number of the Individual / Entity.	Yes	Yes	Yes	Yes	Yes
Company Documentation Founding Statement and Certificate of Incorporation (CK1) and Amended Founding Statements (CK2)	No	No	Yes	No	No
Certificate of Incorporation (CM1), Notice of Registered Office and Postal Address (CM22) and List of Directors (CM29/CM27)	No	No	No	Yes	No
Authority to Act Resolution as proof of Authority to Act on behalf of Entity / Power of Attorney on an Individual / Letter of Authority from Master of the Court for Trusts. The Resolution must be in agreement and signed by all parties relevant.	No	Yes	Yes	Yes	Yes
Requirements for Persons Authorised to Act Certified copies of Identity Documents, Proof of Residence and Contact Details for the authorised person.	No	Yes	Yes	Yes	Yes
Trust Deed Certified copies of proof of Registration number, Trust name and Trust number	No	No	No	No	Yes
Financials Latest Audited Financial Statements for companies / A brief list of assets and liabilities	No	Yes	Yes	Yes	Yes
Surety Agreement The Surety Agreement must be signed.	No	No	Yes	Yes	No
Banking Details A certified copy of one Month's Bank Statements (Latest) / Cancelled Cheque / Letter from Bank stating banking details.	Yes	Yes	Yes	Yes	Yes

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