



## INVESTMENT MANDATE

Entered into between

**Magwitch Offshore, a division of Magwitch Securities (Pty) Ltd**

hereinafter referred to as Magwitch

**AND**

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hereinafter referred to as the Investor

**For the rendering of intermediary services and the management of investments  
by a discretionary financial services provider  
(Hereinafter referred to as the Mandate)**

Magwitch Offshore, a division of Magwitch Securities (Pty) Ltd  
Reg No 1999/002093/07 • FSP No 26829 • Directors AW Browne CA(SA), DJ Case CA(SA)  
PO Box 3085, Bedfordview, 2008 • Unit 26 & 27 Block F, Hingham Field Office Park, 79 Boeing Road, East Bedfordview, 2007  
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## 1. INTRODUCTION

Magwitch Securities (Pty) Ltd is the holder of Category I and II FSP licenses (as set out below) and is authorised to render intermediary services of a discretionary nature in respect of investments and products in Category II which form the subject of this Mandate.

### Category I

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Long-term insurance: Category A

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Short-term insurance: Personal Lines

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Long-term insurance: Category B

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Long-term insurance: Category C

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Retail Pension Benefits

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Short-term insurance: Commercial Lines

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Pension Fund Benefits (excluding retail pension benefits)

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Securities and Instruments: Money Market instruments

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Securities and Instruments: Debentures and securitised debt

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Securities and Instruments: Warrants, certificates and other instruments

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Securities and Instruments: Bonds

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Securities and Instruments: Derivative instruments

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Foreign currency denominated investment instruments

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### Category II

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Securities and Instruments: Shares

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Participatory interests in Collective Investment Schemes

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## 2. AUTHORISATION

2.1 The Investor authorises Magwitch in respect of one of the following:

Appropriate box to be ticked by Investor

<input type="checkbox"/>	Discretionary Mandate – Magwitch shall exercise its discretion in the management of investments on behalf of the Investor <b>or</b>
<input type="checkbox"/>	Execution Only Mandate – Magwitch shall obtain instructions from the Investor before entering into the transaction on behalf of the Investor

- 2.2 In the event of the Investor authorising the Execution only Mandate, paragraphs 2.3, 2.4, 3.1, 3.2, 5.1, 7 and 11 of this Mandate will not apply.
- 2.3 Investment products and portfolios will be selected and signed for by the Investor on the Investor Information Schedule. Magwitch shall have full discretion pertaining to the process of managing the Investor's investments in terms of this Mandate and shall not need to obtain instructions from the Investor before entering into a transaction on behalf of the Investor. Taking the Investor's investment objectives and risk profile into account, Magwitch will invest in and switch the investments within the chosen portfolio/s and may also switch between portfolios, at the request of the Investor, or at its own discretion.
- 2.4 Magwitch will have full discretion in terms of this Mandate to manage the Investor's portfolio applicable to both local and off-shore jurisdictions unless the Investor indicates in writing otherwise.
- 2.5 Magwitch may make use of the services of its staff, or that of other approved FSP's, to execute certain administrative functions in the course of rendering intermediary services to the Investor.

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### 3. INVESTMENT OBJECTIVES

3.1 The investment objectives\* are specified as follows:

Appropriate box to be ticked by the Investor

<input type="checkbox"/>	<b>Long term</b> (5 years or longer) High levels of market volatility and risk for high growth over the long term
<input type="checkbox"/>	<b>Medium</b> (2 to 5 years) A combination of both growth and income with a moderate level of volatility over the medium to long term
<input type="checkbox"/>	<b>Short Term</b> (3 months to 2 years) A high degree on income while maintaining the capital investment with a very low level of volatility

3.2 The Risk profile of the Investor is determined considering the current set of information and circumstances of the Investor but may change as the circumstances of the Investor change. The risk preference is determined on a scale of 1 to 5, where 1 is totally risk averse and 5 is risk tolerant. Appropriate box to be ticked by the Investor.

1	2	3	4	5
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Note:** Option 1 is not available in terms of this Mandate as this should be Cash

3.3 Should the Investor require specific exclusions, Magwitch is able to accommodate such exclusions. The Investor must ensure that any exclusions are specified below.

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

Not applicable

Exclusions

*The following investment restrictions apply to the management of the above investments:*

Not applicable

Exclusions

*The following special instructions apply to the management of the above investments:*

Not applicable

Exclusions

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### 4. STATEMENTS

4.1 Magwitch and/or the relevant product supplier will obtain all legally prescribed documents such as statements and performance reports and furnish the Investor with quarterly statements concerning the investments.

4.2 Magwitch and/or the relevant product suppliers may furnish the Investor with electronic statements provided that the Investor can access the statements.

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### 5. CONSENT

5.1 The Investor provides their consent in terms of the Protection of Personal Information Act, no 4 of 2013, for Magwitch to share information with the Investor's appointed Financial Advisor, where applicable. In the event of a change or removal of financial advisor it is the responsibility of the Investor to inform Magwitch of such change.

5.2 The Investor provides their consent for their Financial Advisor to have access to their investment details via a secure electronic channel into the platform of Saxo Bank A/S or Interactive Brokers LLC.

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## 6. RISK DISCLOSURE

- 6.1 Magwitch uses its discretion to invest on the Investor's behalf with due care and diligence.
- 6.2 The Investor acknowledges that there is 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 Investor may suffer financial losses. The Investor acknowledges that it does not have a claim against Magwitch of whatsoever nature and howsoever arising from its management of the investments under this Mandate including the realisation of any loss unless it can be proved that any losses were due to fraud, misconduct or dishonesty by Magwitch or its staff.
- 6.3 When investing in foreign investment products it is important to be aware of the following risks:
- 6.3.1 Investments are exposed to different countries and currencies.
  - 6.3.2 Investments are exposed to different tax regimes that may change without warning and it may influence investment returns.
  - 6.3.3 Exchange control measures may change in the country of investment and it may influence accessibility to the invested capital.
  - 6.3.4 The values of currencies fluctuate when measured against other currencies. If the base currency weakens the Investor may suffer a loss of a capital nature or a reduction in returns.
- 6.4 Magwitch may invest in wrap funds on behalf of the Investor in terms of this mandate and is thus required by the FSB to make certain disclosures regarding wrap funds and how they differ from fund of funds.
- 6.4.1 A fund of funds is a collective investment scheme fund that is not allowed to invest more than 50% of the value of the fund in any one collective investment scheme fund. The Collective Investment Scheme Act guarantees the repurchase of participatory interests in a fund of funds by the management company.
  - 6.4.2 A wrap fund is a basket of different collective investment schemes wrapped as a single investment portfolio. The underlying combination of collective investment schemes is selected to optimally target the risk/return requirements and investment objectives of the Investor. In fact it's a number of separate investments in which the investor has direct ownership and could be better described as an account. These underlying investments are selected in line with the investment requirements of the Investor. There is no joint ownership among investors and individual ownership of the participatory interests in the collective investment schemes can be transparently demonstrated at all times. A wrap fund investment is administered and facilitated by a linked investment service provider (LISP) i.e. an Administrative FSP. A wrap fund has no limit concerning the collective investment schemes that it may include in its portfolio. The Administrative FSP of the wrap funds does not guarantee the repurchase of participatory interests in the collective investment schemes that comprise the wrap funds. The Administrative FSP has service level agreements in place with the management company of each collective investment scheme according to which the repurchase of participatory interests in collective investment schemes comprising wrap funds are guaranteed. The costs and other information applicable to wrap funds are set out in the documentation of the administrator of the wrap funds.

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## 7. REGISTRATION OF INVESTMENTS

Magwitch shall assist the Investor (to the extent required/and or necessary) to open an account in the name of the Investor or their nominee for the benefit of the Investor at Saxo Bank A/S or Interactive Brokers LLC. It is specifically recorded that Magwitch may not exercise the rights attaching to any investments for its own purpose or interest but may only act in accordance with the instructions of the Investor and this Mandate.

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## 8. VOTING ON BEHALF OF INVESTORS

Magwitch may vote on behalf of the Investor in respect of a ballot conducted by collective investment schemes in so far as the ballot relates to the investments managed by Magwitch on behalf of the Investor.

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## 9. INFORMATION TO BE DISCLOSED BY PRODUCT PROVIDERS

The Investor confirms that Magwitch shall not be required to provide the Investor with any other information other than what a product provider (such as a collective investment scheme or other investment company) is required by law to disclose to the Investor.

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## 10. ACCRUALS

All cash accruals received in respect of the investments, including dividends and interest, shall be credited to the Investor's account.

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## 11. TREATMENT OF FUNDS

Magwitch shall not receive any funds from the Investor in terms of this Mandate. Magwitch will return to the Investor any money incorrectly received from the Investor.

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## 12. REMUNERATION – DISCRETIONARY MANDATE

- 12.1 In consideration for the discretionary management by Magwitch of the investments, the Investor shall pay to Magwitch an annual management fee of 0.4% based on the market value of the portfolio of the Investor. Such management fee shall be calculated on the market value of the portfolio at the end of each month.
- 12.2 Magwitch may recover the remuneration referred to above at intervals of one month from the investment of the Investor.
- 12.3 In the event of Magwitch being remunerated by the Investment Company/Life Assurance Company, this fact will be disclosed to the Investor.
- 12.4 Magwitch will not receive any commission, incentives or fee reductions from a LISP or CIS for placing the Investor's funds with them.
- 12.5 At the discretion of the stockbroker/financial institution, Magwitch may receive a portion of the brokerage fee (0.3%) and custody fee charged (0.1%).
- 12.6 All fees stated are exclusive of VAT.

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## 13. REMUNERATION – EXECUTION ONLY MANDATE

- 13.1 In respect of an Execution Only Mandate, a brokerage fee of 0.3% based on the transaction value of any trade shall be payable by the Investor. In addition, an ongoing custody fee of 0.1% of the asset value and an administration fee of 0.1% of the asset value per annum, shall be paid.
- 13.2 In the event that the Investor is invested in Mutual funds the administration fee shall be increased to 0.2% of the account value.
- 13.3 Magwitch may recover the remuneration referred to above at intervals of one month from the investment of the Investor.
- 13.4 In the event of Magwitch being remunerated by the Investment Company/Life Assurance Company, this fact will be disclosed to the Investor.
- 13.5 Magwitch will not receive any commission, incentives or fee reductions from a LISP or CIS for placing the Investor's funds with them.
- 13.6 All fees stated are exclusive of VAT.

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## 14. DECLARATION REGARDING FUNDS AND INVESTMENTS

- 14.1 The Investor warrants and declares that all funds and investments managed by Magwitch 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.
- 14.2 The Investor further warrants that, where required, all funds managed by Magwitch in terms of this Mandate are declared in terms of the Income Tax Act of 1962 and that the Investor has any necessary approval from the South African Reserve Bank for foreign funds, assets or investments owned by the Investor.

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## 15. TERMINATION OF MANDATE

- 15.1 Any amendment of any provision of this Mandate shall be in writing and signed by Magwitch and the Investor.
- 15.2 Magwitch or the Investor shall be entitled to terminate this Mandate by giving 30 days written notice.

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## 16. GENERAL

- 16.1 This Mandate will become of full force and effect on the date of the last signature on the Mandate.
- 16.2 The Investor shall complete the Investor Information Schedule attached to this Mandate and the Advisor shall complete the Advisor Information Schedule attached to this Mandate. For Execution Only Mandates, the Investor shall complete the Magwitch Execution Instruction Form

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The parties choose as their domicilium citandi et executandi:

Magwitch at:

Unit 26, Block F, Hingham Field Office Park, 79 Boeing Road East, Bedfordview

Investor at:

The address set out below the Investor's signature

**Signed for and on behalf of Magwitch Securities (Pty) Ltd**

[Signature box] Date DD / MM / YYYY

Full name: Signed at:

Witness signature: Full name:

Witness signature: Full name:

**Signed for and on behalf of the Investor 1**

[Signature box] Date DD / MM / YYYY

Full name: Signed at:

Address:

Witness signature: Full name:

Witness signature: Full name:

**Signed for and on behalf of the Investor 2 (if joint account)**

[Signature box] Date DD / MM / YYYY

Full name: Signed at:

Address:

Witness signature: Full name:

Witness signature: Full name:

