

MANDATE

ENTERED INTO BETWEEN

Fundamental Investments (Pty) Ltd

**Co. Registration No.: 99/13231/07
FSP No.: 5683**

AND

.....
(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 Fundamental Investments (Pty) Ltd is the holder of a category II FSP license and is authorised to render intermediary services of a discretionary nature in respect of investments schemes and products as defined in 1.3 below.
- 1.2 Tick which are applicable:
- 1.2.1 X Fundamental Investments (Pty) Ltd shall exercise its discretion in the management on behalf of the investor.
- 1.2.2 _____ Fundamental Investments (Pty) Ltd shall obtain instructions from the client before entering into a transaction on behalf of the investor.
- 1.3 Fundamental Investments (Pty) Ltd are authorized to invest in, and switch from any of the following financial products:
- 1.3.1 Long-term Insurance Category 2 Subcategory C
Retail Pension Benefits Category 2
Pension Fund Benefits Category 2 (excluding retail pension benefits)
Securities and Instruments: Money market instruments
Securities and Instruments: Debentures and securitised debt
Securities and Instruments: Shares
Securities and Instruments: Warrants, certificates and other instruments
Securities and Instruments: Bonds
Securities and Instruments: Derivative instruments
Participatory interests in Collective Investment Schemes
Foreign currency denominated investment instruments
- 1.4 Investment products and portfolios will be applied and signed for by the client on the applicable initial investment application forms. Fundamental Investments (Pty) Ltd shall have full discretion pertaining to the process of managing the client's investments and shall not need to obtain instructions from the Client before entering into a transaction on behalf of the Client agreed to in terms of this mandate, taking the client's risk profile and investment objectives into account. Fundamental Investments (Pty) Ltd will invest in and switch the investments within the chosen portfolio/s. Fundamental Investments (Pty) Ltd may also switch between portfolios, at the request of the client, or at its own discretion.
- 1.5 Fundamental Investments (Pty) Ltd 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 client indicates in writing that only the local jurisdiction applies. Should the client wish to exclude any of the above investment instruments it should be so indicated in writing.
- 1.6 Fundamental Investments (Pty) Ltd 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 client.

2. INVESTMENT OBJECTIVES

The investment objectives are specified as follows:

Long term (5 years or longer)	Capital growth	X
	Income generation	X
Medium (2 to 5 years)	Capital growth	
	Income generation	
Short Term (3 months to 2 years)	Capital Growth	
	Income Generation	
Risk Preference*		

**(Risk profile is determined considering the current set of information and circumstances of the Client but may change as the circumstances of the Client change)*

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

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

;

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

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3. STATEMENTS

Fundamental Investments (Pty) Ltd 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. Fundamental Investments (Pty) Ltd may furnish the client with electronic statements provided that the client can access the statements.

OR

All legally prescribed documents such as statements and performance reports will be directly transmitted and furnished to the client by the relevant product suppliers together with quarterly statements concerning the investments. The relevant product suppliers may furnish the client with electronic statements provided that the client can access the statements.

4. RISK DISCLOSURE

- 4.1. Fundamental Investments (Pty) Ltd uses its discretion to invest on the client's behalf with great care and diligence. There is a risk associated however 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 Fundamental Investments (Pty) Ltd 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 Fundamental Investments (Pty) Ltd or its staff.
- 4.2. When investing in foreign investment products it is important to be aware of the following risks:
 - 4.2.1 Getting access to investment performance information may be more difficult than South African based investments.
 - 4.2.2 Investments are exposed to different tax regimes that may change without warning and it may influence investment returns.
 - 4.2.3 Exchange control measures may change in the country of investment and it may influence accessibility to the invested capital.
 - 4.2.4 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 (ies) 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.
- 4.3. Fundamental Investments (Pty) Ltd may invest in wrap funds on behalf of the client 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.
 - 4.3.1 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.

4.3.2 A wrap fund is a basket of different collective investment schemes wrapped as a single investment portfolio. The underlying combination of collective investment schemes are selected to optimally target the risk/return requirements and investment objectives of the client. In fact, it is 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 client. There's 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.

5. REGISTRATION OF INVESTMENTS

Fundamental Investments (Pty) Ltd shall register the investments in the name of the client.

6. VOTING ON BEHALF OF CLIENTS

Fundamental Investments (Pty) Ltd may vote on behalf of the Client in respect of a ballot conducted by collective investment scheme in so far as the ballot relates to the investments managed by Fundamental Investments (Pty) Ltd on behalf of the client.

7. INFORMATION TO BE DISCLOSED BY PRODUCT PROVIDERS

The Client confirms that Fundamental Investments (Pty) Ltd shall not be required to provide the investor with any other information than what a product provider such as a collective investment scheme or other listed insurance company is required by law to disclose to the client.

8. ACCRUALS

All cash accruals received in respect of the Investments, including dividends and interest, shall be:

_____ reinvested as and when they fall due and shall form part of the Investments.

_____ paid out to the Client into the following nominated bank account held at
..... Bank bearing the name with account
number

9. TREATMENT OF FUNDS

Fundamental Investments (Pty) Ltd will ask the client to deposit all monies for the purposes of managing their investments as defined in this mandate directly into the bank account of the Investment Company (Insert company here) _____ .

Bank details (insert here)

Account Name : _____

Bank: _____

Branch: _____

Branch Code: _____

Account Number: _____

Reference : _____

10. REMUNERATION

10.1 The Client shall remunerate Fundamental Investments (Pty) Ltd for the management of the investments on behalf of the client as follows:

10.1.1 An initial administration fee of% based on the market value of the portfolio of the Client at the outset, payable up-front;

10.1.2 Together with an annual management fee of ...% based on the market value of the portfolio of the Client. Such management fee will be calculated on the market value of the portfolio at the end of each month.

10.2 Fundamental Investments (Pty) Ltd may recover the remuneration referred to in paragraph 10.1. at intervals of**every 4**..... month/s from the investment of the Client.

OR

The Client agrees to remunerate Fundamental Investments (Pty) Ltd directly at intervals of**every 4**..... month/s.

10.3 Fundamental Investments (Pty) Ltd will receive the following commission / incentives, fee reductions or rebates from a LISP, collective investment scheme for placing the Client's funds with them:

10.4 Unless indicated in 10.3 above, Fundamental Investments (Pty) Ltd will not receive any soft commissions, rebates, fee reductions, or any discounts from administrative FSP's, Management Companies and/or members of an Exchange for placing funds with them.

11. DECLARATION REGARDING FUNDS AND INVESTMENTS

11.1 The Client declares that all funds and investments placed under Fundamental Investments (Pty) Ltd 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.

11.2 The Client further warrant that, where required, all funds placed under Fundamental Investments (Pty) Ltd 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.

12. TERMINATION OF MANDATE

12.1 Any amendment of any provision of this mandate shall be in writing and shall be by means of a Supplementary or New Agreement between Fundamental Investments (Pty) Ltd and the Client.

12.2 Fundamental Investments (Pty) Ltd or the Client shall be entitled to terminate this mandate after notice in writing of not more than sixty (60) calendar days.

13. EFFECTIVE DATE

This mandate will become of force and effect on

SIGNED AT ON THIS DAY OF

For and on behalf of Fundamental Investments (Pty) Ltd, the signatory warranting that he is duly authorised:

.....

As witnesses to the signature of Fundamental Investments (Pty) Ltd

1. 2.

SIGNED AT ON THIS DAY OF

By the Client:

.....

As witnesses to the signature of the Client:

1. 2.