



The Home of Exchange Traded Funds®

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MANDATE

ENTERED INTO BETWEEN

etfSA Portfolio Management Company (Pty) Ltd

(Reg. No. 2012/019954/07)

a division of

etfSA Investment Services (Pty) Ltd

(Reg. No. 2006/001083/07) (FSP No. 40107)

(Hereinafter referred to as **etfSA**)

AND

Name:

ID No.:

Address:

(Hereinafter referred to as the **Client**)

**FOR THE RENDERING OF INTERMEDIARY SERVICES AND THE MANAGEMENT OF INVESTMENTS BY
A DISCRETIONARY FINANCIAL SERVICES PROVIDER**

WHEREBY IT IS AGREED

1. AUTHORISATION

1.1 **etfSA** is a category II FSP license holder, and is authorised to render advisory and intermediary services in respect of investments schemes and products as defined in 1.3 below. The directors of **etfSA** Portfolio Management Company (Pty) Ltd are Michael Fitzclarence Brown and Nerina Visser, whom are both authorised to act as representatives of etfSA Investment Services (Pty) Ltd (FSP 40107). Refer to disclosures in Addendum C. **etfSA** is hereby authorised to perform the functions set out in this mandate.

1.2 Tick which is applicable:

<input type="checkbox"/>	etfSA shall exercise its discretion in the management on behalf of the Client .
<input type="checkbox"/>	etfSA shall obtain instructions from the Client before entering into a transaction on behalf of the Client .

1.3 **etfSA** is authorised to advise, invest in, and switch from any of the financial products shown in the disclosure Document attached to this Mandate as Addendum C.

1.4 Investment products and portfolios will be applied and signed for by the **Client** in this mandate. **etfSA** shall either have full discretion or shall obtain instructions from the **Client** pertaining to the process of managing the **Client**'s investments agreed to in terms of this mandate, taking the **Client**'s risk profile and investment objectives into account. **etfSA** will invest in and switch the investments within the chosen portfolio/s. **etfSA** may also switch between portfolios, at the request of the **Client**, or at its own discretion.

1.5 **etfSA** may make use of the services of its staff, or that of other approved FSPs, to execute certain administrative functions in the course of rendering intermediary services to the **Client**.

1.6 Persons authorised to instruct and transact on behalf of the **Client** are listed in Addendum B.

2. INVESTMENT OBJECTIVES AND RESTRICTIONS

The investment objectives are detailed in Addendum A, as amended from time to time.

The following **jurisdiction restrictions** apply to the management of the investments:

Confined to securities and Exchange Traded Products (ETPs), listed on the JSE, or on major International Stock Exchanges giving access to various asset classes both local and foreign, traded on an Exchange, providing access to equities, bonds, listed property shares, commodities, currencies or any other registered asset class.

3. RECORD OF ADVICE AND INSTRUCTION

etfSA will provide written communication to the **Client**, after having conducted a full financial needs analysis, of the **Client**'s requirements, risk preference and future investment objectives. Such record of advice and the **Client**'s agreement to such advice and instruction is contained in Addendum A, as amended from time to time.

4. STATEMENTS

etfSA will obtain all legally prescribed documents such as statements and performance reports from the relevant product suppliers and furnish the **Client** with quarterly statements concerning the investments. **etfSA** may furnish the **Client** with electronic statements provided that the **Client** can access the statements.

5. RISK DISCLOSURE

- 5.1 **etfSA** uses its discretion to invest in Exchange Traded Products and other approved investments under its licenses on the **Client's** behalf with great care and diligence. However, there is a risk associated with investing in the financial products involved. The value of the investments and income may rise as well as fall, and there is a risk that the **Client** may suffer financial losses. The **Client** does not have a claim against **etfSA** in the event of the realisation of this risk unless it can be proved that the losses were due to negligence, fraud, misconduct or dishonesty by **etfSA** or its staff or acting outside the scope of this mandate.
- 5.2 When investing in foreign investment products it is important to be aware of the following risks:
- 5.2.1 Getting access to investment performance information may be more difficult than South African based investments.
 - 5.2.2 Investments are exposed to different tax regimes that may change without warning and it may influence investment returns.
 - 5.2.3 Exchange control measures may change in the country of investment and it may influence accessibility to the invested capital.
 - 5.2.4 The value of the Rand has deteriorated over the last number of years. However, it is important to understand that should the Rand exchange rate strengthen against the exchange rate of the foreign currency (is) in which the **Client's** money is invested, it may create a loss of capital or reduced returns when the money is returned to South Africa in Rand.

6. TRANSACTING IN INVESTMENTS, REGISTRATION, CUSTODIANSHIP AND RECORDS

etfSA requires that the **Client** enter into a separate mandate with a JSE or global member stockbroker in order to transact on behalf of the **Client**. Such mandate is attached as Addendum D and forms part of this **etfSA** mandate. **Client's** securities will be registered and held in custodianship in the name of the **Client** and held in a JSE approved nominee company.

7. VOTING ON BEHALF OF CLIENTS

etfSA may not vote on behalf of the **Client** in respect of a ballot conducted by an ETP or collective investment scheme in so far as the ballot relates to the investments managed by **etfSA** on behalf of the **Client** unless prior written approval has been granted.

8. INFORMATION TO BE DISCLOSED BY PRODUCT PROVIDERS

The **Client** confirms that **etfSA** shall not be required to provide the **Client** with any other information than what a product provider such as an Exchange Traded Product, a collective investment scheme or other listed company is required by law to disclose to the **Client**.

9. ACCRUALS

All cash accruals received in respect of the Investments, including dividends and interest, shall be: acted upon on request by the **Client** (tick one option). This could include

<input type="checkbox"/>	reinvested as and when they fall due and shall form part of the Investments.
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OR

<input type="checkbox"/>	to be paid out to the Client into the following nominated bank account
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Client's Bank Account Details

Bank: _____

Branch: _____

Branch Code: _____

Account Name: _____

Account No.: _____

Account Type: _____

10. TREATMENT OF FUNDS

etfSA will forthwith deposit all money received from the **Client** for the purpose of managing their investments as defined in this mandate, directly into the trust bank account of etfSA Investment Services (Pty) Ltd, the registered FSP. Such monies will be used to purchase ETP investment securities with the nominated stockbroker, subsequent to the deduction of fees and costs disclosed under Section 11 of this mandate.

Trust Account details

Bank: NEDBANK
Branch: Northern Gauteng
Branch code: 146905 or universal code 198765
Account name: etfSA Investment Services Trust
Account number: 1142 108 414
Account type: Trust Account

11. REMUNERATION

- 11.1 The **Client** shall remunerate **etfSA** for the management of the investments on behalf of the **Client** as follows:
- 11.1.1 A total annual management fee of _____ per annum based on the market value of the portfolio of the **Client**, will be payable quarterly;
- 11.1.2 Such management fee will be calculated on the market value of the portfolio of the **Client** at the end of January, April, July and October of each year.
- 11.2 **etfSA** may recover the remuneration referred to in Section 11.1 from the distributions earned on the investment, or directly from the investment of the **Client** if necessary.
- 11.3 The annual management fee will include all stockbroker, transaction and nominee fees and costs; all administration fees; advice and portfolio management fees payable to **etfSA**. This composite fee agreed to in Section 11.1.1, will be for the duration of the mandate, unless revised subject to the agreement of the **Client** and **etfSA**, from time to time.
- 11.4 **etfSA** will not receive any soft commissions, rebates, fee reductions, or any discounts from administrative FSPs, Management Companies and/or members of an Exchange for placing funds with them.

12. DECLARATION REGARDING FUNDS AND INVESTMENTS

12.1 The **Client** declares that all funds and investments placed under **etfSA**'s management in terms of this mandate are from a legitimate source and are not the "proceeds of unlawful activities", as defined in the Prevention of Organised Crime Act, No. 121 of 1998.

12.2 The **Client** further warrant that, where required, all funds placed under **etfSA**'s management in terms of this mandate are declared in terms of the Income Tax Act of 1962 and that the **Client** has any necessary approval from the South African Reserve Bank for foreign funds, assets or investments owned by the **Client**.

13. TERMINATION OF MANDATE

13.1 Any amendment of any provision of this mandate shall be in writing and shall be by means of a Supplementary or New Agreement between **etfSA** and the Client.

13.2 **etfSA** or the Client shall be entitled to terminate this mandate after notice in writing of not less than thirty (30) calendar days.

14. EFFECTIVE DATE

This mandate will become of force and effect on _____

SIGNED AT _____ ON THIS _____ DAY OF _____ 2017

For and on behalf of **etfSA**, the signatory warranting that she is duly authorised:

Name: _____

SIGNED AT _____ ON THIS _____ DAY OF _____ 2017

By the **Client**:

Name: _____

ADDENDUM A

RECORD OF ADVICE AND CONSULTATION WITH THE CLIENT

1. Record of written advice and correspondence (to be attached)

Date	Type of interaction	Copy of correspondence attached?

2. Investment flows:

Inflows: Lump sum _____ Monthly contributions _____ CSDP

Withdrawals: Monthly annuity payment _____

3. Client portfolio – strategic asset allocation and Exchange Traded Product Selection (or portfolio attached)

Asset class / ETP	Code	Allocation (%)
SA Equities		
SA Interest Bearing		
SA Property		
Foreign Assets		

ADDENDUM B

Authorised Persons

etfSA

1. Mr Mike Brown
ID: 480317 5024 08 5
Tel: 011 274 6171
Email: mikeb@etfsa.co.za

2. Mrs Nerina Visser
ID: 650104 0072 08 5
Tel: 011 274 6173
Email: nerinav@etfsa.co.za

Client (or any person/s authorised to act on behalf of the Client):

1. _____
ID: _____
Tel: _____
Email: _____

2. _____
ID: _____
Tel: _____
Email: _____



DISCLOSURE DOCUMENT CONCERNING MIKE BROWN AND NERINA VISSER, DIRECTORS OF ETFSA PORTFOLIO MANAGEMENT COMPANY (PTY) LTD, A DIVISION OF ETFSA INVESTMENT SERVICES (PTY) LTD

The purpose of this letter is to introduce ourselves to you and to make the necessary statutory disclosures as required by the Financial Advisory and Intermediary Services Act, "FAIS" (Act No. 37 of 2002).

My name is **Michael F Brown** (ID 4803175024085) and I have 42 years' experience in the financial services industry. I achieved the formal qualification of BA Hons Economics from the University of the Witwatersrand and I also passed the RE1 and RE5 FSB exams. M F Brown, trading as etfSA.co.za, has a Category I FSP license (No. 39217) to provide advisory and intermediary financial services.

My name is **Nerina Visser** (ID 6501040072085) and I have 21 years' experience in the financial services industry. I achieved the following formal qualifications: BSc and MBA from the University of Stellenbosch, I am a CFA charter holder and I also passed the RE1, RE3 and RE5 FSB exams.

I also introduce **ETFSA PORTFOLIO MANAGEMENT COMPANY (PTY) LTD** (Company Registration 2012/019954/07) which is a division of etfSA Investment Services (Pty) Ltd.

<i>Business Details – etfSA Investment Services</i>	
Name of FSP:	etfSA Investment Services (Pty) Ltd
Trading As:	etfSA / FSP No. 40107
Registration Number:	2006/001083/07
Physical Address:	Ground Floor, Block 1, Arcay House, 3 Anerley Rd, Parktown, Johannesburg 2193
Postal Address:	P O Box 16185, Doornfontein, 2028
Telephone:	011 402 3107
Facsimile:	011 402 6920
Email and Website:	portfolios@etfsa.co.za – www.etfsa.co.za

etfSA Investment Services (etfSA) holds **Category I and II** FSP licenses and is authorised to provide financial services in the form of advice and intermediary services in respect of financial products falling within the license categories detailed on the next page.

The Exchange Traded Products (ETPs) are Collective Investment Schemes in Securities (CIS) and/or JSE listed securities which are generally medium to long-term investments that contain elements of risk and can be affected by market values, interest rates, exchange rates, volatility, dividend yields and issuer credit ratings. The price of ETFs/ETNs can go up as well as down and past performance is not necessarily a guide to the future. The ETPs herein are listed on the Johannesburg Stock Exchange Limited and trading in ETP securities will incur trading and settlement costs. ETP securities are traded at ruling prices and can engage in script lending.

As a division of etfSA, we provide etfSA investment products. A gift register is available for inspection upon request. etfSA accepts responsibility for the representatives' actions performed within the scope of, or in the course of implementing any contract or mandate.

If you feel that your rights have been prejudiced, or you have been aggrieved in any way, you have the right to lodge a complaint. A copy of the complaints process is available upon request at the offices of etfSA. Moonstone Compliance (Pty) Ltd is the FSP's compliance practice on record and is represented by: Nelda de Jager. Moonstone Compliance can be contacted at: 25 Quantum Street, Techno Park, Stellenbosch, 7600. Fax: (021) 883 8005; Tel: 021 883 8000; www.moonstoneinfo.co.za.

etfSA holds professional indemnity and fidelity cover. All information obtained or required from you shall remain confidential unless you provide written consent, or unless etfSA is required by law to disclose such information.

As an authorised Financial Services Provider, we may not request or induce in any manner, a client to waive any right or benefit conferred on the client by or in terms of any provision of the General Code of conduct, or recognise, accept or act on any such waiver by the client. See the quotation or annexure for information on product suppliers; name, physical and postal address, telephone number, name and contact details of their compliance department.

Category	Sub Category	Category Description	Advice	Intermediary
1	4	Long-Term Insurance – Category C	X	X
1	5	Retail Pension Benefits	X	X
1	7	Pension Funds Benefits (excluding retail)	X	X
1	8	Securities and Instruments: Shares	X	X
1	9	Securities and Instruments: Money market instruments	X	X
1	10	Securities and Instruments: Debentures and Securitised debt	X	X
1	11	Securities and Instruments: Warrants, certificates and other instruments	X	X
1	12	Securities and Instruments: Bonds	X	X
1	13	Securities and Instruments: Derivative instruments	X	X
1	15	Foreign currency denominated investment instruments	X	X
1	17	Deposits Defined in the Banks Act – exceeding 12 months	X	X
1	18	Deposits Defined in the Banks Act – 12 months or less	X	X
1	19	Friendly Society Benefits	X	X
2	1	Long-Term Insurance: Category B1		X
2	16	Long-Term Insurance: Category B2		X
2	2	Long-Term Insurance: Category C		X
2	3	Retail Pension Benefits		X
2	4	Pension Funds Benefits (excluding retail)		X
2	5	Securities and Instruments: Shares		X
2	6	Securities and Instruments: Money market instruments		X
2	7	Securities and Instruments: Debentures and securities debit		X
2	8	Securities and Instruments: Warrants, certificates and other instruments		X
2	9	Securities and Instruments: Bonds		X
2	10	Securities and Instruments: Derivative instruments		X
2	11	Participatory interests in Collective Investment Schemes		X
2	12	Foreign currency denominated investment instruments		X

Advisor Name	Advisor Signature	Date

I acknowledge that I was furnished with a signed copy of this document. I further hereby acknowledge that I have read and understand the content of this document.		
Client Name	Client Signature	Date

(A copy of this document must be furnished to the client either as a hardcopy, via fax or email).