
1. Definitions

For the purposes of this agreement, unless a contrary intention appears or unless the context indicates otherwise:

- "accounting dates" shall mean the last days of February, May, August and November; or such other dates as determined by the Portfolio Manager and the client from time to time;
- "agreement" shall mean this agreement and the schedule hereto;
- "AMLL" shall mean all anti-money laundering, anti-terrorism and/or sanctions, legislation, including but not limited to the Financial Intelligence Centre Act 38 of 2001, the Prevention of Organised Crime Act 121 of 1998, the Protection of Constitutional Democracy Against Terrorist and Related Activities Act 33 of 2004, and/or all related amendments, regulations, policies and/or directives, that may be relevant to the parties and their obligations under this agreement;
- "bank" shall mean The Standard Bank of South Africa Limited;
- "Collective Investment Scheme" shall mean any scheme or arrangement in which a participatory interest or undivided share (whether called a unit or by any other name) may be held in one or more groups of assets (whether called a portfolio or by any other name) of such scheme and which interest or share participates proportionately in the risks and benefits derived therefrom, and includes:
 - foreign collective investment schemes carried on outside the Republic of South Africa; and
 - schemes defined in the Collective Investment Schemes Control Act 65 of 2002;
- "CSD" shall mean the Central Securities Depository operated by the bank;
- "FAIS" means the Financial Advisory and Intermediary Services Act 37 of 2002;
- "management fee" shall mean the fees charged by the portfolio manager as set out in the annexure;
- "market value" shall mean the value of the investments, individually or in aggregate as may be appropriate, valued at the applicable ruling prices, including any cash;
- "ruling price" shall mean, for instruments listed on the JSE, the instrument closing price as defined and disseminated by the JSE; for collective investment schemes, it shall mean the latest available price per unit based on the net asset value of the underlying portfolio as calculated and provided by the relevant management company; and for all other instruments the latest available closing price as defined and disseminated by the relevant exchange. In the case of unlisted instruments, it shall mean the latest valuation available to the portfolio manager from appropriate sources or provided by the client;
- "securities" shall mean listed and unlisted instruments and investments, as defined in FAIS and any such other securities, which may be included from time to time by mutual agreement between the parties to this agreement;
- "client" shall mean the person or persons or entity as stated on the cover sheet of this agreement, either singular or plural;
- "the portfolio" shall mean investments made and cash managed by the portfolio manager on behalf of the client;
- "time weighted basis" refers to the methodology by which the average weighted funds under management are calculated for purposes of determining the portfolio management fee, and means that the value of contributions to or withdrawals from the portfolio will be included in the weighted funds under management proportionately to the ratio of days those contributions or withdrawals were managed to the total number of days for the full period.

Licence Categories – Category II Discretionary Financial Services Provider

In terms of FAIS, the portfolio manager is licensed to provide intermediary services to its clients for the following products:

- Shares;
- Money Market Instruments;
- Debentures and Securitised Debt;
- Warrants, certificates and other instruments;
- Bonds;
- Derivative instruments;
- Participatory interests in Collective Investment Scheme;
- Long-term deposits;
- Short-term deposits;
- Structured deposits;
- Participatory interest in a hedge fund.

2. Exclusive Appointment And Authority

- The client appoints the portfolio manager to be the client's exclusive agent in order to manage the portfolio on the client's behalf, in the manner set out in this agreement. The client undertakes not to deal with the portfolio or to authorise anyone else to deal with the portfolio. Please tick the appropriate box below:
 - ☐ To manage at the full discretion of the portfolio manager (subject to the assumed risk profile as per your FNA), or
 - ☐ To manage at the specified limited discretion (subject to the assumed risk profile and any other investment constraints/ considerations as per your FNA).*

*Should this box be ticked, all limitations are to be captured in the Financial Needs Analysis (FNA) signed by both the client and the Portfolio Manager.
- The client acknowledges that the portfolio will be managed for investment purposes only and that the portfolio manager will not engage in speculative dealings. The portfolio manager will be guided by the investment objectives agreed to in respect of the client's portfolio, as assessed and agreed from time to time and set out in the Financial Needs Analysis.
- The client acknowledges and confirms that the investment objectives and risk analysis set out in the Financial Needs Analysis have been voluntarily and freely selected.
- The portfolio manager shall hold all securities and cash managed on behalf of the client in accounts with the CSD and the bank. On or before the execution of this agreement, the client, in conjunction with the portfolio manager, shall arrange for the deposit and/or electronic transfer of all securities and cash to be managed by the portfolio manager to the accounts held for the client at the CSD and the bank.
- The portfolio manager shall be entitled to purchase and sell investments or make subscriptions to and applications for issues of investments in the portfolio (including participation in underwriting) in its sole and absolute discretion without the client's prior authority and without the client's prior consultation. The client shall not oblige the portfolio manager to purchase or sell any investments or subscribe to or make any applications for issues of investments.
- The portfolio manager may attend any meetings of shareholders of companies in which the client is a shareholder, and is entitled to vote either personally or by proxy on the client's behalf in any way on any resolution or proposal.
- Cash (including dividends and interest) received on behalf of the client shall be reinvested in the client's portfolio by the portfolio manager on receipt thereof or dealt with in terms of such arrangements as may be agreed from time to time in writing with the client.
- The portfolio manager shall obtain and transmit in writing to a client any information that must be disclosed by a product supplier in terms of any law.
- The portfolio manager may utilise its own staff or the staff of another approved financial services provider in the rendering of any intermediary service to the client.

3. Offshore Investments

The client authorises the portfolio manager to invest offshore in terms of the discretionary mandate utilising any mechanism approved by the South African Reserve Bank. The appointment of foreign portfolio managers by the portfolio manager falls within the scope of this mandate.

4. Risk

- The client acknowledges awareness of the risks pertaining to:
 - Investments in listed and unlisted shares and financial instruments;
 - Investments in offshore shares and financial instruments and the currency risks associated with these offshore investments; and
 - Investments in collective investment schemes.
- The client accepts the risks associated with these investments and indemnifies the portfolio manager against all claims in respect of the depreciation in the value of investments due to market fluctuation, other than in the case of the portfolio manager's gross negligence or willful default.

5. Bank And Scrip Account

- The portfolio manager shall open a bank account in the client's name and a scrip account at the bank's CSD in the client's name. The portfolio manager will register investments (other than cash or bearer instruments) in the nominee name of the CSD for the benefit of the client. These accounts shall be used solely for the matters pertaining to the client's portfolio. Details of the bank account will be provided after signing of this mandate.
- In order to open the necessary accounts at the bank or with other service providers, the portfolio manager is required to share certain client information. The client consents to the sharing of the necessary information and the portfolio manager undertakes to ensure that the minimum client information required is shared.
- The client agrees that the bank shall debit and credit the client's account with such amounts as are necessary to settle purchases and sales made for the client and that the bank may make other payments which pertain to the investments as necessary for the operation of the client's portfolio(s) within the terms of this agreement.
- The portfolio manager is authorised to instruct the bank to transfer amounts from the bank account referred to above to any other named account of the client.

6. Electronic Instruction Indemnity

- The portfolio manager will accept and act upon telephone and electronic instructions in connection with the account(s) from time to time. The client indemnifies the portfolio manager against all actions, proceedings, claims or demands which may be brought or made against the portfolio manager and all losses, costs, charges, damages and expenses which may be incurred or sustained or for which the portfolio manager may become liable in respect of these telephone and electronic instructions.
- The client agrees that Melville Douglas is not liable for errors or delays in transmissions, or the misinterpretation on receipt, or for any loss or damage no matter how caused as a result of allowing this arrangement, excluding losses arising from the proven unlawful or fraudulent acts of Melville Douglas employees.

7. Accounting

The portfolio manager shall send the client by electronic means, at monthly intervals, a portfolio statement and report giving full details of:

- All investments held in the portfolio including quantities held, cost and market value;
- All cash held on the date to which the statement of account relates, and all cash movements, details of monies received and payments made since the date of the previous statement;
- Any income amounts (including interest and dividends) which are received or accrued on the investments held in the portfolio;
- All investment transactions.

8. Dividend withholding tax

- The client acknowledges liability for Dividend Withholding Tax ("DWT") in respect of any and all dividends (other than a dividend in specie) declared and paid on investments, which shall be levied at the rate stipulated in the Income Tax Act 58 of 1962("ITA") from time to time, and
- calculated on the amount of such dividend.
- In the event that any of the exemptions provided for in Section 64F of the ITA are not applicable to the client and/or the client has not completed and submitted the relevant Beneficial Owner Declaration Status form for the exemption to apply, the client further acknowledges that the CSD, as an authorised regulated intermediary, is required to deduct DWT from any and all gross dividends declared and paid and shall pay such DWT to the South African Revenue Service ("SARS") on the client's behalf.

9. Anti-Money Laundering Legislation

- AMLL obliges the portfolio manager to report to the relevant authorities any suspicious transactions. The client acknowledges the implications of this legislation in relation to this mandate. The portfolio manager shall not be liable to the client or any third party in respect of any action or claim for damages arising from provision of information in terms of AMLL. The client hereby confirms that all applicable laws have been complied with and warrants and confirms that the investments made in accordance with this mandate do not emanate from, nor are they the proceeds of, any unlawful activity whatsoever.
- The client will ensure that the portfolio manager has all relevant contact details (postal and residential addresses, cellular and fixed-line telephone numbers). The portfolio manager will not be liable for any losses arising from the portfolio manager's inability to contact the client.

10. Management Fee

The client agrees to remunerate the portfolio manager directly at the accounting dates each year by the payment of a management fee calculated as set out in the Portfolio Management Fee Schedule. The portfolio managers may recover this management fee at the accounting dates from the investments of the client. The client hereby authorises the management fee to be debited to the bank account linked to the portfolio. Details of the management fee, together with a tax invoice, will be sent to the client. The portfolio manager may from time to time, upon three months' written notice, amend the management fees.

11. Liability

The portfolio manager shall incur no liability of any nature for any loss, tax, damages or costs arising out of this appointment under this agreement or as a direct or indirect consequence of the performance of any duties under this agreement, unless due to its own gross negligence or willful default.

- 12. Warranty**
- The client warrants that the investments constituting the portfolio managed by the portfolio manager are beneficially owned by the client free from encumbrances.
 - The client acknowledges that he is aware of the applicable foreign exchange and tax obligations and, if necessary, will take independent advice in this regard.
- 13. Amendments**
- Any amendments to this agreement must be made in writing, and delivered or posted by registered mail or via electronic means, to the domicilium citandi et executandi of the respective contractual party. Such amendments will only be enforceable once acknowledged in writing by both parties.
- 14. Successors In Title**
- Notwithstanding anything to the contrary contained herein, this mandate shall endure for the benefit of and be binding on the successors-in-title and permitted assigns of the portfolio manager. Accordingly, the rights and obligations of the portfolio manager arising out of or pursuant to this mandate or its termination or cancellation shall devolve upon and bind its successors-in-title and permitted assigns.
- 15. Domicilium Citandi Et Executandi**
- The portfolio manager chooses the physical address appearing on this mandate as its domicilium citandi et executandi for the purpose of the service of all notices and processes pursuant to this mandate. The client's physical address as it appears in this mandate shall serve the same purpose.
- 16. Severability**
- If any part, term or provision of this agreement, not being of a fundamental nature, should be held invalid or unenforceable, such validity or unenforceability shall not affect the validity or enforceability of any other part or provision of this agreement which shall remain in full force and effect.
- 17. Termination**
- This agreement may be terminated upon a calendar month's written notice by either party (delivered or posted by registered mail to the domicilium citandi et executandi or by electronic means). Upon receipt of the written notice the portfolio manager and the client shall agree as to how the portfolio shall be managed for the duration of the 30-day period provided that the client shall not be entitled to oblige the portfolio manager to purchase or sell any investments or subscribe to or make any applications for issues of investments during this period.
 - At the end of the calendar month's notice of the discretionary mandate, or as soon as practically possible thereafter, the portfolio manager shall return all cash less any fees due and charges accrued, financial products and documents of title to the client and will provide simultaneously to the client a detailed final statement of account. If the financial products and documents of title are in the possession of a nominee company, the portfolio manager will immediately issue an instruction to such nominee company to return such financial products or documents of title to the client.
- 18. Prior Mandates / Agreements**
- This mandate supersedes all prior or existing mandates, agreements, arrangements or understandings between the portfolio manager and the client regarding the management and administration of the investments.

Investment objective

What is the main objective of the portfolio?

Income

Capital growth

Capital preservation

Combination of income and capital growth

Withdrawal and Income objectives

Do you need regular income from this portfolio?

If you answered "no" to the above, please proceed to the next section "Risk tolerance and return objectives"

If yes, what annual amount in Rand do you estimate you will need?

What percentage of the total portfolio value does your annual withdrawal represent?

When do you expect to start making withdrawals from the portfolio?

Within 6 months

6 to 12 months

1 to 2 years

2 to 5 years

Immediately

How often do you expect to make the withdrawals, once they start?

Monthly

Quarterly

Twice a year

Once a year

On Request

Do you expect to make any large (10% of the value or more) ad hoc withdrawals from the portfolio in the next 12 months?

Yes

No

If yes, please provide details

If the income from the portfolio is not enough to meet your expected annual income, how do you expect to derive the balance of your income?

Salary

Annuity / pension

Self-employment

Capital from portfolio

Not applicable

Other

Risk tolerance and Return objectives

What is your level of experience with regards to investing in financial markets?

None

Moderate

Reasonable

High

How would you describe your investment horizon?

Short-term (less than 3 years)

Medium-term (3 to 5 years)

Long-term (more than 5 years)

Please select an option:

I am aware that a portfolio with exposure to risk assets can decrease in value

It is more important to preserve the capital

How many years do you have left until retirement?

Retired

Less than 3 years

3 to 5 years

Long-term (more than 5 years)

What is your investment mandate?

Global – includes an allocation to offshore equity and non-equity investments via asset swap

Domestic – allocation to South African investments only

Will the portfolio be 100% Shari'ah compliant?

Yes

No, equity compliant and non compliant income acceptable (interest)

Treatment of non-permissible income (NPI)?

Reported and paid to owners

Reported and paid directly to the committee charity of choice

Reported only

State the recipient details of the NPI

Shari'ah Committee confidentiality

Yes

No

NPI will be calculated when dividends are received. The value of NPI will not be re-invested unless you have opted to donate NPI from your own sources. Only compliant income will be reinvested for a mandate that pays out NPI from the portfolio.

The Shari'ah Committee will review the investment universe every six months. Assets that are no longer compliant will be sold from a portfolio within three months of them becoming non compliant.

All income other than dividends will be termed "interest" despite it being taxable profits. The definition aligns the income with SARS definition of taxable income.

Annexure A of the Portfolio Management Agreement between Melville Douglas Investment Management (PTY) LTD (“the portfolio manager”) and the client

1. DEFINITIONS AND EXPRESSIONS:

- “NPI” refers to non permissible income and includes all income that is regarded as impermissible in accordance with Shari’ah Law.
- “PMA” is the portfolio management agreement entered into between the portfolio manager and the client. This annexure is to be read in conjunction with the PMA, as all clauses of the PMA are applicable. This annexure merely restricts certain activities of the portfolio manager and client to ensure that the portfolio remains Shari’ah compliant.
- “Shari’ah” refers to Islamic Law as interpreted by the Shari’ah Supervisory Committee.
- “Shari’ah compliant investments” shall mean any investments in listed or unlisted securities or assets and include offshore investments made in accordance with the principles and guidelines issued by the SSC
- “Shari’ah compliant portfolio” shall mean investments made and cash managed by the portfolio manager on behalf of the client in compliance with principles/ guidelines issued by the Shari’ah Supervisory Committee
- “Shari’ah Supervisory Committee” or “SSC” is a body of specialists in Islamic commercial law. They are entrusted with the duty of directing, reviewing and approving investments/ products and other activities pertaining to Shari’ah compliant portfolios.

2. TERMS AND CONDITIONS

- The client appoints the portfolio manager to be his exclusive attorney and agent in order to manage a Shari’ah compliant portfolio on the client’s behalf at the full discretion of the portfolio manager, in accordance with the guidelines issued by the SSC, and in the manner set out in the PMA and in this Annexure.
- The client hereby appoints the portfolio manager to invest his / her investment portfolio in the Shari’ah compliant Instruments.
- All off-shore investments will be made in instruments that comply with Shari’ah law.
- The Shari’ah rulings and opinions of the SSC of Melville Douglas shall be final and binding. Similarly, any dispute relating to Shari’ah compliance will be referred to the SSC for a final and binding ruling.
- The client shall pay the portfolio manager as consideration for its services pursuant to this agreement a Management fee as discussed in clause 8 of the PMA, in accordance with the Wakalah Bil Ujah Model. The Manager may revise this fee from time to time and any change in this fee would be communicated to the client in writing.
- All dividends/ earnings received net of NPI will be re-invested in the client’s portfolio. NPI will not be re-invested.
- The client hereby instructs the portfolio manager to calculate any NPI earned on any investments. The client shall be informed of such NPI. The client may opt to receive the NPI and dispose of it as required in Shari’ah.
- The client may also appoint the portfolio manager to dispose of NPI to charities approved by the SSC.

Please tick the appropriate box:

☐ I would like to receive NPI as I undertake to dispose of it personally

☐ appoint the portfolio manager to dispose of NPI

Ability and Willingness to assume risk

Overall ability to assume risk

Note: An indicative range of the exposure to equities as a percentage of the portfolio value is given below for a range of risk tolerances. The exact percentage of equity in the portfolio may fall below, or rise above, this range from time to time based on share price volatility and changes to asset allocation. The objective will be to manage the equity exposure within the given ranges over a period of time.

| | |
|---|--|
| Conservative | Portfolio allocation and management is aimed at minimising the risk of losing capital. Defensive investors typically place a high percentage of their investible assets in bonds, cash, and cash equivalents. A defensive strategy typically means a low risk which may be associated with a lower return. |
| Minimal risk | Low risk |
| No exposure to equities. Assets may be invested in cash, cash equivalents and bonds. The total return (capital and income) objective of the portfolio is CPI. | Exposure to equities – 25% to 45%. The balance of the assets may be invested in cash, cash equivalents and bonds. The total return (capital and income) objective of the portfolio is CPI + 2%. |
| Moderate | Portfolio allocation and management is designed to provide income growth and capital appreciation, while avoiding excessive risk by balancing the exposure between equity and non-equity (bonds, cash, and cash equivalents) investments. |
| Medium risk | Long-term capital growth |
| Exposure to equities – 45% to 65%. The balance of the assets may be invested in cash, cash equivalents and bonds. The total return (capital and income) objective of the portfolio is CPI + 3%. | Exposure to equities – 60% to 80%. The balance of the assets may be invested in cash, cash equivalents and bonds. The total return (capital and income) objective of the portfolio is CPI + 4%. |
| Aggressive | An investment strategy characterised by a willingness to accept above-average risk in pursuit of above-average returns. Usually favours stocks over less volatile non-equity investments. Variation in capital value is likely, and investors should have a long investment time horizon. |
| High Growth | Aggressive |
| Exposure to equities – 75% to 95%. The balance of the assets may be invested in cash, cash equivalents and bonds. The total return (capital and income) objective of the portfolio is CPI + 5%. | Exposure to equities – over 90%. The balance of the assets may be invested in cash and cash equivalents. The total return (capital and income) objective of the portfolio is CPI + 6%. |

Other Investments constraints / considerations

Tax considerations

What is the marginal tax rate of the portfolio?

Unique circumstances

Do you have any specific requirements with regards to embargoed investments or directors' dealings?

Other important considerations

Do you have any shares that need to be held in a number 2 portfolio?

***To be completed by MDIM Representative**

Client name/s:

Is this a replacement product? Yes No

Melville Douglas renders financial services on behalf of the below product suppliers as per the written agreement

| Name | Coronation Asset Management (Pty) Ltd FSP No. 548 | Stanlib Asset Management (Pty) Ltd FSP No. 719 | Standard Bank Jersey Limited | Momentum Metropolitan Life Limited "Momentum" |
|-----------------------|---|---|---|--|
| Address | Seventh Floor Montclare Place Cnr Campground and Main Roads Claremont 7708 | 17 Melrose Boulevard Melrose Arch 2196 | 47-49 La Motte Street St Helier Jersey JE2 4SZ | 268 West Avenue Centurion 0157 |
| Postal Address | PO Box 44684 Claremont 7735 | PO Box 202 Melrose Arch 2076 | PO Box 583 St Helier Jersey JE4 8XR | 268 West Avenue Centurion 0157 |
| Telephone | Client Service Centre 0800 22 11 77 | Robin Camhee 0860 110 797 | +44 1534 881 188 | 012 671 8911 |
| Email | cib@coronation.co.za | contact@stanlib.com | Sbsam@standardbank.com | switchboardcenturion@momentum.co.za |
| Compliance Department | Attention: Compliance Department PO Box 44864 Claremont 7735 Tel: 021 680 2000 Fax: 021 680 2500 clientservice@coronation.co.za | Ms Q Cenci Tel: 011 448 6584 Quilia.Cenci@stanlib.com | Jenna Van Doorsen 47-49 La Motte Street St Helier Jersey JE4 8XR +44 1543 881 110 jenna.vandoorsen@standardbank.com | complianceofficersall@momentum.co.za |
| Complaints Department | Attention: Complaints Department Tel: 021 680 2000 Fax: 021 680 2500 clientservice@coronation.co.za | rateus@stanlib.com | Client Care Team Standard Bank House 1 Circular Road Douglas IM1 1SB Isle of Man +44 1624 643 660 IOMClientCare@standardbank.com | Complaints@momentum.co.za |

To

Attention

Email address

Date

Portfolio / Account Name

Account Number

Dear Sir / Madam

I have decided to appoint Melville Douglas Investment Management (Pty) Ltd as my investment managers with immediate effect. They will take over the management of my portfolio and will open a managed account – both cash and scrip – at Standard Bank, Sandton and FASO.

Kindly instruct your administrative division to prepare for this transfer. Please email a copy of the latest share statements together with CGT costs to the offices of Melville Douglas Investment Management (Pty) Ltd to act as a reference for transfer. Once the new scrip and banking accounts have been opened, Melville Douglas will advise the details to enable electronic transfer.

The contact person at Melville Douglas is:

Name

Telephone

Email

Thank you for your assistance, it is greatly appreciated.

Kind regards
