



MAKWE
FUND MANAGERS
WHY AM I NOT PART OF THE STOCK EXCHANGE?
ASK US...

Consolidated Mandate Agreement

FOR THE MANAGEMENT OF INVESTMENTS

made and entered into by and between

MAKWE FUND MANAGERS (PTY) LIMITED

(Registration No. 2016/305831/07)

(Hereinafter called the “Investment Manager”)

A registered member of the Financial Services Board, FSP Number 48803

AND

(Hereinafter called the “Client”)

Client Particulars (Account Holder)

PERSONAL DETAILS

Client Name:

Company/Trust/Individual ID/Reg.No:

Client Tax Number:

Client Physical Address:

Client Postal Address:

Telephone Number:

Mobile Number:

Client Email:

Occupation:

Source of Funds:

Source of Income:

Trustee's Email (if applicable):

Authorised Signatory:

Position held:

BANKING DETAILS

Please note that third party banking details cannot be accepted.

Name of account holder

Name of Bank :

Bank Branch Name (Code):

Account Type:

Account Number:

Authority to Process, Verify and Update Your Data

The undersigned, client, hereby grants explicit consent to the Investment Manager, the Financial Services Provider (FSP) and its authorized representatives to process the client's personal information in the ordinary course of its duties.

The client acknowledges the specific purpose and intent for collecting, collating, processing, and storing of the client's personal information, and recognize that the Investment Manager, the Financial Services Provider (FSP) and its representatives are taking ALL reasonable steps to ensure the client's rights to privacy and the protection of the client's personal information from unauthorized use, and or access.

The client declares forthwith that the client's personal information is being processed lawfully, legitimately and consistently as would be expected for the purpose of serving the client's best interests as well as for achieving fair and reasonable outcomes as a consumer of financial products.

The client further permits the sharing of the client's personal information with third parties (public or private body) as appropriate from time to time to ensure that the Investment Manager can carry out its Industry imposed legal and compliance related obligations, whilst continuing to fulfill the obligations concluded within the mandate.

The client is well informed of the specific purposes for which my personal information may be processed and reserve my rights as a Data Subject.

The client's consent shall remain in force provided the Investment Manager, the Financial Services Provider (FSP) and its authorized representatives continue to abide by the conditions for lawful processing of personal information as contained in the POPI Act no 4 of 2013, as may be amended from time to time

Client 's Signature _____

DEFINITIONS

- 1.1. 'Client' refers to the physical or juristic entity holding the account with Makwe Fund Managers (Pty) Ltd
- 1.2. 'Investment Manager' is Makwe Fund Managers (Pty) Ltd, Makwe Fund Managers (Pty) Ltd includes, for the purposes of this mandate, its divisions, appointed agents, employees and office holders
- 1.3. 'Portfolio' means all investments allocated to be invested and managed by the Investment Manager under this Agreement, and all income and accruals in respect of them or any part thereof
- 1.4. 'Investment of Funds' means funds will be invested in Johannesburg Stock Exchange "JSE" South Africa listed securities/stocks

2. AUTHORISATION

- 2.1. This is a mandate as contemplated in the South African rules ('the rules') of the Financial Advisory and Intermediary Services Act No 37 of 2002 and the Securities Service Act No 36 of 2004 any replacement act or acts and any relevant conditions promulgated under such acts (together with, "the applicable legislation").
- 2.2. The mandate shall be governed by and construed in accordance with the laws of the Republic of South Africa. The parties irrevocably and unconditionally agree that the Courts of the Republic of South Africa are to have exclusive jurisdiction regarding all proceedings, transactions, and applications, disputes or the like which may arise out of or in connection with this mandate. The Investment Manager is a licensed Financial Services Provider in terms of the Financial Advisory and Intermediary Services Act Number 37 of 2002 and accordingly the Investment Manager must obtain a signed mandate from the Client before rendering any intermediary service to a Client
- 2.3. This mandate shall commence on the date of the last signature hereof, and may be terminated by giving 30 calendar days written notice to the other party
- 2.4. The mandate shall be conducted based on a limited mandate with

2.4.1. **Full Discretionary Powers** _____ (client's signature)

OR

2.4.2. **Non-Discretionary Powers** _____ (client's signature)

- 2.5. Therefore the Client hereby nominates, constitutes and appoints The Investment Manager and its appointed agents to be my lawful Attorney and Agent in South Africa and any other territory throughout the world for the sole lawful purpose of fulfilling this mandate, which shall include but not be restricted to entering into ancillary agreements with third parties such as, but not restricted, to Banks, exchanges, custodians, counterparts, brokers, vendors and/or script lending

agreements with counterparts, where it is reasonably contemplated that such agreements are necessary to give effect to this agreement or entered into for the benefit of the Client. Accordingly, the client authorises the investment manager to conduct any transaction deemed appropriate by the investment manager which gives effect to the investment strategy as defined in paragraph 4 (four) of this agreement and which shall include but not be restricted to voting on all corporate actions or any other matter which requires a vote.

3. INVESTMENT STRATEGY

- 3.1. It must be noted that the investment strategy as set out in this mandate may, from time to time, be impacted upon by regulations, laws and the jurisdiction that applies to the investment, and may therefore, as a consequence thereof, be adjusted by the investment manager. Makwe Fund Managers (Pty) Ltd subscribes to a 'momentum' style with the objective of obtaining an absolute return as opposed to 'bench marking'.
- 3.2. The client vests in the Investment Manager a mandate to invest the Client's funds and to manage the investments in its sole and absolute discretion. According to the objectives selected below:
- **Conservative:** a high degree on income while maintaining the capital investment, with a very low level of volatility
 - **Balanced/Growth/Value:** a combination of both growth and income with a moderate level volatility over the long term
 - **High growth:** high levels of market volatility and risk for high growth over the medium term

CONSERVATIVE INVESTMENT STRATEGY RISK ADVERSE

Maintaining the value of the capital invested while achieving growth at a very low level of equity exposure and volatility. This strategy may be appropriate for those investors who want to preserve their capital

.....(client signature)

OR

BALANCED/GROWTH/VALUE INVESTMENT STRATEGY MODERATE VOLATILITY

A moderate level of equity exposure and volatility for higher returns over the long term. This strategy may be appropriate for investors who want to see their capital investment grow over the long term

.....(client signature)

OR

HIGH ROWTH INVESTMENT STRATEGY WITH HIGH VOLATILITY

Highest level of equity exposure and market volatility. Appropriate to medium term capital appreciation

.....(client signature)

IF NECESSARY THE CLIENT REQUESTS THAT THE FOLLOWING TERMS APPLY SPECIFICALLY IN RELATION TO RESTRICTIONS PERTINENT TO THE INVESTMENT

4. REGISTRATION OF INVESTMENTS CUSTODY AND TREATMENT OF FUNDS

Unless otherwise instructed by the client the Investments shall be registered in the client’s name or a nominee for the ultimate benefit of the Client or in the trust account of the investment manager as defined in Appendix A.

Nominee companies shall be as follows:

- 4.1. A central depository company established in terms of the Custody and Administration of Securities Act No. 85 of 1992; or
- 4.2. A nominee company of the Investment Manager as approved by the Financial Services Board; or
- 4.3. An International nominee company regulated by the country of registration, a stock exchange and/or financial exchange and/or bank
- 4.4. A pension, provident or retirement annuity fund as defined in section 1 of the Income Tax Act No.58 of 1962 and registered under the Pension Funds Act No.24 of 1956; or
- 4.5. An insurer or insurers under the Long-Term Insurance Act No.52 of 1998
- 4.6. The Investment Manager shall maintain records of all transactions and advice taken on behalf of the Client. Statements and valuations can be accessed electronically showing the minimum information required in terms of the South African Market Control Act. The Investment Manager shall account for all payment instructions authorised by the client. Interest and dividends are re-invested and accrued monthly to the account.

5. REMUNERATION

Any brokerage, administration fees, taxes, levies, custodian and bank charges, exchange fees or other costs pursuant to this mandate, shall be borne by the Client and the Client hereby authorises The Investment Manager to deduct these costs.

5.1. General Fee Rule

The Investment Manager is authorised to charge and deduct fees in respect of its services in accordance with the tariff options below:

Discretionary Mandate

- i. 20% (Twenty percent) of the monthly performance value inclusive of capital growth and interest which is greater than the highest net asset value (NAV) previously achieved in any preceding period. Deposits and withdrawals will be taken into account so as not to prejudice the above calculation. This fee will be accrued monthly and paid quarterly at the discretion of the Investment Manager. The fee may be amended by agreement between the parties as recorded in clause 11.1. If the performance value is zero or negative, then no performance fee will be charged

.....(client signature)

OR

- ii. _____% per annum at the discretion of the Investment Manager, based on the cumulative market value of the Client's Portfolio on the first day of each month and this fee will be deducted quarterly or at the discretion of the Investment Manager

.....(client signature)

5.2. Other Fees

The Investment Manager shall be entitled to change the following additional fees on Investments. This amount will be reviewed by the Investment Manager from time to time and any changes to the fees will be advised in writing before implementing such changes.

- i. An Annual Administration fee of R1200 per calendar year regardless of the date when the account is opened or closed in any calendar year.

- ii. This fee shall include; online access of statements and valuations as well as statutory reports and record keeping
- iii. The General Administration of the account is excluded from the Annual Administration Fee
- iv. The General Administration Fee shall relate to extraordinary once-off processes such as, but not limited to, termination of mandate, outward stock transfers and extended administration regarding FICA non-compliance. This will be charged on an hourly basis guided by professional rates
- v. Fees for Electronic data requests, Tax relief at source forms and real time pricing as recorded on the website www.makwefm.co.za
- vi. Where the Investment Manager acts as Principle custodian or Principle or agent in transactions on behalf of the Client, at prices and rates, which may include commissions and other charges, which are normally levied by an agent on such transactions, the Investment Manager shall be entitled to retain such commissions and charges. Such charges will not include soft commissions which are defined as rebates commission, incentives or fee reductions from an administrative FSP as defined in the act
- vii. Where the Client was introduced to the investment manager by a broker or through a referring agent, The Investment Manager may share portion of the income specified in this mandate with the broker or referring agent
- viii. THE INVESTMENT MANAGER MAY RECEIVE COMMISSION FROM OTHER FINANCIAL SERVICES PROVIDERS FOR PLACING OF THE CLIENT'S FUNDS. ANY COMMISSIONS RECEIVABLE WILL BE DISCLOSED TO THE CLIENT.

6. TERMINATION OF MANDATE

- 6.1. Either the Client or The Investment Manager shall be entitled to cancel the mandate by giving (30 days) written notice
- 6.2. No investment transactions shall be initiated by The Investment Manager after receiving written notice of termination
- 6.3. On termination of the mandate by either party, all costs and fees relating to this mandate shall become immediately payable
- 6.4. Any costs either directly or indirectly as a result of the termination of the mandate shall be for the clients account
- 6.5. It is specifically recorded that The Investment Manager may, in the execution of this mandate, utilise the services of its own staff or, may outsource some of the functions to any other financial services provider on condition that provider is also licensed within the regulatory environment of their jurisdiction and as such in terms of the Financial Advisory and Intermediary Services Act, where such outsourced service is performed within the Republic of South Africa.

7. DOMICILIUM

We choose as our respective domicilium citandi et executandi for the purpose of the service of all notices and processes pursuant to this mandate the following physical address, or such other physical and postal addresses as may be stipulated by notice in writing.

Investment Manager

Client

2nd Floor

44 Melrose Blvd

Melrose Arch

2196

8. INDEMNITY

Neither The Investment Manager nor its directors or employees, representatives, contractors, servants, agents and/or shareholders shall be liable to the Client or to any third party for any loss, liability, damage, cost or expense of any nature whatsoever (whether direct, or indirect or consequential or otherwise) which the Client or any such third party may incur, whether directly or indirectly as a result of or which may be attributable to any act or omission on the part of the investment manager pursuant to any instructions from the Client, the Clients agent, investment advisor or third party, the performance by the Investment Manager of any of its obligations under this mandate and/or the management of the clients investment. The Client indemnifies The Investment Manager and its directors against any claim that may be made against them arising out of the above mentioned. Notwithstanding anything to the contrary contained herein, neither The Investment Manager nor its directors, employees, representatives, agents nor shareholders shall under any circumstances be liable for indirect or consequential damages or for loss of profits. The Client indemnifies the Investment Manager and its directors against any demand, claim or action, whether directly or indirectly, relating to or in connection with any telephonic (verbal), fax, email or electronic instruction the Client gives, unless such demand, claim or action shall have arisen from the gross negligence or wilful misconduct of the Investment Manager or Makwe Fund Managers, in which case the matter shall be dealt with on its legal merit.

The Investment Manager shall endeavour to perform within the parameters of the mandate for the Client but will not be held accountable for any losses which the client may sustain unless attributable to fraud, bad faith, dishonesty or gross negligence on the part of The Investment Manager.

9. DISCLOSURE and UNDERTAKING

- 9.1. The Client acknowledges that he is aware of the risks associated with stocks/shares, financial markets, foreign financial products and exchange rates. He is further aware of the volatile nature of these investments and that it is possible in certain circumstances to lose more than your capital if the derivative investment is geared. Foreign financial product may include risks related to foreign currency volatility
- 9.2. Makwe Fund Managers (Pty)Ltd undertakes never to expose the client's portfolio using derivatives in such a manner that more than capital may be lost
- 9.3. In terms of this agreement it is recorded that the Client accepts the appropriate investment risks in respect of the Portfolios which may result in financial loss and that the Client will not hold the Investment Manager liable for any such loss
- 9.4. The Client further acknowledges that neither that the Investment Manager nor the Authorised Representative guarantees the repayment of capital and/or the performance of the Portfolio, nor makes any representation concerning either of these matters
- 9.5. You further agree by signature of this mandate to accept electronic delivery of your statement of accounts and fee notices by virtue of accessing the Makwe Fund Managers (Pty) Ltd website: <https://www.makwefm.co.za> and associated URL's to the site
- 9.6. This mandate is not a consequence of an unsolicited communication from of Makwe Fund Managers (Pty) Ltd officers or representatives and the client offers to sign this mandate on an execution only basis
- 9.7. A comprehensive needs analysis will not be concluded due to the limited nature and timing of this mandate, and I understand that whatever discretionary management is implemented in respect of paragraph 4 above may impact on my broader financial objectives and may require me to consult with a financial adviser in this regard
- 9.8. The investment manager may use derivatives from time to time as part of the overall management strategy
- 9.9. Where appropriate and/or necessary, the investment manager will exercise voting rights on the client's behalf
- 9.10. The investment manager shall obtain and transmit information which a relevant product supplier must disclose in terms of any law, unless the client requests in writing that the investment manager not provide such information

10. GENERAL TERMS AND CONDITIONS

- 10.1. No addition to or variation or amendment of this mandate shall be binding unless contained in a document signed by or on behalf of both parties
- 10.2. Any notice given in terms of this mandate shall be given in writing and shall be deemed, unless the contrary is proved, if: -
 - i. delivered by hand to have been received on the date on delivery
 - ii. transmitted by facsimile or email to have been received on the date of transmission, and
 - iii. Sent by post to have been received 10 days after date of posting
- 10.3. The Client agrees to inform us immediately of any changes to their personal information as stated in the "Client Personal Particulars", including change of bank details, telephone and facsimile numbers, electronic mail address, physical and postal addresses, and the Client further agrees not to hold The Investment Manager accountable for any risk or loss that may result from not providing us with the relevant information

11. DISTRIBUTION OF INCOME ACCRUALS

Income accruals are to be capitalised and administered as part of the investment Portfolio unless otherwise instructed by the client in writing. The intervals of such accruals and the re-investment of same will be executed as agreed upon in writing with the client

12. TELEPHONE, ELECTRONIC, FACSIMILE, EMAIL WAIVER & INDEMNITY

The Investment Manager has agreed, in so far as it may be possible within the Investment Manager's normal policies and procedures, to allow telephonic (verbal). Electronic, fax and/or email instructions (or any combination of such instructions as the Investment Manager may require) for the opening and/or closing of accounts, for transferring money from my account(s) with Makwe Fund Managers (Pty)Ltd to other accounts and/or to effect third-party payments, and to draw reports and provide me with any and all legal documentation as prescribed from time to time without me having to complete any relevant banking documentation and for the purposes of giving the Investment Manager investment instructions. It is specifically recorded that I have unfettered access to electronic reports, which will enable me to monitor the status of my investment.

Accordingly, the client:

12.1 Waives any rights that may have against the Investment Manager as a result of the foregoing arrangements and undertake not to hold the Investment Manager liable in the event of any loss or damage that I may incur or suffer as a result thereof, unless such loss or damage is as a result of gross negligence or wilful misconduct of the Investment Manager or any of its employees, in which case the matter shall be dealt with on its legal merits;

12.2 Agrees that any claim or action against the Investment Manager in terms hereof shall be limited to direct damages and that the Investment Manager shall not be liable for any amount that is not part of the actual amount of a transaction;

12.3 Indemnifies the Investment Manager against any demand, claim or action, whether directly or indirectly, relating to or in connection with such instructions unless such demand, claim or action shall have arisen from the gross negligence or wilful misconduct of the Investment Manager or any of its employees, in which case the matter shall be dealt with on its legal merits.

Signed at.....on this the.....day of.....20.....

Client Full Name

Client Signature

Witness Full Name

Witness Signature

On behalf of Makwe Fund Managers (Pty)Ltd:

Signed at.....on this the.....day of.....20.....

Full Name and Position

Signature