



# **TERMS AND CONDITIONS**

## **GENERAL**

VELOCITY TRADE FINANCIAL SERVICES (PTY) LTD  
(FSP No.: 43295)

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## **APPENDICES**

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Asset Swap Mandate

Foreign Investment Mandate

Foreign Exchange Mandate

Order Execution Policy

Margin Facility Mandate

# Terms and Conditions – General

## 1 Interpretation and Definitions

- 1.1 Unless otherwise stated or inconsistent with the context in which they appear, the following expressions shall bear the following meanings and cognate expressions shall bear corresponding meanings -
- 1.1.1 “**Abnormal Market Conditions**” means that, in the opinion of Velocity Trade, abnormal, emergency or unusual conditions exist in Securities, the effect or likely effect of which is that the prices or availability of any Security is materially affected;
- 1.1.2 “**Account**” means, in relation to the Client, a running account maintained by Velocity Trade for the purpose of recording certain credits and debits in relation to Transactions and other financial requirements, as set out or described in this Agreement;
- 1.1.3 “**this Agreement**” means the Application Form, the Product Schedules and the terms and conditions as set out in this document and all other Appendices and schedules to these terms and conditions, the Privacy Policy, any other document expressed by Velocity Trade to be part of this agreement and any variation, novation or replacement of it;
- 1.1.4 “**Appendices**” means the appendices attached to these terms and conditions and “**Appendix**” shall mean any of them as the context may indicate;
- 1.1.5 “**Applicable Law**” means all laws, regulations, by-laws, rules and directives issued by a competent authority and binding on a Party, whether in respect of the conduct of business of the Party, this Agreement or any Transaction;
- 1.1.6 “**Application Form**” means the application form and account opening documentation completed by the Client and submitted to Velocity Trade as part of the conclusion of this Agreement;
- 1.1.7 “**Authorised Representative**” means a person or juristic entity authorised in terms of the FAIS Act to represent Velocity Trade in providing financial services;
- 1.1.8 “**Asset Swap Facility**” means the service offered by Velocity Trade to the Client in terms whereof the Client may make use of Velocity Trade’s institutional foreign portfolio investment allowance calculated with reference to Velocity’s assets under management, as described in the Asset Swap Mandate attached to these terms and conditions;
- 1.1.9 “**Associate**” means, in the case of Velocity Trade only, each of Velocity Trade Limited (Australia) with Australian Financial Services License (AFS) No. 329813, Velocity Trade Capital Limited (Canada) which is a member of the Investment Industry Organization of Canada (IIROC), the Canadian Investor Protection Fund (CIPF) and a participating organization of the Toronto Stock Exchange, Velocity Trade Limited (New Zealand) which is registered as a Financial Services Provider FSP20003, Forex International Limited (registered in Barbados) licensed by the Financial Services Commission (Barbados) and Velocity Trade International Limited (registered in the United Kingdom) which is authorized and regulated by the Financial Conduct Authority (FCA Registered Number 497263), and Velocity Trade’s Service Providers;
- 1.1.10 “**Business Day**” means a day other than a Saturday, Sunday or public holiday in the Republic of South Africa or the applicable offshore jurisdiction of the Transaction;

- 1.1.11 “**Client**”, “**you**” and “**your**” means the entity or person defined in the Application as “the Client”;
- 1.1.12 “**Client Money**” means, in relation to the Client -
- 1.1.12.1 all money which -
- 1.1.12.1.1 in the course of providing the Services, Velocity Trade, or any person on its behalf, holds for, or receives from or on behalf of, the Client; and
- 1.1.12.1.2 is not immediately due and payable on demand to Velocity Trade or that other person for its own account;
- 1.1.12.1.3 is not immediately due and payable on demand to any other person holding the funds on behalf of Velocity Trade; and
- 1.1.12.2 where the money is required by any annexure to be held in a Segregated Funds Account, all such money will be held in a Segregated Funds Account for the benefit of the client;
- 1.1.13 “**Confidential Information**” means in relation to Velocity Trade and each of its Associates -
- 1.1.13.1 the know-how, trade secrets, technical processes, information relating to pricing, market share, products, finances, clients or suppliers, the right to all lists of clients and suppliers of Velocity Trade or of any of its Associates; and
- 1.1.13.2 other information relating to Velocity Trade or to any of its Associates and their respective businesses, which by its nature, or by the circumstances of its disclosure to the holder of the information, is or could reasonably be expected to be regarded as confidential;
- 1.1.14 “**Confirmation**” means any confirmation or evidence of a Transaction acceptable to Velocity Trade, including but not limited to confirmation by way of the Electronic Trading Platform;
- 1.1.15 “**Corporate Action**” means an event (including a dividend payment, corporate restructuring, rights issue, bonus issue or share buy-back) initiated by a company that affects the securities issued by that company, including but not limited to the events contemplated in clause 14;
- 1.1.16 “**Exchange**” shall have the meaning ascribed to it in the FM Act;
- 1.1.17 “**External Exchange**” shall have the meaning ascribed to it in the FM Act;
- 1.1.18 “**Exchange Control Laws**” means the laws, regulations, directives and rules applicable to exchange control in South Africa, including the Currency and Exchanges Act, 9 of 1993 and the Exchange Control Regulations as promulgated by Government Notice R.1111 of 1 December 1961, as amended from time to time, including the Currency and Exchanges Manual for Authorised Dealers;
- 1.1.19 “**Electronic Trading Platform**” means the electronic trading platform made available by Velocity Trade to the Client for the primary purpose of entering into Transactions;
- 1.1.20 “**FAIS Act**” means the Financial Advisory and Intermediary Services Act, 37 of 2002, as amended;
- 1.1.21 “**FIA**” means the foreign investment allowance which a South African resident is entitled to invest outside of the common monetary area in terms of Exchange Control Laws;

- 1.1.22            **“Financial Product”** means a “financial product” as defined in [section 1](#) of the FM Act;
- 1.1.23            **“FM Act”** means the Financial Markets Act, 19 of 2012, as amended;
- 1.1.24            **“Force Majeure”** means any event or cause beyond the reasonable control of Velocity Trade, including -
- 1.1.24.1            Abnormal Market Conditions; or
- 1.1.24.2            an act of God, inevitable accident, fire, lightning, cyclone, earthquake, landslide, volcanic eruption or other natural phenomenon; or
- 1.1.24.3            sabotage, revolution, insurrection, act of war (whether declared or not) or war-like operations; or
- 1.1.24.4            a confiscation or expropriation, embargo, quarantine restriction or any like event; or
- 1.1.24.5            any strike, dispute or lockout; or
- 1.1.24.6            an epidemic, pandemic toxic emission or any like event; or
- 1.1.24.7            a requirement, restriction, prohibition, intervention, law, regulation, decree or other legally enforceable order of any Government; or
- 1.1.24.8            an explosion, nuclear accident or any like event; or
- 1.1.24.9            a telecommunications, network, power or equipment failure or damage, or power or water shortage, as a result of which, in each case in the opinion of Velocity Trade, it is impossible, impractical or illegal for Velocity Trade to perform and comply with any of its obligations under this Agreement or any Transaction;
- 1.1.25            **“Foreign Exchange”** means any currency other than currency which is legal tender in South Africa, Lesotho, Namibia and Swaziland, including but not limited to bills of exchange, letters of credit, money order, postal order, promissory note, travellers cheque or any other instruments of foreign exchange;
- 1.1.26            **“FSCA”** means the Financial Sector Conduct Authority established in terms of the Financial Sector Regulation Act, 9 of 2017;
- 1.1.27            **“Intellectual Property Rights”** means all patents, copyrights, trade secrets, trademarks, service marks, trade names and all other intellectual property rights;
- 1.1.28            **“JSE”** means, as the context requires, either JSE Limited, registration number 2005/022939/06, a public company incorporated in accordance with the laws of South Africa and licensed to operate an exchange under the FM Act, or the securities exchange operated by that company;
- 1.1.29            **“Licensor”** means each licensor of any software utilised by Velocity Trade in relation to the Electronic Trading Platform;
- 1.1.30            **“Limit Order”** means, in relation to a Transaction, an order placed by the Client with Velocity Trade to enter into that Transaction when the applicable Exchange or applicable External Exchange security price reaches a predetermined level;
- 1.1.31            **“Margin”** means an amount available to meet the prevailing margin requirements of a particular Transaction as set out in the relevant Product Schedule;

- 1.1.32            **“Market Order”** means an Order to buy or sell Securities as soon as possible at the price obtainable in the market;
- 1.1.33            **“Nominee”** means, in respect of the relevant Security, any person appointed by Velocity Trade to provide nominee or custodial services as required in terms of Applicable Laws, including but not limited to registration of Securities in the name of a nominee or holding in safe custody on behalf of the Client all share certificates or other documents evidencing title to the Transactions from time to time, provided that such person is suitable authorised in terms of Applicable Law to provide such service;
- 1.1.34            **“Normal Trading Hours”** means official trading times set by the JSE or any other applicable Exchange or External Exchange;
- 1.1.35            **“Order”** means an instruction by the Client to open or close a position in respect of any particular Security;
- 1.1.36            **“OTC Derivative”** means an unlisted derivative instrument that is executed, whether confirmed or not confirmed, excluding –
- 1.1.36.1                 physically-settled foreign exchange spot contracts; and
- 1.1.36.2                 physically-settled commodity derivatives;
- and **“OTC Derivative Transaction”** has a corresponding meaning;
- 1.1.37            **“the Parties”** means the Client and Velocity Trade and **“Party”** means any of them as the context may indicate;
- 1.1.38            **“Privacy Policy”** means the privacy policy of Velocity which forms part of the Agreement;
- 1.1.39            **“Product Schedule”** means, at any time, any schedule, addendum or other document, by whatever name, issued by Velocity Trade containing its rates, fees, commissions and charges applicable to Transactions at that time, which is either published on the Website from time to time or otherwise made available to the Client, it being recorded that these may be published as separate documents or a single document from time to time, including but not limited to the pages on the Website designated as **“Markets and Fees”** or such similar designation;
- 1.1.40            **“Public Authority”** means the government, minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government or any state-owned enterprise, which exercises binding authority over this Agreement, the Parties or any Transaction, including the FSCA;
- 1.1.41            **“Risk Disclosure Statement”** means the document setting out general information in respect of the risks associated with utilising our Services;
- 1.1.42            **“Securities”** means **“securities”** as defined in [section 1](#) of the FM Act under the definition of **“financial product”** and **“Security”** shall have the corresponding meaning;
- 1.1.43            **“Services”** means the intermediary services to be rendered by Velocity Trade in terms of this Agreement, as set out in clause 5 of this Agreement;
- 1.1.44            **“Service Providers”** means any entity appointed by Velocity Trade to deliver any of the Services or any other services in connection with or related to the Transactions;
- 1.1.45            **“Security Credentials”** means, in relation to any Trading Platform, any security credentials that the Client uses to access or use the Trading Platform, including any user name, account number, Client ID, one time pin sent to the Client’s cell phone number, user ID and/or password;

- 1.1.46 “**Segregated Funds Account**” means a South African rand, United States Dollar, Euro or United Kingdom Pound bank account that, where required by this Agreement (including any annexure hereto), is established and maintained by Velocity Trade in accordance with the provisions of this Agreement (and all annexures hereto), for the purpose of receiving, holding and disbursing Client Money, including client money of other clients of Velocity Trade, the details of which shall be notified by Velocity Trade to the Client in writing and which written notice shall form part of this Agreement;
- 1.1.47 “**Tax(es)**” includes any VAT, tax, levy, stamp, withholding taxes or other duty and any other charge, deduction or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of these);
- 1.1.48 “**Termination Date**” means a date for the termination of all or some Transactions either as specified in a Termination Notice or as otherwise provided by this Agreement;
- 1.1.49 “**Termination Notice**” means a notice given by Velocity Trade in accordance with this Agreement terminating all or some Transactions;
- 1.1.50 “**Trading Platform**” means the Electronic Trading Platform;
- 1.1.51 “**Trading Platform Communication**” means any Order or instruction or other communication sent by way of the Trading Platform by or on behalf of the Client (or purportedly by or on behalf of the Client);
- 1.1.52 “**Transaction**” means any transaction into which Velocity Trade or its Associates have entered or propose to enter into with or on behalf of the Client involving, or referable to the value of, or granting rights or accepting obligations in respect of or by reference to Securities, a participatory interest in a collective investment scheme, or Foreign Exchange, including, where applicable, any such transaction entered into pursuant to the Asset Swap Facility, the Foreign Investment Mandate or the Foreign Exchange Mandate attached to these terms and conditions;
- 1.1.53 “**VAT**” means value added tax levied in terms of the Value-added Tax Act, 89 of 1991, as amended;;
- 1.1.54 “**Velocity Trade**”, “**Velocity**”, “**us**”, “**we**” and “**our**” means Velocity Trade Financial Services (Pty) Ltd, Registration No. 2010/010415/07 as authorised financial services provider in terms of the FAIS Act;
- 1.1.55 “**Velocity Nominees**” means Velocity Nominees (Pty) Limited Registration No. 2010/015205/07, which is a 100% owned subsidiary of Velocity Trade;
- 1.1.56 “**Website**” means the website on which the Client completed and submitted the Application Form; and
- 1.1.57 “**writing**” means legible writing in English, or any other language acceptable to Velocity, including printing, typewriting, or any other mechanical process, as well as any electronic communication in a manner and a form such that it can conveniently be printed by the recipient within a reasonable time and at a reasonable cost and “**written**” and “**write**” shall have the corresponding meaning.
- 1.2 The words written and writing include facsimile communications and electronic mail and any other means of communication resulting in permanent visible reproduction.
- 1.3 The clause headings of this Agreement have been inserted for convenience only and shall not be taken into consideration in its interpretation.
- 1.4 Any references to the singular includes the plural and vice versa and any reference to natural persons includes legal persons and vice versa and reference to any gender includes reference to the other gender.



- 1.5 Any reference in this Agreement to a Party shall include a reference to that Party's assigns expressly permitted under this Agreement and, if such Party is liquidated or sequestrated, be applicable also to and binding upon that Party's liquidator or trustee, as the case may be.
- 1.6 A reference to a statute or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them (whether before, or after the date of this Agreement).
- 1.7 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 this Agreement.
- 1.8 The expiry or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiry or termination or which of necessity must continue to have effect after such expiry or termination, notwithstanding that the clauses themselves do not expressly provide for this.
- 1.9 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.
- 1.10 Terms other than those defined in this agreement will be given their plain English meaning, and those terms, acronyms, and phrases generally known in the financial services industry will be interpreted in accordance with their generally known meanings.
- 1.11 Words and expressions defined in any sub-clause shall, for the purpose of the clause of which the sub-clause forms part, bear the meaning assigned to such words and expressions in that sub-clause.
- 1.12 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to it as if it were a substantive clause in the body of this Agreement, notwithstanding that it is only contained in this interpretation clause.
- 1.13 If any period is referred to in this Agreement by way of reference to a number of days, the days shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the day shall be the next succeeding Business Day.
- 1.14 The rule of construction that the contract shall be interpreted against the Party responsible for the drafting or preparation of this Agreement, shall not apply.
- 1.15 This Agreement shall be governed by and construed and interpreted in accordance with the law of the Republic of South Africa.
- 1.16 The word person includes an individual, a body corporate, an association of persons (whether corporate or not), a trust, a state and an agency of state (in each case, whether or not having a separate legal personality).
- 1.17 A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including persons taking by novation) and permitted assignees.
- 1.18 A reference to something having a material adverse effect on a person is a reference to it having a material adverse effect -
- 1.18.1 on that person's financial condition or operations or on its consolidated financial condition or operations; or
- 1.18.2 on its ability to comply with its obligations under this Agreement.

## 2 Application Form

- 2.1 It is recorded that the submission of the Application Form amounts to an offer by the Client to enter into this Agreement with Velocity Trade.
- 2.2 By submitting the Application Form and by initiating each Transaction, the Client acknowledges to Velocity Trade that -
  - 2.2.1 the Client has received or downloaded, and read and understood this Agreement; and
  - 2.2.2 every Transaction is governed by the terms and conditions of this Agreement, whether or not this Agreement is referred to, unless the terms of this Agreement are expressly excluded.

## 3 Term of Agreement

- 3.1 This Agreement takes effect, and the rights and obligations of each Party commence, on and from the from the date on which Velocity Trade notifies the Client that it has accepted the Client's application to open an Account and conclude this Agreement.
- 3.2 This Agreement continues in force until terminated in accordance with its terms or otherwise in law.

## 4 Scope of Agreement

- 4.1 This Agreement, each Transaction (and, to the extent recorded in a Confirmation, each Confirmation) together constitute a single agreement between the Parties.
- 4.2 Save as necessarily implied by the limited discretion referred to in clause 6.1, Velocity Trade does not provide any advice, recommendation, opinion or guidance in relation to the entry into this Agreement or any Transaction, and Velocity Trade makes no representations to the Client.
- 4.3 The execution of the instructions by the Client shall at no time imply Velocity Trade's approval of any of the Client's investment decisions and entry into of a Transaction by the Client does not mean that Velocity Trade makes a recommendation, holds an opinion or gives guidance to the Client in relation to its entry into of that Transaction, save as necessarily implied by the limited discretion referred to in clause 6.1.
- 4.4 Given the limited discretion granted to Velocity as set out in clause 6 the Client agrees that -
  - 4.4.1 the Client has not provided Velocity with its investment objectives; and
  - 4.4.2 the Client will make its own investment decisions in respect of the Transaction or will rely on the advice or recommendations of an appropriately licensed financial services provider selected at the discretion of the Client.

## 5 Services

- 5.1 Subject to the terms and conditions of this Agreement, Velocity Trade shall –
  - 5.1.1 make the Trading Platform available to the Client; and
  - 5.1.2 enter into Transactions on behalf of the Client on receipt of an Order from the Client.

5.2 **Velocity shall be entitled to -**

5.2.1 appoint one or more Authorised Representatives to represent it in the performance of its obligations under this Agreement and delegate all or any of its powers and authorities in terms of this Agreement to such Authorised Representative; and

5.2.2 utilise the service of its own staff or that of another approved financial services provider.

## 6 Nature of Relationship

6.1 This Agreement is a limited discretionary mandate in that -

6.1.1 the Transactions will only be entered into on the Client's instructions only, as provided for in this Agreement and Velocity will have no discretion in respect of the choice of the type of Transaction or type of Security; and

6.1.2 Velocity shall have discretion only in respect of the following –

6.1.2.1 the determination of the exact scope of intermediary services necessary to give effect to the Transaction;

6.1.2.2 the selection, on behalf of the Client, of service providers in respect of the intermediary services necessary to give effect to the Transaction; and

6.1.2.3 the entry into and acceptance, on behalf of the Client, of terms and conditions applicable to the conclusion of the Transaction.

6.2 Velocity Trade enters into each Transaction on behalf of the Client.

6.3 The Client agrees that Velocity Trade may appoint its Associates to render some of the Services and, where applicable, facilitate the Transactions.

6.4 The Client represents and warrants to Velocity Trade that it enters into this Agreement, and undertakes that it will enter into each Transaction, as principal and not agent on behalf of any third party.

6.5 The aforementioned representation and warranty is deemed to be repeated each time the Client enters into a Transaction.

6.6 If the Client nevertheless enters into this Agreement or any Transaction on behalf of one or more principals, the Client acknowledges and agrees that Velocity Trade does not accept any such principal as a client for the purposes of this Agreement or any Transaction.

## 7 Trading Platform

### 7.1 Availability of Trading Platform

The Client acknowledges and agrees that the Client may enter into any Transaction or issue any Order or Instruction to Velocity Trade by means of the Trading Platform or as may otherwise be agreed by Velocity Trade on a case by case basis.

## 7.2 Using an Electronic Trading Platform

- 7.2.1 The Client agrees to access and use the Electronic Trading Platform in accordance with, and solely for the purposes set out in, this Agreement.
- 7.2.2 The provision of the Electronic Trading Platform may involve the sub-licensing of Licensor software and/or information systems.
- 7.2.3 Velocity Trade or the Licensor may, with or without notice to the Client, change the nature, composition, features or availability of the Electronic Trading Platform, provided that such change shall not prevent Velocity Trade from performing the Services.

## 7.3 Reference to Electronic Trading Platform in Agreement

- 7.3.1 Velocity Trade may provide one or more Electronic Trading Platforms depending upon the type of Transactions that Velocity Trade is willing to enter into at that time.
- 7.3.2 A reference to “Electronic Trading Platform” in this Agreement is a reference to the Electronic Trading Platform(s) provided in relation to the relevant type of Transaction.

## 7.4 Unavailability of Electronic Trading Platform

- 7.4.1 Where, for any reason, the Client is unable to access and use the Electronic Trading Platform, Velocity Trade may, at its absolute discretion, trade through other means with the Client, such as by telephone.
- 7.4.2 Velocity Trade shall be entitled to notify the Client of any unavoidable delay in the performance of the rectification of the Electronic Trading Platform and will advise the Client of other means of trading, having regard to the circumstances.

## 7.5 Acknowledgments and agreements of Client

- 7.5.1 The Client -
  - 7.5.1.1 acknowledges and agrees that any Electronic Trading Platform is provided on an “as is” basis;
  - 7.5.1.2 acknowledges and agrees that there are significant risks associated with using and relying on a Trading Platform, including risks related to the use of software and/or telecommunications systems, such as software errors and bugs, delays in telecommunications systems, interrupted service, data supply errors, faults or inaccuracies and security breaches;
  - 7.5.1.3 assumes all risk of use or attempted use of a Trading Platform and any data provided by way of a Trading Platform; and
  - 7.5.1.4 acknowledges and agrees that it has no recourse against Velocity Trade or any Licensor in relation to the use or availability of a Trading Platform or any errors in Licensor software and/or related information systems; and
  - 7.5.1.5 acknowledges and agrees that Velocity Trade has no obligation or responsibility to -
    - 7.5.1.5.1 provide support for or maintenance of any Trading Platform, including by supplying any corrections, updates or new releases;
    - 7.5.1.5.2 verify, correct, complete or update any information displayed on a Trading Platform;

- 7.5.1.5.3 inform the Client of any difficulties Velocity Trade or other third parties experience in relation to use of or access to an Electronic Trading Platform or to take any action in relation to these difficulties;
- 7.5.1.5.4 verify, correct, complete or update any information displayed on an Electronic Trading Platform; and
- 7.5.1.5.5 take any action in relation to those difficulties.

## 7.6 Security

### 7.6.1 The Client -

- 7.6.1.1 assumes full responsibility for any decision in relation to which any data provided to the Client by way of a Trading Platform may be used or relied upon;
- 7.6.1.2 acknowledges and agrees that no Trading Platform serves as the primary basis for any of the Client's investment decisions concerning its accounts or its managed or fiduciary accounts;
- 7.6.1.3 agrees to ensure the security and confidentiality of all Security Credentials;
- 7.6.1.4 agrees and acknowledges that, if any person accesses or uses a Trading Platform using a Security Credential, the Client is liable for the conduct of that person and the person's compliance with this Agreement, whether or not the Client authorises the access and/or use;
- 7.6.1.5 acknowledges and agrees that, if Velocity Trade determines that the security surrounding any Trading Platform or the security or confidentiality of any Security Credentials is or has been breached, Velocity Trade may terminate, revoke, suspend, modify or change any or all of the Security Credentials at any time with or without prior notice; and
- 7.6.1.6 acknowledges and agrees that where a Trading Platform requires the use of Security Credentials, all Trading Platform Communications are deemed to be on behalf of and authorised by the Client;
- 7.6.1.7 accepts all responsibility for the genuineness and accuracy, in relation to content and form, of all Trading Platform Communications and for all resulting actions, including orders entered and Transactions entered into;
- 7.6.1.8 acknowledges that Velocity Trade is not obliged to act on any Trading Platform Communication and will be free to accept or reject, in its sole discretion, any transaction that the Client seeks to execute through the Trading Platform;
- 7.6.1.9 acknowledges and agrees that Velocity Trade may, at its discretion, verify receipt of any Trading Platform Communications;
- 7.6.1.10 acknowledges and agrees that the Client has no right to amend or revoke a Trading Platform Communication, unless Velocity Trade agrees otherwise; and
- 7.6.1.11 acknowledges and agrees that -
  - 7.6.1.11.1 Velocity Trade's records of any Trading Platform Communication and any communication sent by Velocity Trade by way of the relevant Trading Platform are deemed to be accurate until the contrary is proven; and

7.6.1.11.2 the Client bears the burden of proof that those records are inaccurate or incomplete, except in the case of manifest error or fraud.

## Provision of Market Information

### 7.6.2 Market Information

7.6.2.1 The Client acknowledges and agrees that where a Trading Platform displays market data and other purely factual information (collectively “**Market Information**”) that Velocity Trade -

7.6.2.1.1 does not endorse or approve the Market Information and makes it available to the Client only as a service and convenience;

7.6.2.1.2 does not guarantee the accuracy, timeliness, completeness or correct sequencing of the Market Information;

7.6.2.1.3 does not warrant any results from the Client’s use or reliance on the Market Information;

7.6.2.1.4 is not obligated to update any information or opinions contained in any Market Information;

7.6.2.1.5 may discontinue offering Market Information at any time;

7.6.2.1.6 will not be liable in any way for the termination, interruption, delay or inaccuracy of any Market Information; and

7.6.2.2 The Client will not redistribute or facilitate the redistribution of Market Information to any third party.

### 7.6.3 JSE Market Data

7.6.3.1 It is a requirement of the JSE that we inform them whether a client trading on the Trading Platform is a Professional or Non-Professional User as defined in terms of the JSE’s Market Data Policies.

7.6.3.2 You need to indicate that you are a Non-Professional User if -

7.6.3.2.1 you are not registered or required to be registered as, or qualified as and do not act as a securities trader, investment advisor or asset manager with any financial exchange, regulatory authority, professional association or any professional body recognised under any law;

7.6.3.2.2 you do not use the Trading Platform for any business or professional purposes;

7.6.3.2.3 you do not distribute, publish or make any of the data available to any third party in any manner whatsoever.

7.6.3.3 If you fall within any of the above three categories then you need to indicate that you are a Professional User.

7.6.3.4 Where a Client receives delayed JSE data there is no fee levied by the JSE or Velocity Trade.

7.6.3.5 Velocity Trade is not permitted to indicate your user status on your behalf.

7.6.3.6 The relevant market data fees will be deducted monthly from your Account.

## External Exchange Market Data

At Velocity Trade all Securities trade on actual Market Information from the relevant stock exchanges. If you have access to the Electronic Trading Platform you will receive live *Level 1 Data* as part of the Services at the applicable fee set out in the applicable Product Schedule. If you do not have access to the Electronic Trading Platform there is no fee for this Market Information.

### 7.7 Third party Licensors

7.7.1 The Client acknowledges and agrees that the provision of an Electronic Trading Platform may involve the sub-licensing of Licensor software and/or information systems.

7.7.2 The Client waives all claims and causes of action which it may otherwise have against a Licensor.

7.7.3 The Client acknowledges and agrees that -

7.7.3.1 the Licensor is providing only a technical means for effecting Transactions;

7.7.3.2 the Licensor is neither directly nor indirectly a party to any Transaction;

7.7.3.3 the Licensor is not inviting, arranging for, or advising the Client or any third party to effect any Transaction or to purchase, sell or otherwise deal in any currency, security, commodity, derivative or future;

7.7.3.4 the Licensor is not liable in any manner to any person for the failure of any person effecting a Transaction by way of an Electronic Trading Platform to perform its obligations under that Transaction; and

7.7.3.5 the Licensor will not be involved in any dispute relating to any Transaction.

7.7.4 The Client -

7.7.4.1 is to maintain, for the duration of this Agreement, and for a period of 3 years afterwards, accounting and computer records that enable Velocity Trade and/or any Licensor to determine compliance with this clause and this Agreement;

7.7.4.2 is to permit Velocity Trade and/or any Licensor to audit the Client's access to and use of any Electronic Trading Platform (including the Client's records of its access to and use of that Electronic Trading Platform); and

7.7.4.3 acknowledges that information obtained pursuant to this clause may be used to determine the Client's compliance with this clause.

### 7.8 Intellectual Property Rights in Electronic Trading Platform

7.8.1 The Client acknowledges and agrees that -

7.8.1.1 all Intellectual Property Rights in respect of or derived from an Electronic Trading Platform are and remain the sole and exclusive property of Velocity Trade and/or any Licensors; and

7.8.1.2 the Client has no Intellectual Property Rights in respect of or derived from and will not acquire any Intellectual Property Rights in relation to an Electronic Trading Platform and/or any derivative or adaptation of an Electronic Trading Platform.

**7.8.2 The Client is to use all reasonable efforts -**

7.8.2.1 to protect any such Intellectual Property Rights in an Electronic Trading Platform; and

7.8.2.2 to comply with a request of Velocity Trade, acting reasonably, to protect its contractual, statutory and common law rights and obligations in respect of an Electronic Trading Platform.

7.8.3 If the Client becomes aware of any access to or use of the Electronic Trading Platform by a third party that is unauthorised or which constitutes an infringement or interference with any of Velocity Trade's and/or the Licensor's Intellectual Property Rights, it is promptly to notify Velocity Trade and, acting reasonably, co-operate with Velocity Trade and/or any Licensor with respect to any legal action which Velocity Trade and/or any Licensor may undertake in respect of the infringement.

**7.9 Restrictions on use of Electronic Trading Platform**

7.9.1 The Client acknowledges and agrees not -

7.9.1.1 to access or use any Electronic Trading Platform for any purpose other than to request prices and enter into Transactions with Velocity Trade; or

7.9.1.2 to use, copy, merge, make derivative works of or transfer copies of any software; or

7.9.1.3 to use or disclose to any third party any information obtained through or from an Electronic Trading Platform other than for the purposes expressly set out in this Agreement; or

7.9.1.4 to allow any access to or use of an Electronic Trading Platform by any third party; or

7.9.1.5 to sell, lease or otherwise provide, directly or indirectly, an Electronic Trading Platform to any third party except as expressly permitted by this Agreement; or

7.9.1.6 to reverse engineer, disassemble or decompile any software; or

7.9.1.7 to copy any manuals related to an Electronic Trading Platform; or

7.9.1.8 to remove any statutory copyright notice, or other notice included in an Electronic Trading Platform or Licensor software or on any medium containing that software; or

7.9.1.9 to transmit or receive using an Electronic Trading Platform (or cause to transmit or receive) any information or material which is pornographic, obscene, abusive, profane, offensive, misleading, deceptive, disparaging or defamatory; or

7.9.1.10 to use the Electronic Trading Platform after the expiry, termination or cancellation of this Agreement and/or any license agreement between Velocity Trade and its Licensor.

**7.10 Security and operating environment**

The Client is responsible for ensuring the adequacy of the operating environment and the security of the environment, both physical and electronic, of the Client's access to and use of an Electronic Trading Platform, including -

7.10.1 maintaining appropriate security measures to prevent unauthorised access to, use of or damage -



- 7.10.1.1 to the Electronic Trading Platform and any information systems accessible through an Electronic Trading Platform; and
- 7.10.1.2 to any password management system not explicitly controlled by Velocity Trade or a Licensor;
- 7.10.2 where the Client accesses and uses, or attempts to access and use, an Electronic Trading Platform from any laptop computer or other portable device, taking all measures necessary to ensure the security, integrity and reliability of such computer or other portable device (including the security of the internet connection) and the Client is solely liable for any failure in such computer or other portable device's security, integrity or reliability; and
- 7.10.3 complying with all reasonable operational and security procedures notified by Velocity Trade from time to time and to inform Velocity Trade immediately of any breach of security.
- 7.11 To the maximum extent permitted by law, Velocity Trade makes no representation or warranty (express or implied) and expressly disclaims any warranties -
  - 7.11.1 in relation to the merchantability or fitness for a particular purpose and any warranty for the access to or use of or the results of the access to or use of a Trading Platform with respect to its suitability, availability, functionality, correctness, quality, accuracy, completeness, reliability, performance, timeliness, operation, continued availability or otherwise; and
  - 7.11.2 that any Trading Platform Communication -
    - 7.11.2.1 will result in Velocity Trade entering into a Transaction with the Client; and/or
    - 7.11.2.2 has been received by Velocity Trade; and
  - 7.11.3 that a Trading Platform meets the requirements or needs of the Client.

## 8 Interest and Third Party Accounts

- 8.1 No interest is payable by Velocity Trade on an Account except as specifically provided for in this clause 8.
- 8.2 For purposes of this clause 8 and clause 9 "**Deposit Interest**" means interest payable by Velocity Trade on Client Moneys.
- 8.3 Velocity Trade will pay Deposit Interest earned on client monies less applicable fees on uninvested cash in the Client's Account.
- 8.4 The applicable interest rates in respect of which Velocity Trade will pay Deposit Interest are set out in the applicable Product Schedule.
- 8.5 Velocity Trade will pay Deposit Interest in arrears on such days as may be specified in the applicable Product Schedule.
- 8.6 **The Client authorises Velocity Trade -**
  - 8.6.1 to withhold or deduct from any such payment of Deposit Interest to the Client any resident or non-resident withholding tax that is required to be withheld or deducted by Applicable Law; and
  - 8.6.2 if necessary for this purpose, to withdraw any such withholding tax from Velocity Trade bank account where Client Moneys are held (including, where relevant, a Segregated Funds Account).

- 8.7 If an Account has a debit balance, the Client is to pay interest daily to Velocity Trade on the full amount of that balance at the rate set out in the applicable Product Schedule or otherwise published or provided by Velocity Trade.
- 8.8 If the Client fails to meet any payment obligations, the Client is to pay interest daily to Velocity Trade on the amount that was due but not paid at is the rate set out in the applicable Product Schedule or otherwise published or provided by Velocity Trade.
- 8.9 The Client must ensure that any transfer of moneys by it, is drawn on or made from an account in its name and not on or from that of another party, unless Velocity Trade has previously agreed otherwise in writing.
- 8.10 The Client acknowledges and agrees that Velocity Trade -
- 8.10.1 may, in its absolute discretion, without being obliged to do so, return any cheque drawn on, or transfer of moneys from, a third party account, unless Velocity Trade has previously agreed otherwise in writing; and
- 8.10.2 does not accept or bear any liability or responsibility for any loss, including consequential loss, incurred or sustained by the Client as a result of or arising out of Velocity Trade returning any cheque drawn on, or transfer of moneys from, a third party account, including any loss, including consequential loss, incurred or sustained by the Client because it is subsequently in default of its obligations under this Agreement or any Transaction.

## 9 Placing of Orders and Trading Conditions

- 9.1 Orders must be placed and will be executed substantially in accordance with the Order Execution Policy attached hereto.
- 9.2 The Client acknowledges that certain Exchanges or External Exchanges do not support Market Orders. If the Client places a Market Order in respect of such Exchange or External Exchange, Velocity Trade may automatically convert the Market Order to an aggressive Limit Order within a certain percentage limit. The actual price at which the Transaction is completed pursuant to a Market Order made in the aforesaid circumstances may vary from the price indicated in the Market Order between 1% (one percent) and 4% (four percent), depending on the Exchange or External Exchange and the type of Security. The Client will be responsible to check if the Market Order is filled in the market after the Client has submitted the Order and shall immediately notify Velocity thereof.
- 9.3 If the Client experiences or suspects any errors, made by or arising from the Client, with a Market Order, the Client should contact Velocity Trade immediately. Velocity Trade will not be responsible for Market Orders not filled as a result of such error.
- 9.4 The Client acknowledges that Velocity Trade's Service Providers may choose to translate Market Orders on various markets into aggressive Limit Orders where the variance between the price indicated between the Market Order and the actual price is 3% (three percent) in the money. This is due to the Service Provider's internal compliance and is set to protect the Client from "bad fills". Velocity Trade will not be responsible for missing fills due to this.
- 9.5 The Client acknowledges and agrees that in cases where a Market Order regarding a Security is split in that the Transaction is completed over a period of more than one day, the total fees payable to Velocity Trade in of the Transaction may increase as a result of the fee, as set out in the applicable Product Schedule, being charged in respect of the number of days necessary for the total execution of the Transaction.
- 9.6 In US markets, Velocity Trade consolidates liquidity from a number of sources in addition to the primary External Exchanges. When there is a delay in the opening of the primary External Exchange, Orders can be filled from these other sources before trading commences on the primary External Exchange.

- 9.7 The Client may issue a “One-Cancels-Other Order”. This instruction consists of two Orders. If either of the Orders is executed because its market conditions have been met, the related order is automatically cancelled.
- 9.8 Velocity Trade trades Securities through its related party Exchange members, third party brokers or relevant market participants, which are members of the relevant Exchange. The Client acknowledges that these Service Providers determine whether the Transaction in question is to be executed on the relevant Exchange. The Transaction is performed on a commission basis.
- 9.9 The Order is only submitted for execution provided it is tradable on the relevant Exchange through the Service Provider. If the Transaction cannot be executed on the terms outlined above, the Client will be notified on the Trading Platform.
- 9.10 The Order may be split or merged, and thus be executed at different prices during the day of trading or the following days. In case that an Order is split, and completed partially over a period of more than one day, the total trading costs may increase. The reason for such increase is that the minimum fee as set out in the applicable Product Schedule may be charged more than one time based on the number of days necessary for the total execution of the Order.

## 10 Trading in OTC Derivatives in South Africa

Where the Client submits an Order relating to an OTC Derivative Transaction in respect of which the underlying instrument is listed on the JSE, such OTC Derivative Transaction shall be subject to the terms and conditions entered into between the Client and Velocity Trade Capital (Pty) Ltd designated as the Terms and Conditions – OTC Derivatives – South Africa (“[the Terms and Conditions – OTC Derivatives \(South Africa\)](#)”). Velocity Trade is hereby authorised to make payment to Velocity Trade Capital (Pty) Ltd, on behalf of the Client, for the purpose of the Terms and Conditions - OTC Derivatives (South Africa), which the Client is required to accept during the online application process.

## 11 Trading in Foreign Securites Using the Asset Swap Facility

- 11.1 Where the Client is investing in Securities outside of South Africa and for the purpose of such Securities, the Client wishes to make use of the Asset Swap Facility -
- 11.1.1 Velocity shall render the services as set out in the Asset Swap Mandate attached to these terms and conditions;
- 11.1.2 Velocity will enter into the Transactions on behalf of the Client in accordance with the requirements of the Exchange Control Laws and will register the name of the Client as the beneficial owner, but in all circumstances subject to the following:
- 11.1.2.1 Velocity Trade shall be registered as the sole authorised intermediary or signatory in respect of such Security;
- 11.1.2.2 Velocity Trade shall be the only party that has exclusive transactional authority over any foreign Securities beneficially held in the name of the Client; and
- 11.1.2.3 the Client shall not be entitled to transfer ownership nor change the registration of the Securities and shall accordingly only be entitled to receive payment in respect of the Securities in South African Rand from Velocity Trade in terms of this Agreement;
- 11.1.3 the Securities Transactions will be subject to the terms and conditions entered into with the relevant financial intermediary or issuer, which terms and conditions are entered into for the risk and benefit of the Client;
- 11.1.4 the Client is responsible to meet all obligations in respect of the Securities Transactions and the terms and conditions entered into in respect of foreign Securities, including but not limited to the maintenance of the relevant margin requirements for the relevant Transaction; and

- 11.1.5 should any payment be required to be made in terms of the terms and conditions entered into on behalf of the Client in respect of foreign Securities, the Client make such payment timeously to Velocity Trade to enable Velocity Trade to make timeous payment to the relevant issuer in respect of the Transaction.

## 12 Trading in Foreign Securites Using the Client's Foreign Investment Allowance

Where the Client places an Order for Securities outside of South Africa which does not require the Asset Swap Facility and the Client wishes to make use of the services set out in the Foreign Investment Mandate for the purpose of such Order –

- 12.1 such Securities Transaction shall be subject to the terms and conditions set out in the Foreign Investment Mandate attached hereto. Velocity Trade is hereby authorised to make payment to the aforesaid Associate, on behalf of the Client, for the purpose of the agreement between the Client and the Associate, subject to approval of the South African Reserve Bank regarding the Client's available allowance; and
- 12.2 Velocity may, if required by the Client for the purpose of concluding such Transaction outside of South Africa, provide the services to the Client as set out in the Foreign Exchange Mandate.

## 13 Registration and Custody Arrangements

- 13.1 Save for the Transactions referred to in clause 13.2 below, all Transactions shall be registered in the name of the Nominee, with the Client recorded as the beneficial holder thereof.
- 13.2 All Transactions using the Asset Swap Facility or attached hereto, shall be recorded in the name of Velocity Trade, who shall hold same on behalf of the Client in terms of this Agreement.
- 13.3 Velocity Trade shall, on behalf of the Client, appoint a suitable person or persons to act as Nominee in respect of the Securities.
- 13.4 Velocity Trade shall have no responsibility or liability with respect to the transmission or safe-keeping of documentation or the acts or omissions of the Nominee or other Service Providers with respect thereto.
- 13.5 Velocity Trade or its Service Provider will only exercise the voting rights in respect of the Securities in accordance with the instruction of the Client.

## 14 Corporate Actions

Without limiting any other provision of this Agreement, this clause sets out the consequences, for the purpose of this Agreement, any Corporate Action taken by a company ("the issuer") in which the Client holds Securities.

### 14.1 Definitions

For the purpose of this clause 14 –

- 14.1.1 "**Ex-Date**" means the date on immediately prior to the date on which the Corporate Action is Scheduled to take place; and
- 14.1.2 "**Pay-Date**" means, in relation to a Corporate Action, the date on which the consideration in respect of the relevant Securities to which that Corporation Action relates is payable by the Issuer.

## Rights Issues

If the Client holds share positions on the last date to trade as specified by the issuer of such shares, the Client may receive an offer to acquire shares or other Securities in respect of the issuer (“**the Rights Offer**”). The Rights Offer may be renounceable or non-renounceable. The Client shall provide Velocity Trade with a written instruction as to the Rights Offer within the time period specified by Velocity Trade. If the Rights Offer is non-renounceable, the Client shall be entitled to accept or reject the Rights Offer. If the Rights Offer is renounceable, the Client shall be entitled to accept or reject the Rights Offer or sell the Rights Offer to a third party. If the Client fails to respond to a non-renounceable Rights Offer within the period specified by Velocity Trade, the Rights Offer may lapse and have no further force and effect. If the Client fails to respond to a renounceable Rights Offer within the time period specified by Velocity Trade, Velocity Trade shall be entitled, but not obliged, to sell the Rights Offer to any third party for the account of the Client. The proceeds from the sale of the Rights Offer will be for the account of the Client less the fees payable to Velocity Trade in terms of this Agreement.

### 14.2 **Australian Listed Event**

For certain event types including but not limited to distribution of rights, subscription for shares and rights offers, Australian companies listed on the Exchanges have the right to reduce entitlements to zero in certain circumstances and Velocity Trade will therefore only be allocating such entitlements to the Client on the date on which payment in respect of such event is made to Velocity Trade. It is recorded that since March 2009 it is the policy of the Australian Custodial Services Association not to offer “Share Purchase Plans Events” to underlying beneficial owners and thus Velocity Trade cannot participate in such events on behalf of the Client.

### 14.3 **Cash Dividends**

Cash dividends are allocated to the Client on the Ex-date reflecting the market price movement on the Ex-date, but the actual value of the payment will be settled on the date on which payment is made to Velocity Trade. Dividend payments from share positions will be credited to the Client’s Account less any applicable withholding taxes deducted.

### 14.4 **Optional Dividends**

14.5 Unless the Client elects otherwise in terms of clause 14.4 dividend shall be paid in cash. The Client can elect to apply the dividend by acquiring for additional shares in the issuer. The shares to be acquired by the Client as aforesaid shall be proportional to the shares held by the Client as at the record date for the dividend. The shares will be allocated once the reinvestment rate is confirmed for the value Pay Date, once the shares have been received by the Nominee.

14.6 The Client shall not be entitled to receive payment of a dividend in a different currency to the currency in which the dividend has been declared.

### 14.7 **Share Dividends and Bonus Shares**

An issuer in which the Client holds shares may issue additional shares to the Client, whether in proportion to existing shareholding or otherwise. These shares may be issued and allotted by the issuer on the Ex-date at the value as at the Pay Date. The additional shares issued as aforesaid shall only be available to trade once they have been received by the Nominee and allocated to the Client on the Electronic Trading Platform.

### 14.8 **Share Splits, Reverse Share Splits/ Spin Offs**

14.9 A “Share Split” is an increase in an issuer’s number of issued shares proportional to a reduction in the par value or nominal value of the existing shares. In the case of a Share Split the Client shall receive additional shares in the issuer in proportion to its shareholding. The additional shares issued in terms of a Share Split shall be allocated to the Client on the Ex-Date, but at a reduced price. The additional shares in terms of a Share Split shall be issued to the Client as fully paid up shares.

- 14.10 A "Reverse Share Split" is a decrease in the number of issued shares proportional to an increase in the par value of the existing shares. In terms of a Reverse Share Split the number of shares held by the Client will be reduced on the Ex-Date, but the shares held by the client after the Reverse Share Split will be reflected at an increased price.
- 14.11 A "Spin Off" means the issue of additional shares to the Client in a new class of shares in proportion to their existing holding in the issuer. Such additional shares are allocated on the Ex-Date.
- 14.12 The additional shares resulting from a Share Split or Spin Off will be allocated on the Ex-Date, but will only be available for trading once such additional shares have been received by the Nominee.

**14.13 Tender Offers**

The Client shall be entitled to tender shares in its portfolio on the terms on which the Client has been notified of by means of the Trading Platform.

**14.14 Mergers and Mergers with Elections**

14.14.1 As a result of a merger in respect of the issuer of shares held by the Client, the Client may become entitled to –

14.14.1.1 receive payment in cash on the Pay-Date;

14.14.1.2 be issued additional shares in the issuer on the Ex-Date;

14.14.1.3 receive a combination of payment in cash and the issued of additional shares in the issuer on the Ex-Date.

14.14.2 In the case of a mandatory merger, the Client shall have no election as to the form of consideration to be received by the Client in terms of clause 14.14.1. In the case of a non-mandatory merger, the Client may elect the form of payment or consideration to be received by the Client, provided that such election is exercised within the time period set out in the applicable notice, failing which the consideration payable to the Client shall be as set out in the applicable merger notice.

14.14.3 Any shares allocated as a result of the merger will only be available for trading once such shares have been received by the Nominee.

**14.15 Deletion of open Orders due to a Corporate Action**

14.15.1 On the Ex-Date open Orders are deleted for certain types of Corporate Events, as set out in the table below.

Corporate Action Type	Never delete Orders	Always delete Order	Rule in respect of deleting Orders
Tender Offers	X		
Stock splits		X	
Reversed Stock Split		X	
Bonus Issues		X	
Mandatory Mergers		X	
Spin Offs		X	

Ticker Changes	X	
De-Listings	X	
Cash Dividends		Deleted if the change in the market price is calculated to be over 20% due to the Cash Dividend
Share Dividends		Deleted if the change in the market price is calculated to be over 20% due to the Share Dividends
Optional Dividends		Deleted if the change in the market price is calculated to be over 20% due to the Optional Dividends
Rights Issue		Deleted if the change in the market price is calculated to be over 20% due to the Rights Issue

#### 14.16 **New Positions in non-online traded Securities**

If a Corporation Action relates to a Security that is not tradable online with Velocity Trade through the Trading Platform, the following procedures shall be applicable -

- 14.16.1 Positions in respect of Securities arising as a result of a Corporate Action, are booked to the Client's Account.
- 14.16.2 The relevant Security will be added to the Client's Account for reporting purposes.
- 14.16.3 In instances where there is an election to receive consideration by means of the issue of a Security that is not supported by Velocity Trade or its Service Provider on the Electronic Platform, the Client will not have the option to elect and will receive the cash settlement.

#### 14.17 **Fractional Compensation**

A fractional share is less than one full share in an issuer and can arise as a result of a Corporate Action entitlement calculation. For the following Corporate Actions, Velocity Trade shall cash compensation wherever the Client becomes entitled to a fractional share -

- 14.17.1 share splits;
- 14.17.2 reverse share splits;
- 14.17.3 optional dividends on share positions; and
- 14.17.4 mergers.

#### 14.18 **Taxes and Fees on Corporate Actions**

Taxes and fees may also occur on other Corporate Actions, other than cash dividends such as fee on a share dividend or tax on a merger. When such taxes and fees occur Velocity Trade will debit the Client's Account accordingly.

#### 14.19 **Special Corporate Action Events**

Special and infrequent Corporate Actions that do not come under the descriptions above may occur. Velocity Trade, through its Service Providers, will handle such Corporate Actions in the overall best interest of the Client to the extent that time and operational procedures will allow.

## Voting

Due to the structure of the custodial relationship with its third party brokers it is not practical for Velocity Trade to support the exercise of voting rights by Clients.

## 15 Fees and Expenses

- 15.1 The basis on which, the manner in which and the intervals at which the Client will remunerate Velocity Trade and/or its Associates for the Services rendered by Velocity Trade and/or its Associates to the Client or Transactions concluded with or on instruction of the Client in terms of this Agreement are set out in the applicable Product Schedule as furnished via the Website or as otherwise notified by Velocity Trade and/or its Associates to the Client or its clients generally.
- 15.2 Velocity Trade may, on prior written notice, furnish to the Client, whether electronically or otherwise, with changes to the fees and charges from time to time.
- 15.3 The Parties agree that Velocity Trade will calculate the fees and charges payable on the applicable calculation dates and notify the Client in writing of the fees calculated.

## 16 Payments and Standard Settlement Instructions

- 16.1 The Client shall be responsible to promptly make payment to the Velocity of all amounts necessary for the purpose of entering into Transaction and compliance with the obligations in respect of the Transactions. Velocity shall notify the Client in respect of its policies and procedures relating to the acceptance and allocation of payments to the Account. It is specifically agreed that –
- 16.1.1 all payments by the Client shall only be deemed to be made once such funds have been cleared and reflect in Velocity's bank account;
- 16.1.2 Velocity shall allocate payment to the Account within a reasonable time after payment is reflected in Velocity's bank account, it being recorded that it will be the responsibility of the Client to ensure that the Client has left sufficient time for the allocation of funds to the Account; and
- 16.1.3 where the Client requires payments to be allocated to the Account on an urgent basis, Velocity will endeavour to do so, but provides no guarantees in this regard.
- 16.2 The Client authorises Velocity Trade in accordance with their usual practice, to withdraw from the Velocity Trade bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account), and to debit the relevant Account accordingly, at any time any fee, commission or charge when it becomes payable to Velocity Trade and/or any of its Associates.
- 16.3 Velocity Trade may, in its absolute discretion, determine and advise the Client that if, on any date-
- 16.3.1 the same amounts are payable under this Agreement in respect of the same type of Transaction by each party to the other in the same currency, then, on that date, each party's obligation to pay that amount is automatically satisfied and discharged; and
- 16.3.2 the aggregate amount payable by one party exceeds the aggregate amount that is payable by the other party in the same currency, then, on that date, the amounts payable by each party to the other party are to be paid or satisfied by payment of the net amount of those obligations by the party having a net debit to the party having a net credit.



- 16.4 Velocity Trade has appointed a service provider to ensure that Velocity Trade complies at all times with its memorandum of incorporation, and that all payments made by Velocity Trade will be in line with the standard settlement instruction issued by the Client or the relevant third party.
- 16.5 Velocity Trade will make payment to the Client of any amount standing to the credit of the Account, including but not limited to dividends and interest received by Velocity Trade in respect of any Securities, only upon receipt of an instruction from the Client to do so, subject to payment of any fees and expenses payable in terms of this Agreement.
- 16.6 Where the Account has a debit balance at any point in time, such debit balance reflects an amount payable by the Client to Velocity Trade, which payment shall be due upon demand by Velocity Trade.

## 17 Reporting to Client

- 17.1 Velocity Trade will provide regular statements electronically to Clients. The Client may elect to receive printed statements by notifying Velocity Trade, in writing.
- 17.2 The Client is responsible for ensuring that its electronic mail contact details with Velocity Trade are accurate and up-to-date.

## 18 Risk

The Client acknowledges and agrees that –

- 18.1 the Client has read and understands the risks of entering into Transactions outlined in the Risk Disclosure Statement and/or on the Website; and
- 18.2 entering into Transactions incurs the risk of loss as well as the prospect of profit; and
- 18.3 it accepts such risks, which may result in financial loss.

## 19 Exemption, Indemnity and Insurance

- 19.1 Subject to clause 19.2, Velocity Trade shall not be liable for, and the Client hereby indemnifies Velocity Trade against, any claims for loss, expense or damage which the Client may suffer, howsoever such loss, expense or damage may arise or be suffered, in respect of the Transactions concluded by the Client.
- 19.2 The exemption and indemnity in clause 19.1 shall not extend to any loss, expense or damage which arises as a result of the fraud, dishonesty or gross negligence of Velocity Trade or any director, employee, officer, or agent of Velocity Trade.
- 19.3 Velocity Trade shall, to the extent, and if required by the commissioner 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 Velocity Trade in connection with this agreement. Velocity Trade shall on request from the Client furnish the Client with written confirmation of the amount of such insurance cover.

## 20 Segregated Funds Account

- 20.1 Subject to this Agreement and Applicable Law, Velocity Trade will hold Client Money in respect of Transactions in the Segregated Funds Account.

- 20.2 Where necessary, Velocity Trade will hold Client Money outside South Africa with one or more overseas banks.
- 20.3 The Client acknowledges and agrees that, where Client Money is described as being held in a “segregated funds account” -
- 20.3.1 that account is maintained by Velocity Trade in its own name or by one of its Service Providers but is held in trust for the benefit of the Clients;
- 20.3.2 that account is managed by the Service Provider;
- 20.3.3 Client Money of the Client is pooled with client money of other clients of Velocity Trade;
- 20.3.4 Client Money of the Client may, in the insolvency of Velocity Trade and subject to Applicable Law, be held in favour of all clients of Velocity Trade with funds in the relevant Segregated Funds Account; and
- 20.3.5 there are risks involved in the manner in which Client Money is so held
- 20.4 The Parties wish to record that the Client Money falls under the Financial Institutions (Protections of Funds) Act 28 of 2001 and which act applies in relation to the protection of Client Money and trust property and Velocity Trade undertakes at all times to comply with its obligations as a financial institution under such act.
- 20.5 The Client acknowledges and agrees that Velocity Trade and the appointed Service Provider may, jointly, subject to Applicable Law withdraw moneys from a Segregated Funds Account for the purpose of -
- 20.5.1 making a payment for, or in connection with, the entering into settling of Transactions by Velocity Trade (including any such payment referred to in this Agreement); or
- 20.5.2 making a payment to the Client; or
- 20.5.3 making a payment to another person designated by Velocity Trade in connection with a Transaction entered into under this Agreement and agreed to by the Client,
- such payments being, for the purposes of this clause, payments made to persons specified by the Client in accordance with the instructions of the Client -
- 20.5.4 meeting the amount of any fees, commissions or other charges payable under this Agreement by the Client to Velocity Trade in respect of any Transaction; or
- 20.5.5 making a payment to Velocity Trade in reimbursement for any payment made by Velocity Trade to or on behalf of the Client for which Velocity Trade is entitled to be reimbursed by the Client under this Agreement; or
- 20.5.6 where funds are deposited into the Segregated Funds Account that include Client Money and other money, withdrawing that portion of the funds that is not Client Money; or
- 20.5.7 where Velocity Trade has deposited its own money into the Segregated Funds Account to cover a shortfall in the Segregated Funds Account, withdrawing that money once it is no longer required to cover the shortfall.
- 20.6 Velocity Trade is entitled at any time to deduct, without notice or recourse to the Client, any moneys deposited in, or credited to, the Segregated Funds Account -
- 20.6.1 in error by, or on behalf of, Velocity Trade; or
- 20.6.2 that are not Client Money.

## 21 Representations and Warranties

- 21.1 Each of Velocity Trade and the Client represents and warrants to the other that -
- 21.1.1 its obligations under each of this Agreement and each Transaction are legal, valid, binding and enforceable in accordance with its terms, subject to equitable principles and insolvency laws of general application;
  - 21.1.2 no litigation, arbitration or administrative proceeding is current, pending or, to its knowledge, threatened that has or could have a material adverse effect on it or on Velocity Trade's ability to exercise or enforce its rights under this Agreement or any Transaction;
  - 21.1.3 it is solvent and able to pay its indebtedness as it falls due;
  - 21.1.4 no Event of Default has occurred and is continuing;
  - 21.1.5 the execution and delivery of, and observance under, this Agreement and each Transaction, and any instrument in connection with this Agreement to which it is a party, do not violate or conflict with any Applicable Laws, any provision of its constituent documents, any order or judgment of any court or Public Authority applicable to it or any of its assets or any contractual restriction binding on or affecting it or any of its assets;
  - 21.1.6 all consents required to be obtained by it in connection with the execution, delivery and performance of this Agreement, including in relation to its access to and use of a Trading Platform, have been obtained and all Transactions are valid and subsisting.
- 21.2 **The Client represents and warrants that -**
- 21.2.1 all information provided by the Client to Velocity Trade in connection with this Agreement and each Transaction was true in all material respects as at the date when that information was provided and remains so as at the date of this Agreement; and
  - 21.2.2 there are no facts or circumstances that have not been disclosed to Velocity Trade that would make that information untrue or misleading in any material respect;
  - 21.2.3 the Client's access to and use of each Trading Platform complies with -
    - 21.2.3.1 all Applicable Law (including all relevant export laws and regulations to ensure that no software or any portion of it is exported, directly or indirectly, in violation of those laws);
    - 21.2.3.2 all applicable policies and practices of securities and futures Exchanges, External Exchanges and associations, alternative trading facilities, and regulatory or self-regulatory organisations; and
    - 21.2.3.3 the policies and procedures (whether stated orally or in writing) applicable to each Trading Platform and this Agreement;and the Client has all consents, rights, authority and has taken all actions necessary, to use a Trading Platform and enter any Transactions relating thereto;
  - 21.2.4 the Client is not in default under -
    - 21.2.4.1 any agreement relating to indebtedness; or
    - 21.2.4.2 any guarantee; or

- 21.2.4.3 any other agreement,
- to an extent or in a manner that has or would have a material adverse effect on the Client;
- 21.2.5 the Client is acting for the Client's own account, and it has made its own independent decision to enter into this Agreement and each Transaction, and whether any Transaction is appropriate or proper, based upon the Client's own judgment and upon advice from such advisers as the Client has deemed necessary;
- 21.2.6 the Client is not relying on any communication (written or oral) of Velocity Trade as investment advice or as a recommendation to enter into this Agreement or any Transaction, it being understood that information and explanations related to the terms and conditions of a Transaction are not considered investment advice or a recommendation to enter into that Transaction; and
- 21.2.7 the Client has not received from Velocity Trade any assurance or guarantee as to the expected results of any Transaction;
- 21.2.8 the Client is capable of assessing the merits of and understanding (on the Client's own behalf or through independent professional advice), and understands and accepts, the terms, conditions and risks of each Transaction; and
- 21.2.9 the Client is capable of assuming, and assumes, the financial and other risks of each Transaction;
- 21.2.10 Velocity Trade does not act as a fiduciary for or an adviser to the Client in respect of any Transaction; and
- 21.2.11 except as disclosed to, and accepted in writing by, Velocity Trade, no security interest exists over or affects, nor is there any agreement to give or permit to exist any security interest over or affecting, any Account or moneys payable or paid to Velocity Trade.
- 21.3 **If the Client is a company, the Client represents and warrants that -**
- 21.3.1 it is incorporated, has full power and authority to enter into and comply with its obligations under this Agreement and each Transaction; and
- 21.3.2 has taken all corporate and other action and obtained all consents needed to enable it to do so; and
- 21.3.3 the execution, delivery and performance of this Agreement and each Transaction does not violate its founding documentation.
- 21.4 **If the Client is trustee of a trust, the Client represents and warrants that -**
- 21.4.1 the Client is entering into this Agreement and each Transaction as duly appointed trustee of the trust; and
- 21.4.2 the Client is presently the sole trustee or, if not, that all trustees have entered into this Agreement;
- 21.4.3 the trust was validly created and is in existence at the date of the Client's submission of the Application Form;
- 21.4.4 the execution, delivery and performance of this Agreement and each Transaction is permitted by the terms of the trust deed and does not violate the trust deed or the trust; and
- 21.4.5 the trust is solely constituted by the trust deed;
- 21.4.6 the Client has full power and authority to enter into and comply with its obligations under this Agreement and each Transaction; and

- 21.4.7 the Client has taken all action and obtained all consents necessary to enable it to do so; and
- 21.4.8 the Client is not in breach of the terms of the trust, whether related to this Agreement or not, and has the right to be indemnified from the assets of the trust for all liabilities incurred under this Agreement and each Transaction;
- 21.4.9 even though the Client is entering into this Agreement and each Transaction as trustee of a trust, the Client is personally liable to meet any obligations under this Agreement and each Transaction.
- 21.5 Each of the representations and warranties in this clause is deemed to be repeated continuously so long as this Agreement remains in effect by reference to the facts and circumstances then existing.

## 22 Trading Hours

- 22.1 Subject to clauses 22.2 and 22.3 Velocity Trade intends to, but is under no obligation to, quote prices and rates and accept instructions (whether oral, written or electronic) in relation to any Transaction during Normal Trading Hours.
- 22.2 Velocity Trade is under no obligation to quote prices or rates, or to accept instructions (whether oral, written or electronic) in relation to any Transaction on a South African public holiday which, in Velocity Trade's reasonable opinion, affects any security or derivative.
- 22.3 Velocity Trade is under no obligation to quote prices or rates or accept instructions (whether oral, written or electronic) in relation to any Transaction during any time when the relevant listed securities or derivatives market is closed for business.

## 23 Legal and Regulatory Requirements

- 23.1 Notwithstanding any other provision of this Agreement, Velocity Trade may take any action it considers necessary or desirable in its absolute discretion to ensure compliance with all Applicable Law.
- 23.2 Velocity Trade undertakes to comply with all Applicable Law including the terms and conditions of any authorisation to carry on the business of dealing in futures contracts granted under FAIS and the FM Act and as Authorised Representative.
- 23.3 The Client undertakes to comply with all Applicable Law.
- 23.4 The Client acknowledges that, for the purpose of compliance with any Applicable Laws, Velocity Trade may be required to report details relating to the Client to the relevant authorities.
- 23.5 Where required by Applicable Law, Velocity Trade will send the Client all relevant information that a product supplier is obligated to send to the Client in terms of Applicable Law and which Velocity Trade has received from such product supplier, unless the Client requests Velocity Trade in writing not to do so.

## 24 Taxes

- 24.1 The Client is to pay all Taxes and all other fees reasonably incurred by Velocity Trade in connection with this Agreement or any Transaction.

- 24.2 Any imposition of Tax, which may from time to time be levied in respect of this Agreement or any Transaction, is for the account of, and payable by, the Client.
- 24.3 Velocity Trade is entitled to deduct or withhold any Tax, as required by law to be deducted or withheld, from any payment made under this Agreement, or any payment made under any Transaction or any amount credited to the Velocity Trade bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account) or any Account.
- 24.4 Dividend payments from share positions will be credited to the Client's Account after deduction of any applicable standard withholding taxes payable by the Client in respect of such dividend. The Client acknowledges that Velocity Trade does not support or offer preferential withholding tax rates that may be available due to residency or legal status. The Client further acknowledges that Velocity Trade does not offer a tax reclaim service, but it may refer the Client to a third party for such service, at the request of the Client, provided that Velocity Trade makes no representations of warranties in respect of such service from such third party.

## 25 Force Majeure

- 25.1 Velocity Trade is not in default or breach of this Agreement or any Transaction to the extent that Force Majeure arises.
- 25.2 Subject to clause 25.3, if Force Majeure arises, Velocity Trade is to use its reasonable endeavours to give notice as soon as reasonably practicable to the Client accordingly.
- 25.3 Velocity Trade is not liable to the Client for any failure or delay in giving this notice.
- 25.4 If Force Majeure arises, and regardless of whether or not Velocity Trade has given the notice referred to in clause 25.2, Velocity Trade may take whatever steps in relation to this Agreement or any Transaction that, in its opinion, are necessary or desirable, including -
- 25.4.1 changing or restricting any hours within which the Client may enter into Transactions; or
  - 25.4.2 amending this Agreement or any Transaction, to the extent only that it is not possible, practicable or legal for Velocity Trade to perform or comply with its obligations to the Client under this Agreement or any Transaction; or
  - 25.4.3 terminating, closing out or not rolling over any Transaction or cancelling any instructions or orders under this Agreement or any Transaction; or
  - 25.4.4 taking or omitting to take any other action that Velocity Trade, acting reasonably, deems to be appropriate in the circumstances having regard to its business and its clients generally.

## 26 Events of Default

- 26.1 An Event of Default is any of the following events or circumstances with respect to Velocity Trade or the Client, as appropriate (the “**Defaulting Party**”, the other party being the “**Non-defaulting Party**”) -
- 26.1.1 any representation or warranty made by Velocity Trade or the Client under or in connection with this Agreement or a Transaction is later found to be incorrect or misleading in a material respect; or
  - 26.1.2 the Client fails to satisfy any credit requirement as may be determined by Velocity Trade from time to time having regard for the Applicable Laws; or

- 26.1.3 the Client fails to perform or comply with any of its obligations under this Agreement or any Transaction; or
- 26.1.4 the Client is in breach of any Applicable Law; or
- 26.1.5 the conduct of the Client is such that, in the opinion of Velocity Trade, it would cause a reasonably prudent financial person dealing in any of the Transactions to be of the view that the Client could be unable to perform and comply with any of the Client's obligations under this Agreement or any Transaction, including strict compliance with any time limit; or
- 26.1.6 where the Client is a natural person -
  - 26.1.6.1 the Client dies or becomes of unsound mind; or
  - 26.1.6.2 the Client's person or estate is liable to be dealt with in any way under any law relating to mental health; or
  - 26.1.6.3 in the absence of the Client making alternative arrangements, the Client is not contactable by Velocity Trade for any period of 24 hours in order for Velocity Trade to obtain instructions relating to any Transaction, any order or any obligations of the Client under this Agreement or any Transaction; or
  - 26.1.6.4 the Client becomes insolvent or enters into a composition or arrangement for the benefit of creditors or if the Client act of insolvency as defined in the Insolvency Act 24 of 1936; or
- 26.1.7 Velocity Trade or the Client, where the Client is a company -
  - 26.1.7.1 if either Party is deemed to be unable to pay its debts in terms of the Companies Act, 2008; and/or
  - 26.1.7.2 if either Party compromises or attempts to compromise with its creditors, or defers or attempts to defer payment of debts owing by either Party to its creditors generally; and/or
  - 26.1.7.3 any final judgment of any court or arbitration award against either Party remains unsatisfied for a period of 10 (ten) Business Days after it has been granted against such Party and for the purposes of this subparagraph, a final judgment means a judgment -
    - 26.1.7.3.1 which is not appealable, or
    - 26.1.7.3.2 which is appealable but in respect of which the period for the lodging of an appeal has lapsed and the relevant Party has failed to institute appeal proceedings, or
    - 26.1.7.3.3 which is not capable of rescission, or
    - 26.1.7.3.4 which is capable of rescission but in respect of which the period for applying for rescission has lapsed and the relevant Party has failed to apply for rescission or has applied for rescission of such judgment and the application for rescission has been denied; and/or
    - 26.1.7.3.5 if any property, moveable or immoveable, of either Party is attached in execution or by any process of any Court; and/or
  - 26.1.7.4 if either Party's members propose or pass a resolution to be placed in business rescue or for its liquidation or winding-up; and/or
  - 26.1.7.5 if either Party has an order granted against or in respect of it, in terms of which such Party is sought to be provisionally or finally wound up, liquidated, dissolved or placed under judicial management or has any

equivalent application or proceedings brought against it in terms of any equivalent applicable legislation; and/or

26.1.7.6 any guarantee of or security given in respect of the Client's obligations under this Agreement is, without the consent of Velocity Trade, withdrawn or becomes defective or insufficient.

26.1.8 If, at any time, an Event of Default has occurred in respect of the Defaulting Party, the Non-defaulting Party may give a Termination Notice to the Defaulting Party designating a Termination Date for the termination of all (or some only) Transactions.

## 27 Termination

27.1 Velocity Trade and the Client shall be entitled to terminate this Agreement -

27.1.1 by notice in writing to the other Party of 60 calendar days; or

27.1.2 by written agreement, subject to the terms of such agreement.

27.2 Notwithstanding anything to the contrary contained in this Agreement, in the event of the Client being a natural person, Velocity Trade may cancel this Agreement in the event of a material breach having been committed by the individual Client and the Client failing to rectify such breach within 20 (twenty) business' days' of receipt of a written notice from Velocity Trade.

27.3 **Should Velocity Trade -**

27.3.1 cease to be a licensed financial services provider in terms of the FAIS Act; or

27.3.2 be sequestrated, liquidated or placed under judicial management, whether provisionally or finally,

Velocity Trade shall notify the Client immediately and take reasonable steps to ensure any outstanding business is completed promptly or transferred to another provider.

27.4 Subject to specific written instructions from the Client, Velocity Trade shall not initiate any Transaction on behalf of the Client after notice of termination has been received or given.

27.5 If the Client does not enter into any Transactions for a consecutive period of 12 (twelve) months, the Account may be automatically removed from the Trading Platform resulting in an automatic cancellation of this Agreement. The Client shall be entitled to apply for the opening of a new account in accordance with the then-current requirements of Velocity.

## 28 Indemnity

28.1 The Client indemnifies each of Velocity Trade and the Associates (each, an indemnified party) against, and agrees to hold each of them harmless from, any and all losses, including indirect, special and consequential loss, sustained or incurred by an indemnified party arising out of or in connection with -

28.1.1 any Transaction, including any agreements, arrangements, terms and conditions, terms of business, undertakings or other obligations incurred by Velocity Trade pursuant to the execution of an Order or instruction pursuant to this Agreement, whether Velocity Trade incurs such obligation as principal or agent;



- 28.1.2 any breach of representation or warranty made by the Client under or in connection with this Agreement or any Transaction; or
- 28.1.3 any failure by the Client to comply with or perform any of its obligations under or in connection with this Agreement or a Transaction; or
- 28.1.4 any access or use or attempted access or use to or of a Trading Platform by the Client and any person accessing or using a Trading Platform through any Security Credentials, whether or not such access or use is authorised by the Client; or
- 28.1.5 any third party claim related to the access or use or attempted access or use to or of a Trading Platform by the Client, any component of a Trading Platform or any data provided through a Trading Platform or relating to decisions or advice arising out of such access or use; or
- 28.1.6 any claim by any Licensor arising or resulting from the Client's' access or use or attempted access or use to or of an Electronic Trading Platform; or
- 28.1.7 any insufficiency whatsoever with respect to the environment from which the Client accesses or uses a Trading Platform and/or with respect to the Client's security measures to prevent unauthorised access to or use of a Trading Platform and any security breach in relation to a Trading Platform (including any access to or use of any of Velocity Trade's other systems not covered by this Agreement and any software viruses or other activities that comprise the security arrangements of Velocity Trade's IT infrastructure or network) caused directly or indirectly by the Client or any of its Representatives; or
- 28.1.8 any error, corruption or delay in any order or other instruction (whether oral, written or electronic) communicated by the Client; or
- 28.1.9 acting on any Order or instruction (whether oral, written or electronic) which is communicated using any Security Credentials; or
- 28.1.10 the termination by Velocity Trade of any Transaction under this Agreement; or
- 28.1.11 the enforcement of an indemnified party's rights under this Agreement or any Transaction,  
  
except and to the extent that the loss or Consequential Loss is sustained or incurred by an indemnified party directly as a result of its gross negligence or wilful default.
- 28.2 Each indemnity in this clause constitutes a separate and independent obligation of the Client from its other obligations under this clause.
- 28.3 No proof or evidence of any actual loss, including consequential loss, may be required by the Client.

## 29 Exclusion of Liability

- 29.1 Velocity Trade is not liable to the Client for any loss or consequential loss suffered or incurred by the Client arising out of or in connection with this Agreement or any Transaction, whether in contract, delict, or otherwise, including -
  - 29.1.1 any error, corruption or delay in any Order, instruction or other communication (whether oral, written or electronic) by the Client; or
  - 29.1.2 any delay or failure to execute an Order or instruction as a result of circumstances outside of the control of Velocity Trade;

- 29.1.3 Velocity Trade acting on any order, instruction or other communication (whether oral, written or electronic) through any Security Credentials; or
- 29.1.4 any misrepresentation of any information or general financial advice provided by or on behalf of Velocity Trade in relation to this Agreement or a Transaction; or
- 29.1.5 except in the case of fraud by Velocity Trade, the reliance of the Client on a rate or a price which the Client knew, or ought reasonably to have known, to be materially incorrect; or
- 29.1.6 the entry into of a Transaction, or other action, by the Client on the basis of money deposited in or credited to an Account, or (where applicable) the Segregated Funds Account or any other account where Client Money is held, in error by, or on behalf of, Velocity Trade; or
- 29.1.7 the exercise, attempted exercise or non-exercise of any of the rights, powers or remedies of Velocity Trade under this Agreement or any Transaction; or
- 29.1.8 the occurrence and continuance of any Force Majeure; or
- 29.1.9 any failure of the Client -
  - 29.1.9.1 to access or use the Trading Platform for its intended purposes, whether as a result of failure by Velocity Trade or otherwise; or
  - 29.1.9.2 to maintain the security, integrity and confidentiality of all Security Credentials; or
  - 29.1.9.3 to verify its Trading Platform Communications and any communications sent by Velocity Trade by way of the relevant Trading Platform, other notices and communications and other reports; or
  - 29.1.9.4 any deficiency whatsoever of the Trading Platform, including failure of, or inability to, access or use the Trading Platform; or
  - 29.1.9.5 the occurrence of Abnormal Market Conditions; or
  - 29.1.9.6 any failure of a telecommunications link or network by which the Client may seek access to or use of a Trading Platform; or
  - 29.1.9.7 with respect to any information published on the Website, including any claims or losses in relation to the accuracy, reliability or timeliness of such information; or
  - 29.1.9.8 with respect to any support, advice or assistance provided by Velocity Trade, including any claims or losses in relation to technical support, trading support and account administration support.

## 30 Tape Recording

- 30.1 The Client acknowledges and agrees that Velocity Trade may -
  - 30.1.1 record all telephone conversations between the Client and Velocity Trade; and
  - 30.1.2 submit the recording, or a transcript from the recording, as evidence to any court or in any proceeding for the purpose of establishing any matters pertinent to this Agreement or any Transaction.

30.2 The Client acknowledges and agrees that Velocity Trade is under no obligation to retain a recording or transcript made by Velocity Trade and that Velocity Trade may destroy such recording or transcript.

## 31 Confidentiality

31.1 Each Party undertakes, without the prior written consent of the other Party -

31.1.1 not to use (other than in performing its obligations or exercising its rights under this Agreement or a Transaction) or disclose to any person any Confidential Information it has or acquires under or pursuant to this Agreement or any Transaction; and

31.1.2 to make every effort, including issuing legal proceedings, to prevent the use or disclosure of Confidential Information by any person.

31.2 The obligations contained in clause 31.1 do not apply -

31.2.1 to the extent required by law, by the listing requirements of any relevant Exchange, External Exchange or other Public Authority; or

31.2.2 to the extent that the information is already in the public domain (other than by virtue of a breach by it of the provisions of this Agreement or any Transaction); or

31.2.3 to any information that each party agrees in writing is not Confidential Information; or

31.2.4 to the extent that either party must use or disclose Confidential Information in order to perform its obligations under, or comply with the terms of, this Agreement or any Transaction; or

31.2.5 to any information about the Client that Velocity Trade, in its absolute discretion, deems necessary to disclose to its Associates provided that each of those persons -

31.2.5.1 is made aware of the provisions of this clause; and

31.2.5.2 needs to know that information for the purpose of performing obligations or exercising rights under this Agreement or a Transaction as the case may be.

31.3 If either party becomes aware, or suspects, that any unauthorised person has obtained or attempted to obtain access to Confidential Information of the other party, that party is immediately to notify the other party and take the steps reasonably available to it to protect that Confidential Information.

## 32 Data Protection Laws

**Velocity Trade agrees that it shall –**

32.1 use and apply appropriate measures, procedures and controls in the processing of the Client's personal information in terms of this Agreement, it being agreed that Velocity Trade shall process the Client's personal information in accordance with its privacy policy;

32.2 ensure that in the course of the performance of its obligations in terms of this Agreement, it complies with all Applicable Law relating to the protection of data or personal information, including but not limited to the Protection of Personal Information Act, 4 of 2013; and

32.3 comply with all applicable industry codes of conduct to the extent that they regulate or relate to the processing of personal information.

### 33 Conflicts of Interest

33.1 The Client acknowledges and agrees that Velocity Trade is not responsible for any loss, including consequential loss, which may result directly or indirectly from services or actions provided or taken pursuant to this Agreement.

33.2 The Client acknowledges that Velocity Trade's relationship to the Client is not that of a fiduciary and Velocity Trade owes no fiduciary duties to the Client.

### 34 Sharing of Commissions, Fees And Charges

34.1 The Client acknowledges and agrees that Velocity Trade may share commissions, fees and charges with its Associates or other third parties, who provide services in respect Transactions, or receive remuneration from them in respect of Transactions.

34.2 Details of these commissions, fees, charges, remuneration or sharing arrangements will be disclosed in accordance with any requirements of Applicable Law.

### 35 Instructions

#### 35.1 Instructions

35.1.1 The Client may place an Order or otherwise give Velocity Trade instructions (whether oral, written or electronic) in such manner as may be prescribed in terms of or pursuant this Agreement from time to time.

35.1.2 Velocity shall only be obliged to comply with instructions if the Client has complied with its obligations in terms of this Agreement.

35.1.3 Velocity Trade may act upon the oral, written or electronic order or instruction, including any Trading Platform Communications, of the Client, or any person who appears to Velocity Trade to be the Client, notwithstanding that the person is not, in fact, the Client.

35.1.4 In particular, Velocity Trade may act upon any Trading Platform Communications using the Client's Security Credentials.

35.1.5 The Client is to keep all security information relating to a Trading Platform, its Transactions, each Account and this Agreement, and all Security Credentials, confidential and secure.

35.1.6 Velocity Trade is not required to establish the authority of any person quoting the Client's Security Credentials.

35.1.7 If the Client is aware or suspects that any of these things is no longer confidential or secure, then the Client is to contact Velocity Trade as soon as practicable in order that it or they may be changed or otherwise made secure.

#### 35.2 Required instructions, etc.

35.2.1 The Client must promptly give to Velocity Trade any instructions which Velocity Trade may require of the Client in respect of any Transaction or proposed Transaction.

- 35.2.2 If the Client does not promptly give those instructions, Velocity Trade, acting reasonably, may take the steps at the Client's cost and expense as Velocity Trade considers necessary or desirable for its own protection or the protection of the Client.
- 35.2.3 The Client authorises Velocity Trade to charge the Velocity Trade bank account where Client Moneys are held (including, where relevant, the Segregated Funds Account) with any such cost or expense of taking those steps.
- 35.2.4 The Client acknowledges and agrees that Velocity Trade is not responsible for notifying the Client of any times, dates or events that may be relevant to any Transaction (including in relation to Transactions where Velocity Trade may require instructions).
- 35.2.5 Velocity Trade may (but is not in any circumstances obliged to) require confirmation (in the form that Velocity Trade requires) of any order or instruction (whether oral, written or electronic) if -
- 35.2.5.1 the order or instruction is to close an Account or remit money due to the Client; or
- 35.2.5.2 it appears to Velocity Trade, acting reasonably, that the confirmation is necessary or desirable.
- 35.2.6 Velocity Trade may acknowledge an order, instruction or other communication (whether oral, written or electronic) orally, in writing or by way of a Trading Platform.

## 36 Assignment

- 36.1 Subject to this clause, this Agreement is binding upon and ensures for the benefit of each of Velocity Trade and the Client and its successors and permitted assignees or transferees.
- 36.2 Velocity Trade may assign or transfer any of its rights or obligations under this Agreement or any Transaction without the consent of the Client. Each assignee or transferee is to have the same rights against the Client under this Agreement or any Transaction as if named in this Agreement as Velocity Trade.
- 36.3 Velocity Trade may disclose, on a confidential basis, to a potential assignee, transferee or other person with whom contractual relations in connection with this Agreement or any Transaction are contemplated, any information about the Client, whether or not that information was obtained in confidence and whether or not that information is publicly available.
- 36.4 The Client may not -
- 36.4.1 assign or transfer (whether absolutely, in equity, by way of security or otherwise), declare a trust over or otherwise deal with any of its rights or obligations under this Agreement or any Transaction; or
- 36.4.2 allow any such assignment, transfer, trust or dealing to subsist, without the prior written consent of Velocity Trade.
- 36.5 If an Event of Default occurs or the Client is in default of any of its obligations under this Agreement or any Transaction, Velocity Trade may (without prejudice to any other rights it may have) at any time afterwards assign and transfer to any person (including any third party with whom Velocity Trade has entered into Hedging Arrangements) with immediate effect all or any of its rights in respect of moneys owing to it under this Agreement or any Transaction, as well as any security or other remedies available to it in respect of those moneys.
- 36.6 If any such assignment is made, then the Client, if so required by Velocity Trade and the assignee and transferee, is to acknowledge in writing that the assignee and transferee has assumed the rights and obligations of Velocity Trade under this Agreement and any Transaction in relation to the relevant moneys.

## 37 Dispute Resolution

- 37.1 The Parties agree that any dispute (including an alleged breach of, or default under, any Transaction) will be determined in terms of this clause by written notice given to the other Party in accordance with the rules of the Arbitration Foundation of Southern Africa (“**AFSA**”) by an arbitrator or arbitrators nominated by the Parties.
- 37.2 This clause shall not preclude either Party from obtaining urgent relief from a court of competent jurisdiction.
- 37.3 The Parties hereby consent to the arbitration being dealt with on an urgent basis in terms of the Rules of AFSA should Velocity Trade, by written notice require the arbitration to be held on an urgent basis. In such event the Parties agree to apply jointly to the AFSA Secretariat as required in terms of the said Rules to facilitate such urgent arbitration.
- 37.4 The arbitrator shall be, if the matter in dispute is principally -
- 37.4.1 a legal matter, a practising advocate or attorney of Cape Town of at least fifteen years’ standing;
  - 37.4.2 an accounting matter, a practising chartered accountant of Cape Town of at least fifteen years’ standing;
  - 37.4.3 any other matter, any independent person, agreed upon between the Parties.
- 37.5 Should the Parties to the dispute fail to agree whether the dispute is principally a legal, accounting or other matter within seven days after the arbitration was demanded, the matter shall be deemed to be a legal matter.
- 37.6 Should the Parties fail to agree on an arbitrator within fourteen days after the giving of notice in terms of clause 37.1, the arbitrator shall be appointed at the request of either Party to the dispute in terms of the Rules of AFSA.
- 37.7 The decision of the arbitrator shall be final and binding on the Parties to the dispute and may be made an order of the court referred to in clause 37.8 at the instance of any of the parties to the dispute.
- 37.8 The Parties hereby consent to arbitration being held in Cape Town and to the jurisdiction of the High Court of South Africa in respect of the proceedings referred to in clause 37.2.
- 37.9 The Parties agree to keep the arbitration including the subject matter of the arbitration and the evidence heard during the arbitration confidential and not to disclose it to anyone except for purposes of obtaining an order as contemplated herein.
- 37.10 The provisions of this clause are severable from the rest of this Agreement and shall remain in effect despite the termination of or invalidity for any reason of this Agreement.

## 38 Notices And Addresses Of Services

- 38.1 Each of the Parties choose as the address for service and delivery of documents their respective addresses set out in the Client Application for the purposes of the giving of any notice, the serving of any process and for any other purpose arising out of or in connection with this Agreement.
- 38.2 Each of the Parties shall be entitled from time to time to vary its address for the service and delivery of documents to any other address within the Republic of South Africa which is not a post office box or *post restante*.
- 38.3 Any notice given in terms of this Agreement shall be in writing and shall -
- 38.3.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;

- 38.3.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 4<sup>th</sup> (fourth) day following the date of such posting;
- 38.3.3 if transmitted by facsimile be deemed to have been received by the addressee on the expiration of 24 (twenty four) hours after transmission;
- 38.3.4 if sent by courier be deemed to have been received on the date of delivery by the courier service concerned, unless the contrary is proved;
- 38.3.5 if transmitted by electronic mail message, be deemed to have been delivered to and received by the addressee when the complete electronic mail message enters an information system designated or used for that purpose by the addressee and is capable of being retrieved and processed by the addressee.
- 38.4 Notwithstanding anything to the contrary contained or implied in this Agreement, a written notice or communication actually received by one of the Parties from the other including by way of facsimile transmission shall be adequate written notice or communication to such Party.

## 39 Amendments

- 39.1 Except as specifically otherwise provided in any of the Annexures, Velocity Trade may amend, modify or replace this Agreement and/or any of the then-current documents that comprise this Agreement at any time by -
- 39.1.1 written notice to the Client in accordance with clause 38; and/or
- 39.1.2 posting notice of the amendment and/or an amended form of this Agreement and/or any of its components on the Website; and/or
- 39.1.3 posting notice of the amendment and/or an amended form of this Agreement and/or any of its components on an Electronic Trading Platform; and/or
- 39.1.4 as otherwise permitted by Applicable Law.
- 39.2 The Client acknowledges and agrees that if the notice and/or an amended form of this Agreement and/or any of its components is made available to the Client by more than one means, it is deemed to be made available to the Client at the earliest means by which Velocity makes the notice available.
- 39.3 A notice and/or an amended form of this Agreement and/or any of its components posted on the Website or on an Electronic Trading Platform is deemed to have been made available to the Client at the time the relevant document was posted by Velocity Trade on the Website or on the Electronic Trading Platform.
- 39.4 Any amendment, modification or replacement to or of this Agreement and/or any of its components is effective on the date specified in the notice, unless otherwise specified in the notice.
- 39.5 The amendment, modification or replacement to or of this Agreement is deemed to be accepted by the Client if the Client -
- 39.5.1 continues to enter into Transactions by way of a Trading Platform; or
- 39.5.2 allows any outstanding Transaction to roll over.
- 39.6 This amendment, modification or replacement, where applicable, also amends the terms of any outstanding Transaction on that effective date.

## 40 General

- 40.1 Each of the provisions of this Agreement is separate and severable and enforceable accordingly. If any such term or condition is or becomes unenforceable for any reason whatsoever, that term or condition is severable from and shall not affect the validity of any other term or condition contained in this Agreement.
- 40.2 A certificate by Velocity Trade of any amount payable under this Agreement or any Transaction is, in the absence of manifest error or fraud, conclusive evidence for all purposes, including for any proceedings.
- 40.3 Each party will pay its own costs (including legal fees) of entering into -this Agreement.
- 40.4 If the Client is a trustee, the Client undertakes -
- 40.4.1 to notify Velocity Trade immediately in writing if -
- 40.4.1.1 the Client ceases for any reason or at any time to be the sole trustee of the trust; or
- 40.4.1.2 if there are two or more trustees, any other trustee ceases for any reason to be a trustee of the trust; or
- 40.4.1.3 the trust is determined or for any other reason ceases to exist; or
- 40.4.1.4 it becomes aware of any breach of trust; and
- 40.4.2 not to make any distribution of any capital of the trust which would result in the trust having insufficient assets to meet the Client's liabilities under outstanding Transactions and this Agreement.
- 40.5 Except as expressly set out in this Agreement, all warranties that may be implied into this Agreement by law are excluded to the maximum extent permitted by law.
- 40.6 Where this Agreement is executed by any party under power of attorney then, by executing this Agreement, each attorney is deemed to have stated that the attorney has received no notice of revocation of the relevant power of attorney.
- 40.7 The expiration, cancellation or other termination of this Agreement shall not affect those provisions of this Agreement which expressly provide that they will operate after such expiration, cancellation or other termination or which of necessity must continue to endure after such expiration, cancellation or other termination, notwithstanding that the relevant clause may not expressly provide for such continuation.
- 40.8 No indulgence, leniency or extension of time which any Party may give or allow to the other Party in respect of the performance of any obligation hereunder or under a Transaction, shall in any way prejudice the Party giving or allowing the indulgence, leniency or extension or preclude such Party from exercising any of its rights an enforcing the obligations of the other Party in terms of this Agreement and the Transaction. A provision of, or a right created under, this Agreement or any Transaction may not be waived except in writing executed by the party granting the waiver.
- 40.9 The person submitting the Application Form on behalf of the Client warrants his authority to do so.
- 40.10 This Agreement constitutes the entire agreement between the Parties as to the subject matter hereof and save as may be expressly set out herein, no agreements, representations or warranties between the Parties regarding the subject matter hereof other than those set out herein are binding on the Parties.
- 40.11 The rights of each party under this Agreement and each Transaction are cumulative and not exclusive of any rights provided by law.



# Asset Swap Mandate

This Asset Swap Mandate applies if the Client makes use of the Asset Swap Facility. This Asset Swap Mandate shall be read with and construed as part of the Agreement to which this is attached. The terms defined in the Agreement shall bear the same meaning herein.

## Authorisation and Purpose

1. This Asset Swap Facility allows South African individuals, trusts, companies, and partnerships to invest offshore without using their FIA (to the extent applicable).
2. To provide the Asset Swap Facility to the Client its institutional foreign portfolio asset investment allowance to remit the Client's funds to invest directly in the qualifying foreign investments selected by the Client ("**Foreign Investment**").
3. By agreeing to this Asset Swap Mandate you grant a limited discretionary mandate to Velocity Trade to manage your Foreign Investments, subject to Applicable Laws. Subject to the terms of this Asset Swap Mandate, Velocity Trade may take the following actions in respect of Foreign Investments held pursuant to the Asset Swap Facility:
  - a. buy, sell, change or otherwise transact in Securities on your instructions;
  - b. generally do all things which are in the view of Velocity Trade necessary or desirable in order to give effect to your instructions;
  - c. appoint Service Providers or terminate relationships with Service Providers of Velocity Trade's choice, subject to their terms and conditions, execute Transactions by using such Service Providers and otherwise make use of the services provided by them, it being recorded that any agreements with Service Providers to provide services in respect of Transactions using the Asset Swap Facility shall be entered into by Velocity Trade, for your risk and benefit.
4. In addition, Velocity Trade may, in order to render services to you, utilise the service of its own staff or that of another approved financial services provider.
5. Since Velocity Trade will only buy, sell, change, vote, elect or otherwise transact in Securities on your instructions, you must ensure that any such instructions are in accordance with your investment objectives. Velocity Trade shall have no responsibility to monitor that your instructions are in accordance with your investment objectives. No investment or jurisdictions restrictions shall apply to this Asset Swap Mandate.
6. Cash accruals (including dividends and interest) which Velocity Trade receives on your behalf will be kept in your Account and will not be paid out to you. Should you wish to receive cash, you must give notice to Velocity Trade to withdraw money from your Account.
7. Velocity Trade may only exercise any voting power in respect of Securities on your behalf based on your instruction.
8. Velocity Trade will open an account on your behalf, in order to access Foreign Investments, with its Associate, Forex International Limited, the terms of which you are required to accept as part of the online application: [Terms and Conditions - International](#).

## What are the risks associated with your investment?

9. By agreeing to the terms of this Asset Swap Mandate, you acknowledge:
  - a. that you understand and are aware of the various risks that are involved in investing and dealing in Securities (including that the value of Securities and income from Securities may fluctuate in line with market movements or the circumstances of the issuer, that the value or your Securities may increase or decrease over time and that past performance is not necessarily a guide to the future);
  - b. that Velocity Trade does not guarantee any future performance of your investments, or that any investment shall retain its value or behave in any particular manner;
  - c. that you have taken note of the Risk Disclosure Statement;
  - d. that there is an investment risk associated with all asset classes, including Foreign Investments, that are exposed to currency risk; and

- e. that Velocity Trade does not guarantee the repayment of your original investment and/or the performance of your investments, or make any representation concerning either of these matters, and you accept such risks, which may result in financial loss, and agree that you shall not hold Velocity Trade liable for resulting financial losses.

### What fees and costs will you pay?

10. The basis on which, the manner in which and the intervals at which you must pay fees and costs for using the Asset Swap Facility and the services of Velocity Trade under this Asset Swap Mandate are set out in the Product Schedule. Such fees and costs may be amended from time to time by Velocity Trade. Velocity Trade shall give you 30 days prior written notice of any increase in the fees it charges, but other fees and costs payable by you in connection with this Asset Swap Mandate may change without prior notice.
11. You are required to maintain a positive balance in your Account to ensure that there are enough funds in your account to cover any fees and costs that are to be deducted. Failure to do so could lead to the cash balance in your Account becoming negative at which point Velocity Trade may exercise its discretion to close out some or all of your investment to cover the fees without prior written notice.
12. You acknowledge and agree that Velocity Trade may share commissions, incentives, fee reductions or rebates, fees and charges with its Associates or other third parties or receive commissions, incentives, fee reductions or rebates from such persons in respect of Transactions. Details of these commissions, incentives, fee reductions or rebates will be disclosed to you in accordance with any requirements of Applicable Law.

### How will the currency conversion from Rand and to Rand be dealt with?

13. Velocity Trade will contact an Authorised Dealer (AD) for an FX rate to convert ZAR to required foreign currency or to convert from foreign currency to ZAR.
14. The FX rate offered by the AD plus all AD and Velocity Trade fees for the FX conversion are confirmed with client before transaction executed with AD.
15. ZAR funds are transferred from Velocity Trade's Trust Bank Account to the AD or from Nominee account to AD.

### What communications can you expect

16. Velocity Trade will provide regular statements electronically to you. It is your responsibility to ensure that your electronic mail contact details provided to Velocity Trade are accurate and up-to-date.
17. Where required by Applicable Law, Velocity Trade will send you all relevant information that a product supplier is obligated to send to you in terms of that law and which Velocity Trade has received from such product supplier, unless you request Velocity Trade in writing not to do so.

### In what circumstances will the Asset Swap Mandate come to an end?

18. Velocity Trade may terminate this Asset Swap Mandate on 60 days' prior written notice to you or within the timeframes as instructed by relevant regulatory authority in terms of Exchange Control Regulations. If we do so, we will sell or redeem your investments and bring the funds back to South Africa.
19. You may terminate this Asset Swap Mandate with written notice to Velocity Trade. If you do so, Velocity Trade will sell or redeem your investments per your instructions and bring the funds back to South Africa.
20. In the event of breach of this Asset Swap Mandate by you or by Velocity Trade this Asset Swap Mandate may be terminated in accordance with the relevant provisions of the Agreement.
21. This Asset Swap Mandate will terminate automatically if the Agreement between Velocity Trade and you is cancelled for any reason.

## In whose name are the investments registered?

22. Velocity Trade will hold all cash deposits (including interest, dividends, proceeds from disposals and cash) forming part of your Investment that it receives for your account in a trust account or nominee trust account, separate from Velocity Trade's own assets.
23. All Securities held for your benefit shall be registered in the name of the relevant Nominee appointed by Velocity Trade, provided that your beneficial interest may be registered, subject to Applicable Laws. Velocity Trade shall have no responsibility or liability with respect to the transmission or safe-keeping of documentation or the acts or omissions of the Nominee or other Service Providers with respect thereto.
24. The Nominee may collect on your behalf all interest, dividends and other payments in respect of foreign Securities.

## Matters relevant to exchange control

25. Because you do not have to use your FIA (to the extent that you qualify for a FIA), there is no limit to how much you can invest, provided that Velocity Trade has adequate Asset Swap Facility capacity available.
26. You undertake to give Velocity Trade all the information and help Velocity Trade needs to carry out its Asset Swap Mandate. This includes all information requested by foreign financial institutions or the South African Reserve Bank and applies even after this Asset Swap Mandate has ended.
27. You must comply with the terms and conditions of any foreign financial institution and any approval granted by the South African Reserve Bank that applies to you or Velocity Trade in connection with this Asset Swap Mandate.
28. You understand and agree that there may be restrictions or limitations imposed by applicable exchange control regulations on the use of the Asset Swap Facility. Velocity will not have any responsibility or liability should exchange control regulations change or the application thereof by South African Reserve Bank change and such changes add to the restrictions applicable to your Foreign Investments.
29. Under the current exchange control framework, you will not have direct access to your Foreign Investments implemented through the Asset Swap Facility and will at all times be obliged to deal through Velocity Trade as your authorised agent. Such Foreign Investments will only be repaid to you via a domestic payment in South African Rands, as required by the exchange control regulations. Therefore, you will not be able to directly transfer or transact on any such Foreign Investment and all your instructions relating to such Foreign Investments must be through Velocity Trade.
30. Changes in the Applicable Laws relating to the Asset Swap Facility may require Velocity Trade to sell Foreign Investments made on your behalf and to repatriate applicable funds to South Africa.

## What other terms apply?

31. This Asset Swap Mandate forms part of the Agreement to which it is annexed and is subject to the terms and conditions of the Agreement (including the exclusions of liability and indemnities in favour of Velocity Trade set out therein). In the event of conflict between the terms of the Asset Swap Mandate and the Agreement, the terms of this Asset Swap Mandate shall prevail and be carried into effect.
32. In addition, you shall be bound by any provisions of a Product Schedule published by Velocity Trade from time to time and which applies to the Asset Swap Facility or to Asset Swap Mandates.

## Foreign Investment Mandate

This Foreign Investment Mandate applies if the Client wishes to invest in Financial Products outside of South Africa without using the Asset Swap Facility. This Foreign Investment Mandate shall be read with and construed as part of the Agreement to which it is attached. The terms defined in the Agreement shall bear the same meaning herein.

1. By your acceptance hereof you appoint Velocity Trade to render intermediary and administrative services in respect of Securities that are transacted outside the Republic of South Africa ("**Foreign Investment**"), which services shall include –
  - a. appointing a third party to act as Nominee in respect of your Foreign Investment and liaising and communicating with the Nominee, on your behalf in respect of your Foreign Investments;
  - b. opening of the required accounts for the purpose of your Foreign Investment;
  - c. such other services as set out in this Foreign Investment Mandate; and
  - d. using the Electronic Trading Platform for the purpose of transacting Foreign Investment.

This Foreign Investment Mandate relates to your investment in foreign Financial Products. This Foreign Investment Mandate may be used –

- e. as part of a South African resident's FIA, which is constituted of an annual individual discretionary allowance of up to R 1 million per calendar year and an annual individual investment allowance of up to R10,000,000 per calendar year;
  - f. by entities with an international Velocity Trade trading account, which in the case of South African legal entities may use their own asset swap capability;
  - g. by individuals who are non-residents or already have non-resident funds outside of the CMA.
2. For the avoidance of doubt, it is recorded that this Foreign Investment Mandate shall not be applicable in respect of Foreign Investments made by way using the Asset Swap Facility provided by Velocity as set out in the Asset Swap Mandate also forming part of the Agreement.
3. This Foreign Investment Mandate allows you to investment in any of the following qualifying foreign equity instruments that you select –
  - a. underlying foreign listed securities;
  - b. foreign listed exchanged traded funds;
  - c. foreign listed money market instruments; and
  - d. other foreign Financial Products.
4. If you are a South African resident, in terms of the Exchange Control Laws, you are entitled to invest up to the limits set by the South African Reserve Bank ("**SARB**") outside the common monetary area.
5. If you are a South African resident, you alone are responsible for making sure that you do not exceed your FIA at any time and that the money you give us to invest in terms of this Foreign Investment Mandate does not exceed your FIA. You acknowledge that the FIA may change due to changes in the Applicable Law, and that you continue to be responsible for not exceeding your FIA as amended from time to time.
6. If you are a South African resident, you understand that the funds invested offshore in terms of this Foreign Investment Mandate plus all the funds you have invested previously or will invest in the future, whether in terms of this Foreign Investment Mandate or otherwise, all form part of your FIA.
7. The fees payable to Velocity Trade for this Foreign Investment Mandate will be as set out in the Product Schedule.
8. You must complete the necessary forms and declarations required by SARB and the South African Revenue Service ("**SARS**"), to the satisfaction of SARB and SARS, before Velocity Trade will render any services in connection with your Foreign Investment.
9. You understand that you will not allowed to trade in foreign Securities and we will not be entitled to render services in respect thereof, unless the necessary foreign currency is deposited with the Nominee and the completion and the duly authorised exchange control forms as may be required by SARB, SARS and Velocity Trade.
10. You undertake to give Velocity Trade all the information and help Velocity Trade needs to carry out its Foreign Investment Mandate. This includes all information requested by foreign financial institutions or the SARB and applies even after this Foreign Investment Mandate has ended.
11. You must comply with the terms of any foreign financial institution and any approval granted by the SARB that applies to you or Velocity Trade about this Foreign Investment Mandate.
12. In carrying out this Foreign Investment Mandate, Velocity Trade may act through a Service Provider. Velocity Trade will ensure that its Service Provider complies with Velocity Trade undertakings in terms of this Foreign Investment Mandate.
13. All cash deposits (including interest, dividends, proceeds from disposals and cash) forming part of your Foreign Investment, will be held for your account in a trust account or nominee trust account, separate from Velocity Trade assets or those of its Service Provider.

14. All Foreign Investments other than cash or bearer instruments will be held in the Nominee's nominee name on your behalf and for your benefit, subject to any Applicable Law.
15. The Nominee will be a member of a recognised securities authority and is subject to the Applicable Laws. The Nominee will hold your Investment separate from Velocity Trade assets or those of the Nominee.
16. The Nominee, or its nominee or agent, will receive and convey to Velocity Trade proxies, notices, reports or other communications relating to the Foreign Investment.
17. The Nominee may not vote, execute a proxy to vote or give any consent in respect of any foreign Securities forming part of your Investment, unless Velocity Trade authorises them in writing, to do so.
18. The Nominee may collect on your behalf all interest, dividends and other payments in respect of foreign Securities.
19. The Nominee may present for payment and credit to your account –
  - a. foreign Securities that are called, redeemed or otherwise become payable;
  - b. coupons and other income items which call for payment on presentation; and
  - c. exchange foreign securities when necessary.
20. The Nominee must inform Velocity Trade timeously of all corporate action and elective events relating to your Foreign Investment.

## Foreign Exchange Mandate

This Mandate set out herein applies if the Client wishes to enter into a Transaction in Foreign Exchange. This Mandate shall be read with and construed as part of the Agreement to which it is attached. Unless the contrary is indicated, the terms defined in the terms and conditions of the Agreement shall bear the same meaning herein.

### 1 Interpretation

In this Mandate, unless inconsistent with or otherwise indicated by the context

- 1.1 **“Authorised Dealer”** means a person authorised by the South African Reserve Bank to deal in foreign exchange;
- 1.2 **“Exchange control laws”** means the laws, regulations, directives and rules applicable to exchange control in South Africa, including the currency and exchanges act, 9 of 1993 and the exchange control regulations as promulgated by government notice r.1111 of 1 December 1961, as amended from time to time;
- 1.3 **“foreign exchange transactions”** means a transaction in foreign exchange, including but not limited to a contract of purchase or sale of foreign exchange for delivery by means of forward delivery, spot delivery, one-day delivery, same day delivery or any other means of delivery, non-deliverable forward contracts and currency options; and
- 1.4 **“this mandate”** means this foreign exchange mandate as set out herein.

### 2 Appointment

- 2.1 Subject to the terms and conditions hereof, the Client hereby appoints Velocity Trade to provide the Client with administration services in respect of Foreign Exchange Transactions.
- 2.2 Velocity trade be and is hereby authorised to –

- 2.2.1 open, operate and close accounts with an Authorised Dealer for and on behalf of the Client and in the Client's name for the sole purpose of processing, settling and paying commissions for Foreign Exchange Transactions;
- 2.2.2 obtain quotes in respect of Foreign Exchange rates, negotiate and conclude Foreign Exchange Transactions with the Authorised Dealer on behalf of the Client in accordance with the provisions of clause 0;
- 2.2.3 to sign all such documents and do all such things as may be necessary for the purpose of concluding a Foreign Exchange Transaction;
- 2.2.4 to make any payments against the Account in connection with a Foreign Exchange Transaction;
- 2.2.5 if necessary, to submit applications to the South African Reserve Bank in respect of the approval of a Foreign Exchange Transactions; and
- 2.2.6 to invest any collateral funds, required by the Authorised Dealer in respect of the Foreign Exchange Transactions, with such institution as Velocity Trade deems fit and on such terms and conditions as Velocity Trade deems fit, in the exercise of its discretion.

### 3. Execution Of Foreign Exchange Transactions

- 3.1 If the client wishes to conclude a foreign exchange transaction, the client will request exchange rate quotes and pricing from velocity trade who will in turn obtain such quotes and pricing from the authorised dealer. After receipt of the exchange rate quotes and pricing, the client may instruct velocity trade to proceed with the foreign exchange transaction.
- 3.2 Prior to concluding the foreign exchange transaction on behalf of the client, velocity trade will issue the client with written confirmation of the foreign exchange transaction ("the client trade confirmation"). Unless the client notifies velocity trade, before 16h30 on the business day following the date on which the client trade confirmation is issued, that it disputes the client trade confirmation, the client shall be deemed to have accepted the client trade confirmation as a true and correct reflection of the foreign exchange transaction.
- 3.3 The client shall make payment of the amount payable by it in respect of the foreign exchange transactions, including any fees and costs payable in respect thereof, by no later than the date set out in the client trade confirmation, by way of electronic funds transfer of cleared funds into the account. Any delay in payment may result in the foreign exchange transaction being re-priced and any shortfall or benefit as a result thereof will be for the client's account.
- 3.4 The client acknowledges that there may be a delay in the receipt of the of the client's instructions by e-mail, as a result of circumstances out of the control of velocity trade, and it shall be the client's responsibility to follow up with velocity trade to ensure that such instructions have been actually received by velocity trade.
- 3.5 Velocity trade shall do all things necessary to give effect to foreign exchange transactions including, but not limited to, the execution of all confirmations of this foreign exchange transactions, "balance of payment" forms and all ancillary documents associated with this foreign exchange transactions to give effect thereto, which documents will be received by velocity trade from the authorised dealer from time to time.
- 3.6 Velocity trade is under no obligation to quote prices or rates or accept instructions, whether oral, written or electronic, in relation to any foreign exchange transaction during any time other than normal trading hours.

### 4 Obligations Of The Client

- 4.1 The client shall be responsible to comply with all exchange control laws in respect of the foreign exchange transactions, it being recorded that nothing in this mandate will be construed as placing any obligation on velocity trade to render any compliance services to the client in respect of exchange control laws; and

4.2 The client shall provide velocity trade with all such information as may be required by velocity trade from time to time for the purpose of completion of any and all documentation necessary to give effect to the foreign exchange transaction, including the relevant information and documentation in respect of the applications to be submitted to the south african reserve bank.

## 5 Commission

5.1 As consideration for the services, velocity trade will be entitled to payment of commission up to a maximum of 0,5% (half of one percent) of the value of each foreign exchange transaction (“the commission”).

5.2 Velocity trade shall confirm the commission in respect of each foreign exchange transaction when issuing the client trade confirmation.

5.3 Subject to clause 5.3, the commission will be deducted by velocity trade from the funds in the account on the maturity date of the relevant foreign exchange transaction. The client hereby authorises velocity trade to deduct this commission from the account, as and when a foreign exchange transaction is settled by the authorised dealer.

5.4 If, for any reason the funds in the account are insufficient to pay the commission or any part thereof, the client shall pay this foreign exchange transaction fee or the unpaid balance thereof to velocity trade in cash by pay of electronic funds transfer into the account nominated by velocity trade, within 7 (seven) days from the settlement of the foreign exchange transaction.

## 6 Obligations of the Client

6.1 The client shall – provide the client with all such true and accurate information as may be relevant to the provision of the services in terms of this mandate;

6.2 Monitor any bank charges, fees, pricing and annual increases with the authorised dealer at which the trading account is held;

6.3 Ensure that the trading account has sufficient funds for the purpose of entering into this foreign exchange transactions and, where necessary, establish and maintain appropriate credit facilities to enter into this foreign exchange transactions; and

6.4 Comply with all applicable laws, including but not limited to the exchange control laws.

# Order Execution Policy

## 1 Purpose and Scope of this Policy

Velocity will take all reasonable steps to obtain the best possible result for the Client (taking into account various factors relevant to the execution) when: (i) executing Orders on behalf of the Client; or (ii) receiving and transmitting Orders on behalf of the Client.

This policy defines Velocity's approach to meeting its regulatory obligations and the standard of execution quality we will achieve in accordance with the requirements of the FAIS. It should inform decisions on how, where, and with whom Velocity will deal when it acts for and on behalf of Clients.

This policy forms part of the “Agreement” as defined in the terms and condition to which this policy is attached as an Appendix.

## 2 Order Execution

Where Velocity execute Orders on behalf of Clients, Velocity will take all reasonable steps to obtain the best possible result, taking in to account the relative importance of the execution factors and execution criteria. The execution criteria that have been considered in developing this policy are:

- the characteristics of the Client;
- the characteristics of the type of Order;
- the characteristics of the financial instruments that are the subject of that Order; and
- the characteristics of the execution venues to which that Order can be directed.

Orders for execution will differ in size, type and market impact. It is therefore possible for Velocity to fulfil its best execution commitment in different ways for Orders that have different characteristics. The execution criteria above have been considered when determining the relative importance of the execution factors for each class of financial instrument and the execution venues which Velocity utilise.

## 3 Execution Factors

We are required to take into account the following execution factors when taking reasonable steps to achieve best execution. These factors will also be considered when determining the execution venues that are selected to execute an order;

- price;
- costs;
- speed;
- likelihood of execution and settlement; and
- nature or any other consideration relevant to the execution of an order.

Taking into account the execution criteria listed above, we have determined that the factor which will generally be of primary importance will be notional amount (Order size).

In some instances, we may consider speed, likelihood of execution and settlement, the size and nature of the Order and market impact to be of greater importance in achieving the best possible result for the Client. Depending on the circumstances, and for some orders or financial instruments, we may determine that other execution factors are more important in obtaining the best possible results.

## 4 Execution Venues and Process

We utilise multiple execution venues to provide a broad range of financial instruments and asset classes. We reserve the right to use alternative execution venues, where it is deemed appropriate in order to achieve the best possible result for the Client.

We regularly assess execution venues to ensure that the best possible results are obtained when executing Client orders. We will execute orders on one of the following execution venues, or a combination of one or more of the following:

- regulated markets;
- multi-lateral trading facilities;
- by crossing client orders with that of another client; and
- market counterparties or other liquidity providers.

Since we execute Client orders and also transmit certain orders to other firms for execution, in this policy, the term execution venue also includes other counterparties with which we place orders or to which we transmit orders for execution.



## 5 Order Handling

We maintain procedures and arrangements which provide for the prompt, fair and expeditious execution of Orders, relative to other orders of a similar nature placed by other clients.

We aim to execute Orders promptly in all cases, taking account of the nature of the financial instrument in question. It may be necessary, due to the size of the Orders executed, for Velocity to execute Orders over a longer period of time. This is likely to happen where trades of such a size would have a large market impact if they were executed at one point in time. Orders are executed in the order of the time of their receipt by Velocity. All executed orders are recorded by Velocity.

Where Clients provide us with specific instructions in relation to an order, or any particular aspect of the Order, we will execute the Clients order in accordance with those instructions, subject to the Applicable Law and the Agreement. However, this might mean that we cannot take those steps under our execution policy that we believe necessary to achieve best execution in relation to the elements covered by the Client's specific instructions.

If the Order includes a Limit Order, then it may not always be possible to execute an Order in the prevailing market conditions and the Order may need to be made public. Velocity will use its discretion, considering the Client's best interests, when deciding to make the Limit Order public unless otherwise instructed by Client.

# Margin Facility Mandate

## 1 Application of Margin Facility Mandate

- 1.1 For the purpose of this margin facility mandate, "margin facility" means the margin facility in respect of margin transactions outside of the Republic of South Africa for which the client appoints fidelity clearing Canada ULC ("FCC") as a broker.
- 1.2 If the client wishes to apply for a margin facility, the terms of this margin facility mandate shall apply in respect of the
  - 1.2.1 The application for the margin facility; and
  - 1.2.2 The conclusion and execution of the relevant agreement in respect of the margin facility,
- 1.3 This margin facility mandate shall be read with and construed as part of the "agreement" as defined in the VTFS terms and conditions general to which it is attached. Unless the contrary is indicated, the terms defined in the VTFS terms and conditions general shall bear the same meaning herein.

## 2 Access to Margin Facility

- 2.1 For the purpose of accessing a margin facility, the client will be required to –
  - 2.1.1 open a trading account with Velocity Trade Capital Ltd ("VTC"), a copy of which is available here: [VTC Customer Account Agreement](#) ("VTC Customer Account Agreement"); and
  - 2.1.2 enter into a margin agreement with Fidelity Clearing Canada ULC ("FCC"), a copy of which is available here: [FCC Margin Agreement](#) ("the FCC Margin Agreement").

- 2.2 It is recorded that the terms and conditions of the VTC Customer Account Agreement and the FCC Margin Agreement are inserted herein for ease of reference and do not form part of this agreement. The VTC Customer Account Agreement and the FCC Margin Agreement may be entered into by the client in accordance with clause 3 hereof.
- 2.3 By entering into the VTC Customer Account Agreement, the client will be appointing VTC as its introducing broker for the purpose of the FCC Margin Agreement. By entering into the FCC Margin Agreement, the client will be appointing FCC as its broker for the purpose of entering into margin transactions outside of the Republic of South Africa.

### 3 Authority to Velocity Trade

- 3.1 The client will notify Velocity Trade, in writing by way of electronic mail, should it wish to apply for the margin facility.
- 3.2 Subject to written notification as aforesaid, the client hereby authorises Velocity Trade to, on the client's behalf
- 3.2.1 apply to VTC and FCC for the opening of an account for the purpose of the Margin Facility;
- 3.2.2 submit all information and documentation as may be required by VTC and/or FCC in respect of your Margin Facility account application; and
- 3.2.3 signing the VTC Customer Agreement and FCC Margin Agreement.
- 3.3 Velocity Trade shall report on the margin facility as part of the client's account, including the transactions and securities that are subject or related to the margin facility.
- 3.4 Velocity Trade shall continue to perform the services in respect of the transactions that are subject to the margin facility, in accordance with the VTFS terms and conditions general.
- 3.4 By completing the relevant account opening documentation, including the agreement to the terms of the VTC Customer Agreement and the FCC Margin Agreement, the client, duly represented by Velocity Trade, will be making an offer to VTC and FCC to enter into the VTC Customer Agreement and the FCC Margin Agreement. This offer will be capable of acceptance by VTC and FCC by approving the client's application to open an account.

### 4 Acknowledgment and Warranty

- 4.1.1 The Client acknowledges that –
- 4.1.2 the Margin Facility is not a product provided by Velocity Trade in terms of the Client Agreement;
- 4.1.3 the services of Velocity Trade in respect of the Margin Facility are limited to paragraph 3 hereof; and
- 4.1.4 the Client shall be responsible for all its obligations in terms of the VTC Customer Account Agreement and the FCC Margin Agreement.
- 4.2 By submitting written notice to Velocity Trade that it wishes to apply for a margin facility, the client warrants that it has read and understood the then-current VTC Customer Agreement and FCC Margin Agreement and agrees to be bound thereby.