

# TERMS AND CONDITIONS

EasyAdvisor

**Johannesburg Office:**

**T** +27 (0) 87 940 6000  
**F** +27 (0) 11 214 8028  
**W** [easyequities.co.za](http://easyequities.co.za)

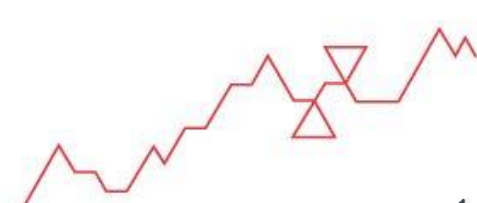
**KZN Office:**

**T** +27 (0) 87 940 6090  
**F** +27 (0) 31 576 5088  
**W** [easyequities.co.za](http://easyequities.co.za)

**Directors:**

Mark Barnes/Chairman  
Charles Savage/CEO  
Gary van Dyk/CFOO

First World Trader (Pty) Ltd t/a EasyEquities is an authorised Financial Services Provider. FSB License No. 22588.



## Contents

1. INTRODUCTION .....	3
2. DEFINITIONS AND INTERPRETATION .....	3
3. WARRANTIES AND UNDERTAKINGS .....	8
4. INVESTING VIA THE EASYADVISOR PLATFORM .....	9
5. APPLICATION TO OPEN AN ACCOUNT .....	10
6. USER ID AND PASSWORD .....	10
7. YOUR ACCOUNT .....	11
8. ACCOUNT TYPES .....	11
9. INVESTMENT GOALS AND SUITABILITY .....	12
10. PARTIAL INVESTMENT ADVICE.....	12
11. BUNDLES .....	12
12. PROCEEDING WITH YOUR INVESTMENT PLAN .....	13
13. ADVISORY FEES.....	14
14. PROJECTIONS .....	14
15. TREATMENT OF WHOLE SECURITIES IN BUNDLES .....	14
16. TREATMENT OF FRACTIONAL SECURITY RIGHTS .....	15
17. QUOTATIONS AND EXECUTION PRICE .....	17
18. RECURRING INVESTMENTS AND DEBIT ORDERS .....	18
19. RETIREMENT ANNUITY ACCOUNT.....	21
20. SELLING YOUR INVESTMENTS .....	21
21. RISK PROFILE.....	21
22. CORPORATE PARTNERS .....	21
23. FUNDING YOUR ACCOUNT .....	22
24. INSUFFICIENT FUNDS OR DENIAL OF CREDIT/DEBIT CARD PAYMENTS .....	22
25. USE OF CREDIT AND DEBIT CARDS.....	23
26. CONTRACT NOTE AND STATEMENTS.....	23
27. OWNERSHIP AND CUSTODY .....	23
28. CORPORATE ACTIONS AND VOTING RIGHTS.....	24
29. CHARGES.....	26
30. INSOLVENCY PROTECTIONS.....	26
31. MODIFICATIONS TO THE EASYADVISOR PLATFORM .....	29
32. SECURITY INTEREST AND SET-OFF.....	29
33. NOTICES AND ADDRESSES.....	30
34. TAXES.....	31
35. TAX FREE SAVINGS ACCOUNTS.....	32
36. THIRD PARTY PRODUCTS .....	33
37. TRANSFER OF ACCOUNTS .....	34
38. INTERNET TRADING .....	34
39. SECURITY AND CONFIDENTIALITY OF THE EASYADVISOR PLATFORM.....	35
40. INTELLECTUAL PROPERTY RIGHTS .....	36
41. INDEMNITY .....	36
42. ASSIGNMENT.....	36
43. DISPUTES.....	36
44. TERMINATION.....	36
45. FORCE MAJEURE.....	37
46. EVENTS OF DEFAULT.....	37
47. ADJUSTMENTS AND TAKEOVERS.....	38
48. SUSPENSION AND INSOLVENCY .....	39
49. BREACH .....	39
50. VARIATION OF THIS AGREEMENT .....	40
51. GENERAL .....	40

## TERMS AND CONDITIONS

### 1. INTRODUCTION

- 1.1 This client agreement, including any Annexures, (“**Agreement**”) sets out the terms and conditions between you (being an individual, or a Minor acting through its Authorised User) (“**you**” or the “**Client**”) and First World Trader Proprietary Limited trading as EasyEquities (“**FWT**” or “**we**” or “**us**”), to open an EasyAdvisor account (an “**Account**”) and receive services from us primarily through the provision of partial automated investment advice in respect of your Investment Goals via our EasyAdvisor Platform. EasyAdvisor is a product of FWT.
- 1.2 If you are a Minor, you may enter into this Agreement, open an Account and receive an Investment Plan with us only with the prior written consent of one or more of your parents or legal guardians (“**Guardians**”). A copy of the Guardians Consent Form must be signed and submitted to us before we will allow you to open an Account. Your Guardian will act as an Authorised User on your Account.
- 1.3 **There are clauses in this Agreement that require your careful consideration. To assist you, those terms which may limit any of your rights, or which provide for specific acknowledgements or warranties required by/from you, are in bold font. You acknowledge that you have read and appreciated the importance of the terms and clauses in bold font.**
- 1.4 This Agreement is legally binding and all services provided under it are enforceable against either Party. **By completing your Application Form and electronically accepting the terms and conditions of this Agreement, you acknowledge that you have read the Agreement and that you fully understand its contents and you agree that the services which you receive from us will be governed by the terms and conditions of the Agreement. This Agreement is subject to our standard Website Terms of Use (Annexure A), your Debit Order Authority Form (if applicable) (Annexure B), your Guardians Consent Form (if applicable) (Annexure C), your Record of Advice and your Application Form. You should not commence with receiving services from us unless you fully understand the terms and conditions of the Agreement. If you would like us to explain any of the terms and conditions to you, you can phone us and ask us any questions you may have.**
- 1.5 The applicability of the Financial Advisory and Intermediary Services Act, 2002 (“**FAIS**”):
- (a) FWT is an authorised Financial Services Provider (“**FSP**”) under FAIS with FSP number 22588 and is licensed by the Financial Sector Conduct Authority (“**FSCA**”) to provide advice, automated advice and intermediary services in respect of various financial products, including but not limited to shares, participatory interests in collective investment schemes, derivative instruments and retail pension benefits.
  - (b) FAIS will govern our obligations to you under the Agreement. If there is any conflict between the terms of this Agreement and FAIS and/or applicable FSCA regulations, then FAIS and the relevant FSCA regulation(s) will prevail.
- 1.6 You must ensure that you understand this Agreement and the nature of our service before you begin to select and/or set Investment Goals and subsequently receive an Investment Plan from us.

### 2. DEFINITIONS AND INTERPRETATION

#### 2.1 In this Agreement, unless the context requires otherwise:

- (1) **Account:** Your EasyAdvisor account (with corresponding account number) opened in terms of this Agreement for the receipt of an Investment Plan from FWT under which all the Investment Plans provided to you and Investments made by you in accordance with your Investment Plans are recorded and reconciled.
- (2) **Account Holder, Client or you:** means you, the person identified in the Application Form and signing this Agreement, and in the context of Minors, “**Account Holder**”, “**Client**” or “**you**” means the Minor acting through its Authorised User.
- (3) **Advice:** Has the same meaning as “automated advice” as defined in terms of the “Determination of Fit and Proper Requirements for Financial Services Providers” published in terms of Board Notice 194 of 2017, being the “furnishing of advice through an electronic medium that uses algorithms and technology without the direct involvement of a

- natural person”, that is furnished to you by us through the EasyAdvisor Platform in an Investment Plan in respect of Bundles available on the EasyAdvisor Platform from time to time.
- (4) **Advisory Fee:** The fee charged for each one of your accepted and processed Investment Plans in accordance with the provisions of clause 13 below and as set out in the Cost Profile.
  - (5) **Affiliate:** Any member of the Purple Group Limited group of companies, including without limitation, any subsidiary (whether direct or indirect), holding company or fellow subsidiary of any holding company of Purple Group Limited.
  - (6) **Agreement:** As defined in clause 1.1, including any Annexures to the Agreement.
  - (7) **Annexures:** Means any annexures attached to this Agreement as may be amended or supplemented from time to time.
  - (8) **Application Form:** The online account opening form that you are required to complete on the EasyAdvisor Platform for the purpose of applying to become a client of FWT and opening an Account.
  - (9) **Applicable Law:** Means in relation to the Parties and the provisions of this Agreement, any law, regulation, rule, official directive, request or guideline of any Government entity or any regulatory requirement, judgment, order or determination, codes of practice published by the regulatory bodies having jurisdiction over the Parties (in South Africa or any other country) and the provisions of this Agreement, including legislation which may be subordinate, derivative or otherwise.
  - (10) **Available Cash:** The amount of Client Money reflecting in your Account which is not being used for an Investment in a Bundle(s) in accordance with an Investment Plan and which may, amongst other things, be used to pay for your Recurring Investments from time to time.
  - (11) **Authorised User:** Each natural person identified in the Application Form who in the case of a Minor, that Minor's Guardian, duly authorised to use the Minor's Account.
  - (12) **Business Day:** Any day other than a Saturday, Sunday or official public holiday in the Republic of South Africa.
  - (13) **Bundle:** A Weighted combination of Issuer Securities held together in a single group with each Issuer Security making up different proportions (i.e. percentage Weightings) of the total value of that Bundle as designated and managed by FWT according to the applicable Bundle Mandate.
  - (14) **Bundle Mandate:** The applicable discretionary investment management agreement entered into between you and FWT in terms of clause 11 authorising FWT to manage (with full discretion) any Bundles invested in by you on the EasyAdvisor Platform being either of the following types of Bundles:
    - (a) Conservative Income Bundle Mandate;
    - (b) Growth Bundle Mandate;
    - (c) Growth and Income Bundle Mandate; or
    - (d) Aggressive Growth Bundle Mandate.
  - (15) **Calendar Day:** Any day of the week, including Saturdays, Sundays and official public holidays in the Republic of South Africa.
  - (16) **CFD Transaction:** A derivatives contract between you and FWT, where we agree to exchange the difference between the opening value and closing value of an Underlying Reference Instrument (i.e. a financial instrument, for example a share), which contract for difference will be entered into between us, in instances where you do not have enough money to buy a Whole Security(ies) that form part of a Bundle(s) so rather an Order is placed to invest in a Fractional Security Right as set out in clause 16 of this Agreement.
  - (17) **Client Money:** Money held on your behalf pursuant to the Financial Institutions (Protection of Funds) Act, 2001 and the regulations thereto or any other Applicable Law, from time to time.

- (18) **Corporate Partner:** An entity that has entered into an agreement with FWT and in terms of which FWT has provided such entity with a co-branded or white-labelled version of the EasyAdvisor Platform.
- (19) **Company (ies):** Companies listed on the JSE and other Recognised Exchanges, that may, from time to time, offer their Securities for sale.
- (20) **Contract Note:** A tax invoice issued by us to confirm the details and the terms of your Investment.
- (21) **Corporate Action:** An event in respect of an Issuer that is a Company that affects the Issuer Securities.
- (22) **Cost Profile:** The list of costs which apply to your Account with FWT as published on the Website or otherwise communicated to you per clause 29 that can include, but are not limited to, costs in relation to an Advisory Fee, execution fees, exchange trading fees and data fees (including the data usage fees levied by Recognised Exchanges), commissions, brokerage fees, regulatory fees, derivative trading fees, administration fees or access fees, certain product and/or service fees (including without limitation, Recurring Investment Fees, Debit Order Fees, Debit Order Failure Charges, fees charges by Corporate Partners, voucher fees and any other associated costs) and Account inactivity fees. In accordance with the legal or other payment demands of the South African Revenue Service from time to time, certain costs listed on the Cost Profile may be subject to VAT from time to time and you agree that the decision to charge you such VAT charges is solely the right of FWT, even retrospectively, i.e. where we need to backdate the VAT charges.
- (23) **CSD:** In respect of the JSE Limited, CSD means Strate, and in respect of any other Recognised Exchange, CSD means any licensed central securities depository which provides electronic settlement of transactions concluded on the Recognised Exchange.
- (24) **Debit Order:** The standing periodic debit order instruction that you give to your bank in respect of debiting a specified amount of money from your Designated Account to be paid into your Account with us and to be credited to your Available Cash.
- (25) **Debit Order Authority:** The authority which must be completed in terms of clause 18.5.
- (26) **Debit Order Confirmation:** The advice that we receive from our vendor/(s) indicating that your Debit Order has not failed.
- (27) **Debit Order Failure Charge:** The charge that will automatically be debited against your Account in respect of each unsuccessful Debit Order which cannot be processed for any reason whatsoever, including without limitation, due to insufficient funds in your Designated Account, in accordance with the provisions of clause 18.10(3) and as set out in the Cost Profile.
- (28) **Debit Order Fee:** The fee charged for processing each one of your Debit Orders, in accordance with the provisions of clause 18.10(2) below, and as set out in the Cost Profile, which fee will in all instances be automatically added to the Rand value of your Debit Order.
- (29) **Designated Account:** The bank account listed by you in the Application Form and/or the Debit Order Authority and verified by FWT prior to an Account being opened on behalf of a Client on the EasyAdvisor Platform, which account we will use to debit and credit payments or deductions of money related to your Investments and for the processing of any applicable Debit Orders.
- (30) **Dividend:** Any amount of money or shares or other property transferred by an Issuer which is a Company to or for the benefit of any shareholder in relation to that Company by virtue of any share held by that shareholder in that Company, whether by way of distribution, or as consideration for the acquisition of any shares in that Company or otherwise. Companies can generally choose to pay Dividends either in cash or in shares.
- (31) **EasyAdvisor Platform:** The online investment planning and automated advisory platform, accessed via our Website, or by any other electronic means or devices, using your personal user name and password and which uses algorithms and technology to provide Advice in the form of an Investment Plan.
- (32) **EasyEquities Retirement Annuity Fund:** The EasyEquities Retirement Annuity Fund (Reg. No. 38189), a registered retirement fund in terms of the Pension Funds Act, 1956 and recognised as a retirement annuity in terms of the Income Tax Act.

- (33) **EasyEquities Retirement Funds Terms and Conditions:** The client agreement, including all annexures to the agreement, which you must enter into with FWT prior to opening a Retirement Annuity Account.
- (34) **Execution Price:** The price at which a trade is actually made or executed as set out in the applicable Contract Note and as contemplated in clause 17.
- (35) **Execution Queue:** The system generated random order queueing system determined by our trade execution facilities in which random order your Pending Transactions and the Pending Transactions of our other clients will be executed, determined on an individual basis (i.e. one by one) and not on an aggregate or bulk basis.
- (36) **FAIS:** Financial Advisory and Intermediary Services Act, 2002, as defined in clause 1.5.
- (37) **Fractional Security Rights or FSRs:** Fractional Security Rights means rights, including (without limiting the generality of the foregoing) fractional share rights, issued to you where you do not have enough money to buy a Whole Security, which are issued through a CFD Transaction over an Underlying Reference Instrument.
- (38) **Free Money:** The amount of Client Money reflecting in your Account which is not being used for an Investment and which may, amongst other things, be used to pay for your Recurring Investments from time to time.
- (39) **FSCA:** The Financial Sector Conduct Authority, established in terms of the Financial Sector Regulation Act, 2017.
- (40) **FSP:** Financial Services Provider, as defined in FAIS.
- (41) **Fund Rules:** The rules, as approved by the regulatory authorities in terms of Applicable Law, which govern membership of, and the management and operation of the EasyEquities Retirement Annuity Fund, which Fund Rules and Applicable Laws will take preference over this Agreement and the EasyEquities Retirement Funds Terms and Conditions and which are binding on members of the EasyEquities Retirement Annuity Fund.
- (42) **FWT, "we" or "us":** First World Trader Proprietary Limited trading as EasyEquities, as defined in clause 1.1, a private limited liability company with registration number 1999/021265/07, incorporated in accordance with the company laws of South Africa.
- (43) **FWT Nominees:** First World Trader Nominees (RF) Proprietary Limited, a ring fenced, private, limited liability company with registration number 2013/091397/07, registered in accordance with the company laws of South Africa and approved as a nominee company to hold assets in its name on behalf of clients by the FSCA and Strate.
- (44) **FWT Nominees Bank Account:** Has the meaning given to that term in clause 30.
- (45) **Guardian:** The parent or legal guardian of the Minor, as set out in the Application Form, acting as an Authorised User on the Minor's Account.
- (46) **Guardians Consent Form:** The form which must be completed if you are under the age of 18 years and which must be signed by one of your Guardians to confirm that your Guardian gives their consent for you to enter into this Agreement, open an Account, receive Advice and an Investment Plan with us and do all things necessary to comply with all of your duties and obligations under this Agreement, and in terms of which your Guardian stands surety for your debts, attached as Annexure C.
- (47) **Income Tax Act:** The Income Tax Act, 1962.
- (48) **Invest, Investing or Investment:** Any transaction for the purchase or sale of a Bundle which has been executed and confirmed by a Contract Note.
- (49) **Investment Goal:** One or more of the pre-determined investment goals available on the EasyAdvisor Platform from time to time.
- (50) **Investment Plan:** The Advice provided to you by us via the EasyAdvisor Platform in respect of, among other things, the Bundle(s) which are appropriate for your Investment Goal(s) and risk profile (see clause 12 below) and subject to the information which you provided in answer to our Suitability Questions.

- (51) **Issuer(s):** Those issuers (including Companies) whose securities are listed on a Recognised Exchange that may, from time to time, offer those securities for sale.
- (52) **Issuer Security(ies):** Securities issued by an Issuer contained in a Bundle.
- (53) **JSE:** The JSE Limited, a public company with registration number 2005/022939/06, registered in accordance with the company laws of South Africa.
- (54) **Lock Period:** The relevant period during which we may prevent the withdrawal of certain funds from your Account, for any reason in our sole discretion.
- (55) **Minor:** A natural person as set out in the Application Form, who is under the age of 18 years and who is not an emancipated minor.
- (56) **Order:** An Order is a conditional instruction given to us through the EasyAdvisor Platform to either buy or sell a certain Rand amount of a Bundle.
- (57) **Parties:** FWT and the Client, and Party means, as the context requires, any one of them.
- (58) **Pending Transaction:** An Order which has been duly accepted by us and raised on the EasyAdvisor Platform but which has not yet been executed on the EasyAdvisor Platform for any reason whatsoever.
- (59) **POPI:** The Protection of Personal Information Act, 2013.
- (60) **Projections:** As defined in clause 14.1.
- (61) **Purple Group Limited:** Purple Group Limited, a public limited liability company with registration number 1998/013637/06, incorporated in accordance with the company laws of South Africa.
- (62) **Quoted Prices:** The price of a particular Security displayed by us on the EasyAdvisor Platform, which price could be a delayed price or the previous days' closing price for that particular Security as quoted on the Recognised Exchange.
- (63) **Rand or ZAR:** South African Rand.
- (64) **Recognised Exchange:** The JSE Limited, any other South African securities exchanges and those external securities exchanges (located outside of South Africa and recognised by the World Federation of Exchanges) as may be confirmed by FWT for Investing on the EasyAdvisor Platform from time to time.
- (65) **Record of Advice:** The electronic document available to you in printable format via your Account on the EasyAdvisor Platform which is a record of the information which you provided and the Investment Plan which we provided to you via the EasyAdvisor Platform for each Investment Goal, and which Investment Plan you accepted in accordance with the provisions of clause 12 and which is required in terms of FAIS.
- (66) **Recurring Investment:** A recurring order placed by you in terms of clause 18.2 below via the EasyAdvisor Platform to buy a pre-determined Rand value of any Bundle at multiple future dates and at the frequency and on a day permitted by us.
- (67) **Recurring Investment Amount:** The pre-determined Rand value selected by you to be periodically invested in each of your Recurring Investments.
- (68) **Recurring Investment Fee:** The fee charged for each one of your Recurring Investment Orders in accordance with the provisions of clause 18.10(1) below and as set out in the Cost Profile.
- (69) **Retirement Annuity Account:** Your sub-account administered by FWT with the EasyEquities Retirement Annuity Fund through the EasyAdvisor Platform.
- (70) **Securities:** Any financial instrument (for example a share) issued by an Issuer and listed on a Recognised Exchange, including Issuer Securities.

- (71) **Strate:** Strate Limited, a licensed central securities depository that provides electronic settlement of transactions concluded on the JSE Limited.
- (72) **Tax Free Products:** Those exchange traded funds which are listed on the JSE and which are included in Bundle which you may Invest in and include in your Tax Free Savings Account, as listed on the EasyAdvisor Platform from time to time.
- (73) **Tax Free Savings Account:** The sub-account administered by FWT which you may open in accordance with the provisions of clause 35 to invest in Tax Free Products.
- (74) **Time:** All references to the time of day in this Agreement are references in the format of the 24 hour clock and relate to the time in Johannesburg (G.M.T. + 0200 or B.S.T. + 0100 as applicable).
- (75) **Underlying Reference Instrument:** The percentage of an underlying Security which relates to a CFD Transaction issued to you in terms of clause 16 of this Agreement so that you can invest in a Fractional Security Right where you do not have enough money to buy a Whole Security. The percentage of the Security which constitutes the Underlying Reference Instrument of your CFD Transaction will be calculated pro rata according to the Rand amount specified in your Order. You will obtain exposure to the profit or loss on price movements in respect of the Underlying Reference Instrument (as explained in clause 16 below) in terms of this Agreement but you will not own the Underlying Reference Instrument.
- (76) **Website:** the U.R.L. owned or controlled by FWT or its Affiliates that connects the public with the EasyAdvisor Platform.
- (77) **Website Terms of Use:** The terms and conditions which apply to your use of the Website, attached as Annexure A.
- (78) **Weight or Weighting(s):** That percentage of the total value of the Bundle, which is assigned to each Issuer Security included in that Bundle to determine the proportion which that Issuer Security will make up in the particular Bundle.
- (79) **Whole Security:** One hundred percent of a Security (including, without limiting the generality of the foregoing, whole shares) purchased or sold through the EasyAdvisor Platform in terms of this Agreement.
- 2.2 This definitions clause is not exhaustive and you will find other terms defined elsewhere in this Agreement.
- 2.3 If any provision in a definition confers rights, or imposes obligations on you or us, effect is given to it as a substantive provision of this Agreement.
- 2.4 Any capitalised term used but not defined in any Annexure will, unless the context shows otherwise, have the same meaning as in this Agreement.

### 3. WARRANTIES AND UNDERTAKINGS

- 3.1 When you complete your Application Form to us and each time you set an Investment Goal, receive an Investment Plan from us and elect to Invest in accordance with your Investment Plan, **you represent and warrant to us that as the Client and Account Holder:**
- (1) **you enter into the Agreement on your own behalf only for yourself and not on behalf of a third party as that party's agent or representative;**
  - (2) **you are fully authorised and legally entitled to enter into the Agreement and to perform your obligations under the Agreement;**
  - (3) **you will not use our name or any of our trademarks in any way without our prior written consent;**
  - (4) **you are of legal age in the country in which you reside and have contractual capacity to enter into and perform your obligations under this Agreement and if you are not over the age of 18 years, you have obtained the prior written consent of one or both of your Guardians and submitted to us a completed and signed Guardians Consent Form;**



- (5) you will use the services offered in this Agreement, in good faith;
- (6) you are not prevented by any Applicable Law from selecting Investment Goals, receiving an Investment Plan and Investing in accordance with your Investment Plan on the EasyAdvisor Platform and when you select an Investment Goal, receive an Investment Plan from us and Invest in accordance with your Investment Plan, you will comply with your obligations under Applicable Law; and
- (7) all information given by you in connection with the FWT services provided in terms of the Agreement is true and correct, and FWT may rely on the truthfulness and correctness of that information.

3.2 You are responsible to ensure that each of the warranties set out above are complied with at all times because we will rely on the warranties and if at any time you are in breach of any warranty, you will be liable to us for any loss or damage which we suffer. We will be entitled, in our absolute discretion and for as long as the breach is not remedied; to close your Account and/or any Investment you have open at the market price prevailing at the time of closure and in accordance with the EasyAdvisor Terms and Conditions.

3.3 You undertake that, throughout the duration of the Agreement, you will, as quickly as you reasonably can, (i) inform us and (ii) confirm the information in writing if:

- (1) You have reason to expect that there will be a change in your financial position as set out in your Application Form and that the expected change may, if it came to our attention, affect our decision as to whether or not to operate your Account; or
- (2) There has been an actual change in your financial position, and the change may, if it came to our attention, affect our decision as to whether or not to operate your Account; or
- (3) There is any change of your contact or any other details as set out in the Application Form.

3.4 Any breach of undertaking will entitle us, for as long as the breach is not remedied and in our absolute discretion, to close your Account and/or any Investments which you have at the market price prevailing at time of closure and in accordance with the EasyAdvisor Terms and Conditions.

3.5 We do not give any express or implied warranty regarding the EasyAdvisor Platform, Website or any other aspect of our service. In particular, we do not warrant:

- (1) The correctness, accuracy, timeliness, reliability or completeness of any information which we receive from third party data providers that you may obtain through the EasyAdvisor Platform. We will publish the information received directly from our third party data providers on the Website and/or the EasyAdvisor Platform, but we cannot guarantee the accuracy of the information which they provide to us;
- (2) The continued availability or uninterrupted access to the EasyAdvisor Platform, any of the functions of the EasyAdvisor Platform; or
- (3) That the EasyAdvisor Platform will be free of viruses, bugs, trojans or any other harmful coding.

#### **4. INVESTING VIA THE EASYADVISOR PLATFORM**

4.1 The online EasyAdvisor Platform allows you to select a pre-determined Investment Goal(s) and receive an Investment Plan in respect of your selected Investment Goal(s).

4.2 The Bundles available on the EasyAdvisor Platform for Investment in accordance with your Investment Plan are not chosen based on current or perceived future value. **As with all securities, the Bundles, because they are made up of securities, may gain or lose value and there is always the risk that a Bundle could lose all of its value.**

4.3 You agree that your use of the services provided on the EasyAdvisor Platform will be subject to, and take place in accordance with, Applicable Law in effect from time to time.

4.4 The EasyAdvisor Platform is not an “exchange” as defined in the Financial Markets Act, 2013.

## 5. APPLICATION TO OPEN AN ACCOUNT

- 5.1 Before you can use the services offered on the EasyAdvisor Platform, you are required to complete the online Application Form and agree to the terms and conditions set out in this Agreement. If you are a Minor, your Authorised User must complete the Guardians Consent Form (Annexure C).
- 5.2 We are required, under the Financial Intelligence Centre Act, 2001 (“**FICA**”) to take steps towards the prevention of money laundering. We therefore need to confirm the identity of each Client and each Authorised User and, before we open your Account, we will request such information as we consider necessary to confirm your identity and the identity of each Authorised User. As part of our anti-money laundering obligations under FICA, we may monitor money moving into and out of your Account, and provide reports of any suspicious movements of money, for example money deposited into your Account, and then removed, to the Financial Intelligence Centre. We also reserve the right to apply ongoing measures to monitor your Account, request additional information where necessary and close your Account if we have reason to believe that you are depositing and withdrawing money from your Account (whether by means of credit card transaction or other payment method) for any reason not expressly provided for in this Agreement and further to levy a penalty of 2.5% (excluding VAT) on all deposits and withdrawals which we deem to be made other than for reasons expressly provided for in this Agreement.
- 5.3 All applications to open an Account are subject to requests for further information and final approval by our compliance department.
- 5.4 Despite the fact that we do not grant you any credit facilities or loans under this Agreement, you authorise us to carry out any credit and/or identity checks which we deem appropriate including obtaining references from your employer and bank and/or contacting a credit reference agency.
- 5.5 You authorise us to give information, which may be protected by data protection legislation, including amongst others, POPI, regarding your Account and trading history to any person we reasonably determine to be seeking a credit reference in good faith for any lawful reason.
- 5.6 We may make any further enquiries and request any further information which we may need.
- 5.7 **You acknowledge that FWT:**
- (1) **may decline an application in our sole and absolute discretion for an Account and need not give reasons for our decision; and**
  - (2) **does not have to grant equal terms to each customer.**

## 6. USER ID AND PASSWORD

- 6.1 If FWT accepts you as a Client and agrees to open an Account in your name, you will be provided with an Account number and you may choose your own username and password (“**Account Details**”).
- 6.2 You should memorise all your Account Details. You should not keep a written record of your Account Details or give them to any other person.
- 6.3 You will contact us immediately when you become aware or suspect that:
- (1) Any unauthorised person has gained access to your Account Details;
  - (2) Your Account Details have been lost, stolen or misused; or
  - (3) Any other breach of security has occurred.
- 6.4 You will change your Account Details immediately when you become aware of or suspect any one of the circumstances set out above.

- 6.5 We may suspend your use of the EasyAdvisor Platform if:
- (1) we have reasonable grounds to suspect that the confidentiality of your Account Details has been compromised or breached; or
  - (2) you tell us that you know or suspect that your Account Details may be known by, or used by, an unauthorised person.
- 6.6 You may not give permission to someone else to use your Account with your Account Details unless that person is an Authorised User on your Account. **However, if someone uses your Account Details (irrespective of whether or not that person is doing so with your permission) you will be solely responsible for all acts of that person using the EasyAdvisor Platform, or the use of any information or services obtained or used through the EasyAdvisor Platform.** The sole exception to your liability in this instance is where you can prove that the person using your Account Details got them from us as a result of our negligence.
- 6.7 If you are a Minor, your Guardian will act as an Authorised User on your Account and your Account may be linked to your Guardian's Account. Your Guardian will have your Account Details.

## 7. YOUR ACCOUNT

- 7.1 For your use of the EasyAdvisor Platform, we will open an Account on your behalf. As stated on our Website, promotional materials and customer communications from time to time, you may be told of your placement into a specified customer group or you may be offered the opportunity to associate your Account with a specified customer group. Our classification of your Account this way is solely at our discretion and subject to any applicable terms and conditions that we may publish or otherwise communicate to you from time to time, both in terms of when the classification will take effect and when the classification may expire. Certain customer classifications may result in an increase, decrease, or even waiver of one or more items listed on your Cost Profile.
- 7.2 You earn interest, at the interest rate set out in your Cost Profile, on any Available Cash reflecting in your Account. The interest is compounded daily based at the rate applied to your available funds and credited to your Account(s) daily. We have the right, in our sole discretion, to change the rate of interest payable from time to time particularly to take into account changes in any factors we determine to be relevant. Any changes will be set out in your Cost Profile.
- 7.3 If your Account is inactive for a period longer than 24 months, your Account, in our discretion, will be deemed dormant ("**Dormant Account**"). Available Cash in Dormant Accounts will not earn any interest as contemplated in clause 7.2 and Dormant Accounts will be subject to an inactivity fee (as detailed in the Cost Profile).
- 7.4 You are our customer and are personally responsible for performing your obligations under the Agreement.
- 7.5 If we have reason to believe that someone other than you may be controlling or otherwise using your Account, then we may suspend or close your Account as we see fit. The same applies if we suspect that someone other than you has a duly executed power of attorney over your Account.
- 7.6 Clause 7.5 does not apply to Authorised Users of Minors.
- 7.7 In addition to all of your other obligations in terms of this Agreement, your Account is at all times subject to review by our compliance department which, in its discretion, may ask you for additional documents or other information. Your failure to provide documentation and information requested within a stipulated time may, at the election of the compliance department, result in your Account being closed immediately. Such closing may be permanent or until any and all issues are resolved to the satisfaction of the compliance department.
- 7.8 You will be able to monitor the status of your Account through the EasyAdvisor Platform.
- 7.9 All queries in relation to your Account should be reported to us by using the telephone number and/or email address for our customer services department displayed on our Website.

## 8. ACCOUNT TYPES

- 8.1 All Accounts are "cash" accounts. This means that all your Investments in Bundles in accordance with your Investment Goal(s) and Investment Plan(s) must be paid for with money which has cleared and is standing to the credit of your Account as Available Cash. You may pay money into your Account for all purposes contemplated in this Agreement by using any of the payment options set out in clause 23.1 below. **Despite any provision, statement or communications published on the**

Website or set out in this Agreement, we do not extend any credit to you in terms of this Agreement, and nothing in this Agreement will be construed as creating a loan agreement or as the granting of credit by us to you. The provisions of the National Credit Act, 2005, do not apply to any services carried out on the EasyAdvisor Platform.

8.2 FWT only provides Accounts for individuals and Minors, and does not currently open joint accounts.

## 9. INVESTMENT GOALS AND SUITABILITY

9.1 The online EasyAdvisor Platform allows you to select a pre-determined Investment Goal(s). Once you have selected a pre-determined Investment Goal(s), you will be asked a series of questions to enable an assessment of, among other things, your financial situation, objectives and risk profile (see clause 12 below) subject to clause 10 below (“**Suitability Questions**”).

9.2 Based on your answers to the Suitability Questions, the algorithms and technology which form part of the EasyAdvisor Platform will conduct an analysis and provide you with Advice in respect of the Bundle(s) which are appropriate for your Investment Goal(s) and risk profile (see clause 12 below). This is referred to as your “Investment Plan”. Accordingly, you must ensure that at all times all your answers to the Suitability Questions are accurate, true and correct as this could affect the outcome of the analysis and the Investment Plan which is provided to you.

9.3 **You warrant and represent that all information given by you in answer to the Suitability Questions are true and correct, and FWT may rely on the truthfulness and correctness of that information. You warrant and represent that you will not seek recourse against FWT for any loss, expense or damage which you may suffer, howsoever such loss, expense or damage may arise or be suffered, if any of the information given by you in answer to any of the Suitability Questions is inaccurate, false or incorrect.**

9.4 **You acknowledge and agree that FWT and the EasyAdvisor Platform do not conduct an analysis of your existing investments in financial products (“Existing Investments”) and we do not provide any financial advice or Advice in respect of whether a Bundle/s recommended in your Investment Plan is/are suitable to replace any one of your Existing Investments. Accordingly, you acknowledge and agree that we will not provide you with any Advice regarding the actual and potential financial implications, costs and consequences howsoever arising if you elect to replace any of your Existing Investments with the Advice contained in your Investment Plan. You agree and acknowledge that you will rely solely upon your own judgment in deciding whether to replace any one of your Existing Investments with the investments set out in your Investment Plan and you will bear all the risk in this regard. This means that you will have no claim against us. You warrant and represent that you will not seek recourse against FWT for any loss, expense or damage which you may suffer, howsoever such loss, expense or damage may arise or be suffered, in respect of your decision to make an investment recommended in your Investment Plan to replace any of your Existing Investments.**

## 10. PARTIAL INVESTMENT ADVICE

10.1 **You acknowledge and agree that because of the online investment planning nature of the EasyAdvisor Platform, there was not reasonably sufficient time for us to conduct a full analysis of your financial situation in accordance with Applicable Law. Accordingly, you acknowledge that:**

- (1) **a full analysis in respect of your financial situation as required by FAIS could not be undertaken;**
- (2) **there may be limitations on the appropriateness of the Advice provided to you by us in your Investment Plan; and**
- (3) **you must consider on your own whether the Advice in your Investment Plan is appropriate considering your objectives, financial situation and particular needs.**

## 11. BUNDLES

11.1 As set out in clause 9.2 above, your Investment Plan will contain a recommendation in respect of the Bundle(s) which is appropriate for your Investment Goal(s) and risk profile (see clause 12 below) subject to the information which you provided to us in answer to our Suitability Questions.

11.2 **If you elect to conclude an investment that differs from the Advice in your Investment Plan provided to you in accordance with clause 9.2 (ie you amend in any way the Investment Plan which we initially displayed to you on the EasyAdvisor Platform), you agree and acknowledge that there may be risks involved in doing so and any decision you make in this regard, you do so at your own risk. You must take particular care to ensure that the alternative**

investment, as the case may be, is appropriate for your financial needs, objectives and circumstances. This means that you will have no claim against us. You warrant and represent that you will not seek recourse against FWT for any loss, expense or damage which you may suffer, howsoever such loss, expense or damage may arise or be suffered, in respect of your investment that differs from the investment recommended in your Investment Plan.

- 11.3 This Agreement (as read with the applicable Bundle Mandate) will govern all aspects of your investment (ie purchases and sales) in Bundles. In the event of any conflict between the provisions of this Agreement and the provisions of the Bundle Mandate, the provisions of the Bundle Mandate insofar as they relate to the management of Bundles, will prevail. All references in the Bundle Mandate to the “EasyEquities Platform” must be construed as a reference to the EasyAdvisor Platform as the context requires for the purposes of this Agreement and your use of the EasyAdvisor Platform.
- 11.4 When you make an Investment in a particular managed Bundle in accordance with your Investment Plan, you will be issued with Whole Securities and Fractional Security Rights in the Issuer Securities listed in that particular Bundle in accordance with the Rand value of the Investment which you make in respect of a particular Bundle.
- 11.5 When you first place an Order for a particular type of Bundle, you must electronically accept and execute the Bundle Mandate applicable to that type of Bundle, either by sending us your signature electronically or by continuing to engage in Investment activities with us in terms of clause 51.7 of this Agreement. All references in the Bundle Mandate to the “EasyEquities Platform” must be construed as a reference to the EasyAdvisor Platform as the context requires for the purposes of this Agreement and your use of the EasyAdvisor Platform.
- 11.6 **The Bundles and the Issuer Securities listed therein are not chosen based on current or perceived future value and FWT does not give any express or implied warranty as to the future performance of the Bundle and/or the Issuer Securities listed therein. As with all securities, the Issuer Securities listed in the Bundle and the Bundle itself may gain or lose value from time to time and there is always the risk that the Issuer Securities in the Bundle could lose all of their value.**
- 11.7 FWT will manage (with full discretion) each Bundle available on the EasyAdvisor Platform. You acknowledge and agree that FWT may appoint third parties (such as other authorised FSPs) to provide advice (as defined in FAIS) to FWT in respect of a particular Bundle (“Bundle Advisor”) available on the EasyAdvisor Platform in accordance with Applicable Law. Notwithstanding any advice received by FWT from a Bundle Advisor in respect of a particular Bundle, FWT will at all times manage (with full discretion) the Bundles in accordance with Applicable Law and the applicable Bundle Mandate.
- 11.8 Notwithstanding clause 11.7 above, FWT may also outsource the discretionary investment management of a Bundle available on the EasyAdvisor Platform to another authorised discretionary financial services provider in accordance with Applicable Law.
- 11.9 **To the extent allowed in accordance with Applicable Law, you warrant and represent that you will not seek recourse against FWT for any claim arising from a change (including a negative depreciation) in the market value of the Bundle or Issuer Securities listed in any Bundle which you may have invested in.**
- 11.10 Third Party Products issued by Third Party FSPs may, in our sole discretion, be included in any Bundle from time to time. The provisions of this clause 11 will apply *mutatis mutandis* to any Third Party Product included in any Bundle, and to any Bundle which includes one or more Third Party Products, unless the context requires otherwise.

## 12. PROCEEDING WITH YOUR INVESTMENT PLAN

- 12.1 In order to proceed with your Investment Plan in respect of an Investment Goal(s), you must:
- (1) select to “Save your goals” on the EasyAdvisor Platform;
  - (2) complete your profile on the EasyAdvisor Platform;
  - (3) electronically accept and execute the Bundle Mandate applicable to that type of Bundle recommend in your Investment Plan(s) by sending us your signature electronically; and
  - (4) fund your Account in accordance with clause 23 below.
- 12.2 Once you have completed the requirements set out in clause 12.1, you acknowledge and agree that this means that you accept the Investment Plan as initially displayed to you on the EasyAdvisor Platform and your acceptance thereof will constitute an Order(s) to Invest in (ie buy) the Bundle(s) recommended in your Investment Plan(s) in respect of your Investment Goal(s).

- 12.3 On acceptance of your Investment Plan as set out in this clause 12, you will receive a Record of Advice in respect of your Investment Plan for each Investment Goal and which will be available via your Account. Subject to clause 11.2, no Investment Plan will be valid and binding against us until you receive a Record of Advice.
- 12.4 Each Record of Advice provided will contain the information required in terms of FAIS.
- 12.5 If you find a mistake or an error or if the details do not match your records relating to the information you have provided to us in your Record of Advice, you must notify us immediately. If you do not, the Investment Plan recorded as having been accepted by us in the Record of Advice will be deemed to be agreed by you.
- 12.6 Each time you amend an Investment Goal via the EasyAdvisor Platform, you will be provided with an amended Investment Plan and Record of Advice.

### 13. **ADVISORY FEES**

We will charge you an Advisory Fee each time you proceed with an Investment Plan as contemplated in clause 12.2. The Advisory Fee will be charged in addition to any other fees and costs listed in the Cost Profile. The Advisory Fee will be disclosed to you on the EasyAdvisor Platform. The Advisory Fee is paid to us and will be confirmed in the relevant Contract Note.

### 14. **PROJECTIONS**

- 14.1 Once you have set up an Investment Goal(s), you may be provided with a projection (in the form of, without limitation, a graph or other visual representation) in your Investment Plan and/or your Record of Advice showing the projected value of your Investment and/or the probability of reaching your Investment Goal based on various assumptions as displayed to you ("**Projections**"), **you acknowledge and agree that:**
- (1) **the value of a financial product can go down, as well as up, due to changes in the value of the underlying investments, or of currency movement;**
  - (2) **you may not recoup the full amount invested;**
  - (3) **past performance is not necessarily an indication of future performance;**
  - (4) **the value of financial products and the Projections are not guaranteed; and**
  - (5) **the Projections are for illustrative purposes only.**
- 14.2 **Accordingly, you acknowledge and agree that FWT will not be held liable for any Projections not met or achieved. You warrant and represent that you will not seek recourse against FWT for any loss, expense or damage which you may suffer, howsoever such loss, expense or damage may arise or be suffered, in respect of any Projections displayed to you on the EasyAdvisor Platform or otherwise.**

### 15. **TREATMENT OF WHOLE SECURITIES IN BUNDLES**

- 15.1 The Order to Invest (ie "buy") contemplated in clause 12.2 is specified in the Rand amounts as set out in your Investment Plan as accepted and approved by you. If the Rand amount of your Order is sufficient to pay for one or more Whole Securities that form part of the Bundle, you will be allowed to buy one or more Whole Securities.
- 15.2 Buy Orders specified in Rand amounts may result in a balance of funds remaining, after funds have been allocated toward the purchase of Whole Securities.
- 15.3 For example, you place an Order for R1 200's worth of Securities in Bundle X ("**Bundle X**"). At the time of your Order, each Security in Bundle X are trading at R500 per Security. Therefore, the Rand amount of your Order allows you to buy two Securities in Bundle X and leaves you with a remaining balance of R200. R200 is not enough money to purchase a Security in Bundle X (as the price is R500 per Security). If this happens and, where you do not have enough money to purchase a Whole Security, you will be allowed to enter into a CFD Transaction(s) with us, referencing the Securities in Bundle X as the Underlying Reference Instruments in terms of clause 16 below. In this example, the balance available for a CFD Transaction will be:

Order Amount – (No. of Whole Securities x Execution Price of Security) = Balance for CFD Transaction(s).

R1 200 – (2 x R500) = R200.

- 15.4 The EasyAdvisor Platform also allows you to sell any Whole Securities which you own as part of a Bundle which you have Invested in, although no short selling is permitted (short selling is where you sell a security which you do not own, and this is not allowed on the EasyAdvisor Platform). You may also close out (i.e. terminate) any of your CFD Transactions in accordance with clause 17. All profits or income from the sale of Whole Securities or the close out of CFD Transactions will be paid by FWT into your Account, only upon settlement of the trade i.e. up to 5 (five) Business Days after the date of the trade subject to clause 15.8. **You acknowledge that you may not withdraw the proceeds from the sale of Whole Securities or the close out of CFD Transactions immediately when sale or closeout happens.**
- 15.5 When we execute your Order to Invest in a Bundle in accordance with your Investment Plan, these trades may not be “real time” market Orders i.e. Orders that are matched immediately when you enter your Order. Quoted Prices and Execution Prices will be obtained and given in terms of clause 17.
- 15.6 All Investments in Whole Securities must be cleared and settled according to the rules of the CSD and the Recognised Exchange on which the Whole Securities are traded. We may cancel any of your Investments in Whole Securities if the Recognised Exchange or the CSD:
- (1) refuses, fails or is unable to confirm, execute, clear and/or settle the trade for any reason; or
  - (2) regards the trade as a failed trade under the rules of the CSD and/or the Recognised Exchange; or (without limiting the generality of the foregoing);
  - (3) cancels or rejects the trade (including the delivery or receipt of any cash or Securities) for any reason whatsoever.
- 15.7 **We will not be liable for any losses, damages, costs, fees, charges or liabilities which you may incur as a result of any cancellation of your Investment in Whole Securities in terms of clause 15.6.**
- 15.8 Despite any other clause in this Agreement, all Whole Securities which are successfully cleared and settled by the CSD and the Recognised Exchange will be delivered to you (i.e. allocated to your Account) within 8 (eight) Business Days of the date of your Investment. **We will not be liable for any losses, damages, costs, fees, charges or liabilities which you may incur as a result of any such delay in the delivery of the Whole Securities into your Account.** Despite any such delay, your trade in Whole Securities will be priced at the Execution Price as contemplated in clause 17.

## 16. TREATMENT OF FRACTIONAL SECURITY RIGHTS

- 16.1 If the Rand amount of your Order contemplated in clause 12.2 is insufficient to pay for one or more Whole Securities that form part of the Bundle, you will not be allowed to buy one or more Whole Securities, you may only have enough money to acquire Fractional Security Rights in respect of the Issuer Securities which form part of the Bundle. In order to give effect to your Order, FWT will enter into a CFD Transaction with you in terms of which the Underlying Reference Instrument will be a percentage of each Whole Security which form part of the Bundle specified in your Order. In respect of Fractional Security Rights, we act as principal to the CFD Transaction.
- 16.2 The Underlying Reference Instrument of your CFD Transaction will be calculated in proportion to the corresponding percentage of the Execution Price paid by you after the purchase of one or more Whole Securities in the Bundle.
- 16.3 To assist you in understanding Fractional Security Rights we will use an example where you want to purchase one Whole Security. Please note that Bundles are made up of various Issuer Securities in different weightings and this example is purely to help you understand the concept of Fractional Security Rights. In this example, the Execution Price of a Whole Security is R500, and you pay us R200 in terms of your order, you will enter into a CFD Transaction with us in terms of which the Underlying Reference Instrument will be:

$(\text{Rand Amount} / \text{Execution Price}) \times 100 = \% \text{ of Whole Security.}$

In this example, the Underlying Reference Instrument will be:

$(\text{R}200 / \text{R}500) \times 100 = 40\% \text{ of Whole Security.}$

This will give you exposure to the economic benefits of a 40% interest in a Whole Security. As with all CFD contracts, you will not own the Underlying Reference Instrument. You will have a contractual claim against us (FWT) under the CFD Transaction.

- 16.4 This means that in respect of your Order to Invest in a Bundle, you could have Fractional Security Rights in a number of the various Issuer Securities held in that Bundle if you do not have enough money to purchase the Whole Securities which make up that Bundle.
- 16.5 Fractional Security Rights do not mean that you own a fraction of a Security. The term Fractional Security Rights (as explained above) is used to explain the scenario where you obtain exposure to the economic benefit of share ownership (profit or loss on price movements in respect of Securities in terms of this Agreement) in circumstances where you do not have enough money to buy Whole Securities.
- 16.6 **Your claims in respect of Fractional Security Rights are therefore limited to a contractual claim against us for payment of the relevant close out amount (profit or loss) in accordance with clause 16.7(4) under the CFD Transaction. As you are not the owner of the Underlying Reference Instrument, they can never be delivered to you or transferred to another person or nominee.**
- 16.7 The terms and conditions below apply specifically to all CFD Transactions entered into in terms of this Agreement:

(1) **Initial Margin**

- (a) **“Initial Margin”** is the amount of money in cash that you will normally be required to have on deposit in your Account in order to open or enter into a CFD Transaction. A 100% Initial Margin is required for CFD Transactions issued in respect of Fractional Security Rights. For example, if the price of a Security in a Bundle is R100, we would require an Initial Margin of R100 from you. Please note that paying Initial Margin and margin in general, does not in any way limit the losses you may incur in connection with your Account.
- (b) You will be informed of the amount of money you will be required to deposit as Initial Margin.

(2) **Margin and Margin Calls**

Margin refers to the minimum additional cash which you must deposit into your Account in order to support your CFD Transactions. **“Margin Calls”** are made when the money in your Account is not enough to support your CFD Transactions and your Account is therefore in deficit. Your Account will be in deficit if the total of the Initial Margin due on your CFD Transactions plus the losses on those CFD Transactions exceed the cash held in your Account. As CFD Transactions are subject to a 100% Initial Margin, they will not be subject to a Margin Call.

- (3) **“Variation Margin”** refers to the amount for which you become liable due to changes in the value of the Underlying Reference Instrument of your CFD Transaction.

(4) **Profit and loss**

- (a) When the price of the Underlying Reference Instrument increases:
- (b) You will not be required to physically pay any amounts in relation to Variation Margin. We will (in addition to any general lien, right of set-off, right to combine accounts or any other right to which we may be entitled), without notice to you, set-off any obligation of yours to make payment to us in respect of Variation Margin, against our liability to you in respect of profit earned under the CFD Transaction (or any part of it in an amount as we choose). For example, if the price of the Underlying Reference Instrument was R100 when the CFD was originally entered into and it was subject to a R100 Initial Margin, and it then increases in value to R110:
- (c) A Variation Margin of R10 is required from you in order to ensure that the total margin amounts to R110 (i.e. a 100% Initial Margin); and
- (d) We would be required to pay you a R10 profit under the CFD Transaction.



- (e) Instead of making these two separate payments, we will retain the R10 profit we owe you and set it off against the R10 you owe us for Variation Margin. The Variation Margin requirement is therefore settled and no physical payment of Variation Margin is required. We do not physically pay you the R10 profit.
  - (f) Where the price of the Underlying Reference Instrument decreases for example from R100 to R90:
  - (g) We would be required to pay you your R10 in order to ensure that the total margin amounts to R90 (i.e. a 100% Initial Margin); and
  - (h) You would be required to pay us a R10 loss under the CFD Transaction.
  - (i) Instead of making these two separate payments, we will retain the R10 we owe you for Variation Margin and set it off against the R10 loss you owe us under the CFD Transaction. The Variation Margin requirement is therefore settled and no physical payment of Variation Margin is required. You do not need to physically pay us back the R10 loss.
- (5) You will only be entitled to your profit or loss under the CFD Transaction, when the CFD Transaction is closed-out (i.e. terminated when you sell a particular Rand value or the whole Rand value of a Bundle) as your profits are kept by us to ensure your Initial Margin is maintained at 100% at all times.
- (6) You will be responsible for any payments of fees listed in your Cost Profile.

## 17. QUOTATIONS AND EXECUTION PRICE

- 17.1 We will display the price of the Issuer Securities held in a Bundle on EasyAdvisor Platform. These prices may reflect delayed prices, or may be the Recognised Exchange price which was quoted by the Recognised Exchange on the previous trading day ("**Quoted Price**").
- 17.2 Despite the Quoted Price, your Investment in the Issuer Securities which form part of a Bundle will be executed at the prevailing market price on the relevant Recognised Exchange for that Issuer Security at the time we execute your Investment in a Bundle as reflected in the Contract Note ("**Execution Price**"). The Execution Price may be different to the Quoted Price, depending on how an Issuer Security's market price has moved during the course of the market day (or in the time taken between obtaining the Quoted Price and executing the Investment). We do not give any guarantee that the Execution Price will be at or near the Quoted Price.
- 17.3 Execution Pricing on the EasyAdvisor Platform will be done on a best execution basis i.e. we will take all reasonable steps to get the best available price for you, in accordance with your Order. **You agree that FWT will have no obligation to execute any investment at the Quoted Price and will have no obligation of best execution in dealing with or for you and you waive any requirement in any applicable rules of Recognised Exchanges to provide best execution.**
- 17.4 Sometimes we may give you information on the value of your Whole Securities based on the Security price at the closing time of the Recognised Exchange on the latest market day. Such information is for your information only and does not reflect the price you may get if you buy or sell your Bundle(s). Where you place an Order to buy or sell a Bundle or part thereof we will execute these trades at the Execution Price prevailing at the time of execution.
- 17.5 **You acknowledge that the Quoted Prices, and information provided based on quotes, which we obtain, are obtained from sources that FWT believes to be reliable but that FWT does not guarantee the accuracy and completeness of those quotes or information. In addition, you represent that you will use the Quoted Prices and information solely for your own personal use related to your Account or Investment activity and not for professional use. You waive any claim that you might have against FWT or the quote provider related to the Quoted Prices or the quote-based information on the EasyAdvisor Platform.**
- 17.6 **Issuer Information**
- (1) For your convenience and easy reference, we may from time to time display links on our Website to the webpages of third party data providers who provide objective data and factual information about certain Issuers. FWT does not guarantee the accuracy and completeness of information on third party web pages. **In addition, you acknowledge that FWT will not be liable for any losses you may suffer as a result of Issuer information**

provided by third party data providers and your reliance thereon, and you will hold FWT harmless in this regard.

## 18. RECURRING INVESTMENTS AND DEBIT ORDERS

18.1 For purposes of this clause 18 only, any reference to Issuer Securities shall include a reference to Third Party Products to the extent that we permit you, in our discretion, to set up a Recurring Investment in Third Party Products. The remainder of this clause 18 shall apply *mutatis mutandis* to Recurring Investments in Third Party Products, unless the context requires otherwise.

18.2 Each time you place an Order to buy the Bundle recommended in your Investment Plan, your Order will be set up as a Recurring Investment, i.e. a recurring buy Order placed via the EasyAdvisor Platform in terms of which you buy a pre-determined Rand value of the specified Bundle in your Investment Plan monthly and on a day permitted by us. For example, you may place a Recurring Investment Order to “buy R1000 worth of Bundle X every month”.

18.3 You will be liable to pay for your Recurring Investments by means of a debit against the positive balance of the Free Money in your Account. You must ensure that you have enough Free Money in your Account to pay for your Recurring Investments on the scheduled payment date.

18.4 In order to place a Recurring Investment Order you must:

- (1) select and/or customise the percentage Annual Recurring Investment Increase which will apply to your Recurring Investment Amount;
- (2) select the first payment date, which date must be at least 3 (three) Business Days after the date on which you placed your Order for a Bundle (ie a Recurring Investment) on the EasyAdvisor Platform; and
- (3) select whether you would like to set up a Debit Order to pay money into your Account as contemplated in clause 18.5 below.

### 18.5 Debit Orders

- (1) Where you have elected to pay money into your Account by means of Debit Order, you acknowledge that:
  - (a) you will complete the Debit Order Authority attached as Annexure B; or
  - (b) you will complete the electronic Debit Order Authority available on the EasyAdvisor Platform; and
  - (c) if you are a Minor, an Authorised User must complete the manual Debit Order Authority attached as Annexure B; and
  - (d) all successful Debit Order payments will be credited to the Free Money in your Account;
  - (e) if the date of the Debit Order falls on a non-processing day (i.e. a day which is not a Business Day) you agree that the Debit Order may be debited against your Designated Account on the following Business Day. Subsequent Debit Orders will continue to be delivered in terms of this Debit Order Authority until the obligations in terms of this Agreement have been paid or until this Debit Order Authority is cancelled by you by giving us notice in terms of clause 18.11(2) of the Agreement;
  - (f) all Debit Orders issued by you shall be treated by our bank as if the instructions had been issued by you personally;
  - (g) the cancellation of your Debit Order Authority in this Agreement is not a cancellation of any Recurring Investment or of the Agreement entered into between us;
  - (h) where your Debit Order is unsuccessful, your Recurring Investment Order will not automatically be cancelled and we will debit your Free Money to pay for your Recurring Investment Order. If you have insufficient Free Money in your Account to pay for your Recurring Investment Order, then your Recurring Investment Order will fail;

- (i) where any Debit Order has been unsuccessful, you will be notified of such Debit Order failure and charged a Debit Order Failure Charge as contemplated in clause 18.10(3) below. If any Debit Order fails 3 (three) consecutive times, then the Debit Order and any associated Recurring Investment Order will both be cancelled;
- (j) your Debit Order will be subject to the specified Annual Debit Order Increase; and
- (k) you will not instruct your bank to reverse any Debit Order which has been successfully processed in terms of this Agreement. See clause 32 (Security Interest and set-off) regarding our ability to sell Securities in your Account to cover liabilities, which may arise if you reverse any Debit Order which has been successfully processed. You agree that, for 40 (forty) calendar days following the payment date of the relevant Debit Order, we will be entitled to place a hold reserving the total Rand value of that Debit Order against the total value of your Account, including without limitation against your Securities, Tax Free Products and Free Money standing to the credit of your Account, until expiry of that 40 (forty) calendar day period. During this time, you may continue to Invest, however you will not be able to withdraw (including, without limitation, by means of the issue of any vouchers, the issue of which we may permit in our sole discretion from time to time) the Rand value of the relevant Debit Order from your Account.

#### 18.6 Execution of Recurring Investments

- (1) The provisions of clause 17 above with regards to Quotation Prices and Execution Prices will apply to all Recurring Investments concluded in terms of this clause 18.
- (2) If your Recurring Investment Order is duly accepted by us, we will raise your Order on the EasyAdvisor Platform and your Order will become a Pending Transaction. Your Pending Transactions and the Pending Transactions of our other clients will be executed according to their place in the Execution Queue, on an individual basis (i.e. one by one) and not on an aggregate or bulk basis and subject to the further provisions of clause 18.7.
- (3) Where your Recurring Investment is scheduled to take place on a day or at a time which falls outside of the trading hours of the Recognised Exchange, then that Recurring Investment will be raised on the EasyAdvisor Platform as a Pending Transaction and will be executed when the Recognised Exchange next opens for trading, subject to the place of that Pending Transaction in the Execution Queue. **You acknowledge that your Pending Transactions may therefore be delayed due to the place of the Pending Transaction in the Execution Queue, including without limitation, indefinitely.**
- (4) **You agree that despite any Quoted Price, your Recurring Investments will be executed at the Execution Price, i.e. at the prevailing market price offered on the relevant Recognised Exchange at the time we execute your Pending Transaction and as reflected in the Contract Note which time will depend on your Pending Transaction's place in the Execution Queue.**

#### 18.7 Illiquid Stocks

- (1) Some of the Issuer Securities which form part of a Bundle available on the EasyAdvisor Platform may not be available to buy or sell from time to time due to a lack of supply or demand for that particular Issuer Security (an "**Illiquid Stock**").
- (2) Orders for Recurring Investments in Illiquid Stock will not be accepted or executed by us. In these circumstances, you agree that we may treat your Orders as Pending Transactions and we may execute your Recurring Investment Orders for Illiquid Stocks only on the earliest following Business Day on which those Illiquid Stocks become available for trading again, i.e. when market liquidity in that Illiquid Stock allows for your Recurring Investment Orders to be accepted and executed. When the Illiquid Stocks become available for trading again, we will accept and execute your Pending Transactions and the Pending Transactions of our other clients according to the place of such Pending Transactions in the Execution Queue. **You acknowledge that your Pending Transactions for Illiquid Stocks may therefore be delayed due to the place of the Pending Transaction in the Execution Queue, including without limitation, indefinitely.**

#### 18.8 Trading Limits

- (1) The Issuer Securities which form part of a Bundle available on the EasyAdvisor Platform may be subject to a prescribed maximum amount or value for purchases, as prescribed either by the Issuer or by FWT.

- (2) **You acknowledge that your Recurring Investments may be subject to these trading limits.**
- (3) We may, from time to time, in our sole discretion -
  - (a) amend your general trading limits;
  - (b) amend your trading limits for any particular Recurring Investment; or
  - (c) require that you amend the Rand value or frequency of any Recurring Investment,to comply with the applicable trading limits we impose on you in terms of this Agreement.
- (4) **Where a Recurring Investment would breach the particular trading limits assigned to you, we will not execute that Recurring Investment, and the Recurring Investment, including those portions of the Recurring Investment which did not exceed any trading limit, will fail.**

#### 18.9 Tax Free Products

- (1) Where you have established a Debit Order for Recurring Investments in Tax Free Products to be held in your Tax Free Savings Account, any such Debit Order which would lead to a contravention of clause 35 of this Agreement, will be blocked and cancelled on the EasyAdvisor Platform. For example, if you have independently deposited an amount of money into your Tax Free Savings Account prior to the next scheduled Debit Order date, such that any future Debit Order for a Recurring Investment in a Tax Free Product will result in a contravention of clause 35 of this Agreement, then your Debit Order for that period will be blocked and cancelled on the EasyAdvisor Platform.
- (2) However, where any Recurring Investment Order can be funded by means of a debit against the Free Money standing to the credit of your Tax Free Savings Account, only your Debit Order will be cancelled and your Recurring Investment will not be cancelled. The Free Money standing to the credit of your Tax Free Savings Account will be debited to pay for your Recurring Investment in a Tax Free Product. If you do not have Free Money available to pay for your Recurring Investment, then your Recurring Investment for that Tax Free Product will fail.

#### 18.10 Fees

- (1) We will charge you a Recurring Investment Fee. The Recurring Investment Fee will be charged in addition to any other fees and costs listed in the Cost Profile. The Recurring Investment Fee will be disclosed to you on the EasyAdvisor Platform when a Recurring Investment Order is placed. The Recurring Investment Fee is paid to us and will be confirmed in the relevant Contract Note.
- (2) We will also charge you a Debit Order Fee where you have elected to pay money into your Account by means of a Debit Order. The Debit Order Fee will automatically be added to the specified Rand value of your Debit Order.
- (3) You will be liable to pay us a Debit Order Failure Charge in respect of the processing of every unsuccessful Debit Order. The Debit Order Failure Charge will be debited from any Free Money standing to the credit of your Account.

#### 18.11 Termination

- (1) If you wish to cancel your Recurring Investment, you may do so by giving us notice via the EasyAdvisor Platform at least 3 (three) Business Days prior to the date of your next scheduled Recurring Investment.
- (2) If you have a Debit Order in place in terms of clause 18.5 and if you wish to cancel your Debit Order, you may do so by giving us notice via the EasyAdvisor Platform of at least 3 (three) Business Days prior to the date of your next scheduled Debit Order.

## 19. RETIREMENT ANNUITY ACCOUNT

- 19.1 We may allow you to create an Investment Goal on the EasyAdvisor Platform in respect of your retirement and Invest using the Retirement Annuity Account. If you elect to Invest using the Retirement Annuity Account, you will be required to accept the EasyEquities Retirement Funds Terms and Conditions and the Fund Rules in addition to this Agreement. This Agreement as read together with the EasyEquities Retirement Funds Terms and Conditions and the Fund Rules will govern your Investment into the Retirement Annuity Account.
- 19.2 In the event of any conflict between the provisions of this Agreement and the provisions of the EasyEquities Retirement Funds Terms and Conditions, the provisions of the EasyEquities Retirement Funds Terms and Conditions insofar as they relate to the Investment in Bundles using the Retirement Annuity Account, will prevail.
- 19.3 In the event of any conflict between the provisions of the EasyEquities Retirement Funds Terms and Conditions and the Fund Rules, the provisions of the Fund Rules will prevail.
- 19.4 All references in the EasyEquities Retirement Funds Terms and Conditions to the “EasyEquities Platform” must be construed as a reference to the EasyAdvisor Terms and Conditions as the context requires.

## 20. SELLING YOUR INVESTMENTS

- 20.1 You can sell your Investment in a Bundle on the EasyAdvisor Platform by selecting the applicable Investment Goal, clicking on the “actions” icon and selecting “sell funds” and entering the “confirm your sale” screen.
- 20.2 We have the right to close any or all of your Investments if an Event of Default happens.
- 20.3 We cannot close an Investment unless any one of the following two actions occur:
- (1) our systems reflect the Investment (or a portion of the Investment) being closed; or
  - (2) you receive a closing Contract Note from us.
- 20.4 It is your responsibility to confirm immediately that your Contract Note reflects the closed Investment, or get confirmation from FWT that our system shows the Investment as closed and under what terms. Any amounts payable by either party to a CFD Transaction will be paid on the day on which the CFD Transaction is executed or as determined by the Recognised Exchange.
- 20.5 You may only cancel an Investment Goal if you sell all of your Investments in that Investment Goal.

## 21. RISK PROFILE

- 21.1 As part of determining your Investment Plan, we require you to complete a risk questionnaire using advanced quantitative risk technology. Once you have completed the risk questionnaire, you will be provided with a risk number on a scale of 1 to 99, with higher numbers indicating higher risk tolerance. Your risk number is an objective, quantitative measurement of your risk tolerance and the risk in a Bundle.
- 21.2 You must ensure that at all times all your answers to the risk questionnaire are accurate, true and correct as this could affect the outcome of our analysis and the Investment Plan which we provide to you.
- 21.3 **You warrant and represent that all information given by you in answer to the risk questionnaire is true and correct, and FWT may rely on the truthfulness and correctness of that information. You warrant and represent that you will not seek recourse against FWT for any loss, expense or damage which you may suffer, howsoever such loss, expense or damage may arise or be suffered, if any of the information given by you in answer to any question to the risk questionnaire is inaccurate, false or incorrect.**

## 22. CORPORATE PARTNERS

- 22.1 In the event that you have accessed the EasyAdvisor Platform through a Corporate Partner (in other words, you have accessed the EasyAdvisor Platform through the Corporate Partner’s website and/or a website developed by FWT and/or the Corporate Partner which gives you access to the EasyAdvisor Platform), **you acknowledge and agree that:**
- (1) **you may only have access to Bundles specific to the applicable Corporate Partner; and**

- (2) you may be charged an additional fee and/or an increased fee as required by the applicable Corporate Partner. Such fee will be disclosed to you in the Cost Profile.

### 23. FUNDING YOUR ACCOUNT

23.1 You can pay money into your Account for any purposes under this Agreement by means of:

- (1) using a debit or credit card subject to clauses 25.1, 25.2 and 25.4, where applicable; or
- (2) any method of instant electronic funds transfer/secure internet deposit (“SID”); or
- (3) any method of electronic funds transfer, cash deposit or cheque which is acceptable to FWT subject to clause 23.3; or
- (4) Debit Order in terms of clause 13.6.

23.2 Successful payments made in terms of clause 23.1 will be credited to your Account as Free Money. You will be responsible for payment of any transaction fees and bank charges arising from your use of any of the payment methods listed in clause 23.1.

23.3 **Where you have elected to pay money into your Account by means of electronic funds transfer, cash deposit or cheque which is acceptable to FWT as contemplated in clause 23.1(3), you acknowledge and agree that you will not be able to withdraw those funds from your Account for a period of at least 14 (fourteen) Calendar Days following the date of receipt of the payment, transfer or deposit by us, or until such time as we may in our discretion, decide otherwise.**

23.4 If you allow your Account to go into a negative balance for any reason whatsoever, you must pay us in cleared funds, that amount of money equal to or exceeding the negative balance on your Account. If you do not correct any negative balance by 12:00 p.m. the following Business Day, this failure to pay may be an Event of Default.

23.5 You will also pay to us interest on any overdue amounts owing in terms of this Agreement at the rate of 5% above the SAFEY base rate from time to time. We have the right to change the rate of interest payable from time to time for the purposes of taking into account changes in any factors that we think are relevant.

23.6 You may request that the whole or part of your Free Money be paid to you as long as the Free Money is not being used for any Investment or to support your CFD Transactions or is subject to the provisions of clause 23.7. We will give effect to your withdrawal request and such Free Money standing to the credit of your Account will be paid to you unless you are subject to the provisions of clause 23.3 or during a Lock Period. Where you do not ask for payment, we are under no obligation to, but may, at our discretion, pay such monies to you. All bank charges howsoever arising will, unless otherwise agreed, be for your account. The manner in which we pay monies to you will be at our absolute discretion, having regard to our legal duties regarding the prevention of fraud and money laundering. If requested by you, we will usually pay money in the same method and to the same place from which it was received. However, in exceptional circumstances we may consider a suitable alternative.

23.7 All your Free Money and other assets that we may hold on your behalf are held as security for the payment and satisfaction of all monies, other indebtedness and liabilities which you may owe to FWT. The enforcement by FWT of its security interest over such assets may be effected at any time in accordance with Applicable Laws and regulations. FWT will at all times be entitled to exercise its right of lien, combination or set-off between accounts opened for you in its books.

### 24. INSUFFICIENT FUNDS OR DENIAL OF CREDIT/DEBIT CARD PAYMENTS

24.1 If you try to pay money into your Account from your Designated Account in accordance with clause 23 and the payment is rejected by your bank, or reversed or cancelled or reclaimed by your bank, then we may cancel or honour any transaction which is effected by you.

24.2 We may also close your Account and/or not allow you to make any further Investments in Bundles in accordance with your Investment Plan. See clause 32 (Security Interest and Set-off) regarding our ability to sell the Bundles which form part of your Account to cover liabilities, which may arise if there is not enough money in your Account to cover your debts to us after the Bundles have been sold by us with the income from the sale of those Bundles.

## 25. USE OF CREDIT AND DEBIT CARDS

- 25.1 When you are obliged to pay FWT in respect of your Account or if you elect to make a payment into your Account as contemplated in clause 23, we may accept payment by credit or debit card. If we agree to accept payment by credit card or debit card, payment will be processed online through the Website by entering your credit or debit card details for authorisation. Only money received net of any bank charges will be credited to your Account. Unless specified in the Cost Profile, you will be responsible for payment of the transaction fees, charged to FWT, arising from your use of a credit or debit card to make a payment.
- 25.2 We cannot guarantee that the Website will always be available. In particular, we do not warrant continued availability or uninterrupted access to the Website. **We will not be liable for any losses, damages, costs, fees, charges or liabilities which you may incur as a result of any delay or inability to effect an online credit or debit card payment caused by the Website being unavailable or inaccessible (whether temporarily or permanently).**
- 25.3 Where you cannot make an on-line credit or debit card payment for any reason, you must satisfy your payment obligations to us using another acceptable means of payment (for example, electronic funds transfer, cash deposit or cheque). However, where you satisfy your payment obligations to us by using any other acceptable means of payment (i.e. electronic funds transfer, cash deposits or cheque), those funds will be reflected in your Account but you will not be able to withdraw those funds from the EasyAdvisor Platform for a period of at least 14 (fourteen) Calendar Days following the payment, transfer or deposit or until such time as we may in our discretion, decide otherwise.
- 25.4 Your personal information and credit card details will be kept secret. We have taken all reasonable steps and precautions to ensure that the credit card processing that is carried out online is safe and secure. However, we cannot be held responsible for security breaches occurring on your electronic device (personal computer or other electronic device used to browse the Website or make payments), which may result from a lack of adequate virus protection software or spyware that you may inadvertently have installed on your device.

## 26. CONTRACT NOTE AND STATEMENTS

- 26.1 You will receive a Contract Note in respect of your Investment in a Bundle(s) in accordance with your Investment Plan sent to your email address of record unless you request (and we agree in writing) that they be sent by another method. No investment in a bundle(s) will be valid and binding against us until you receive a Contract Note.
- 26.2 Each Contract Note will contain the following information:
- (1) date and time of the transaction;
  - (2) identification number of the transaction;
  - (3) charges applicable to the transaction;
  - (4) Execution Price;
  - (5) amounts due to you, or from you, by FWT;
  - (6) settlement date for the transaction; and
  - (7) whether FWT acted as agent or principal in the transaction.
- 26.3 You can check the position of your Account and the details of your investment in a Bundle(s) and Available Cash, balances, any realised profits or losses at any time by logging into your Account via the EasyAdvisor Platform or by telephoning us.
- 26.4 **If you find a mistake or an error or if the details do not match your records relating to your investment in a Bundle(s), you must notify us immediately, by telephone. If you do not, the investment in a Bundle(s) recorded as having been accepted by us in the Contract Note will be deemed to be agreed by you.**

## 27. OWNERSHIP AND CUSTODY

- 27.1 When you Invest in a Bundle and you have enough money to buy Whole Securities in that Bundle, you become the beneficial (true) owner of all those Whole Securities, which Whole Securities will be held by FWT Nominees on your behalf. Subject to

clause 15.8, FWT will make sure that you are reflected as the beneficial (true) owner of your Whole Securities in our books of account within 8 (eight) Business Days of the date of your Investment. FWT will:

- (1) register Whole Securities in the name of FWT Nominees for the holding of Whole Securities in safe custody by FWT Nominees;
- (2) collect money in the form of interest, Dividends, allotments, income, redemption proceeds and other distributions and payments, relating to Whole Securities. These amounts will be Client Money held in the FWT Nominees Bank Account; and
- (3) administer all Corporate Actions concerning any of the Whole Securities held in terms of this Agreement.

27.2 FWT warrants that FWT Nominees is an approved nominee company, approved by both the FSCA and Strate. If either the FSCA or Strate, withdraws or cancels FWT Nominees' approval or if there is any change to the approval status of FWT Nominees, FWT will immediately transfer the Whole Securities held by FWT Nominees to another nominee company that is approved by both the FSCA and Strate.

27.3 All Whole Securities bought on the EasyAdvisor Platform are protected by law in the event of an insolvency of FWT, as all Whole Securities are segregated from the estate and assets of FWT and held in safe custody by, and registered in the name of, FWT Nominees. You are noted as the beneficial (true) owner of such Whole Securities. This is explained in more detail in clause 30 below (Insolvency Protections).

27.4 As the beneficial (true) owner of Whole Securities you will:

- (1) receive all income from the Issuer on Whole Securities held on your behalf; and
- (2) participate in all Corporate Actions in respect of Whole Securities held on your behalf; and
- (3) exercise voting rights in respect of any Whole Securities held on your behalf.

27.5 In respect of the CFD Transactions with you, you will:

- (1) be entitled to payment of a cash equivalent of a pro rata percentage of the income that is received from an Issuer, based on the fraction of the Underlying Reference Instrument of the CFD Transaction;
- (2) have a contractual right, against FWT, to the profit or loss under the CFD Transaction, in accordance with clause 16.7(4) above;
- (3) not have any voting rights in relation to the Underlying Reference Instrument; and
- (4) not own the Underlying Reference Instrument.

27.6 If you, over time, enter into enough CFD Transactions with the same Underlying Reference Instrument so that you acquire rights to 100% of a Security, then the CFD Transactions will be closed out, and a Whole Security will be delivered to you. You will only then receive a Whole Security, and you will be noted as the beneficial (true) owner, and become entitled to those rights set out in clauses 27.1 and 27.4 above.

## **28. CORPORATE ACTIONS AND VOTING RIGHTS**

### **28.1 Corporate Actions**

- (1) **For the Whole Securities registered in the name of, and held by, FWT Nominees, you agree that we will exercise your election in respect of all Corporate Actions and you hereby designate that your chosen elections for all Corporate Actions will be those elections as set out in this clause 28.**



- (2) If a Corporate Action is the type of Corporate Action where you have no choice as to how the Corporate Action will be effected (a "**non-elective event**") then we will give effect to the Corporate Action in the manner prescribed and as notified by the Issuer of the relevant Issuer Security.
- (3) If a Corporate Action is the type of Corporate Action where you have a choice as to how the Corporate Action will be effected, and must make your preferred election (an "**elective event**") then FWT will send you a notice, to the email address stipulated in the Application Form which you submitted via the EasyAdvisor Platform in terms of which you will be requested to make your election within a stipulated time period stated in the notice. Should you fail to make an election or to respond within the time period stipulated in the notice, we will give effect to the default election set out in the notice, and such default election will be applied to your Issuer Securities.
- (4) If a Corporate Action relates to cash Dividends:
  - (i) for Whole Securities:
    - (A) subject to 28.1(4)(i)(B) below, the Dividend, minus any applicable withholding tax, in respect of Whole Securities, will be paid by FWT into your Account;
    - (B) in the event that you are exempt from withholding tax, you are required to provide us with an exemption confirmation in the format of the duly completed and signed Dividends Tax Exemption Form; and
  - (ii) for CFD Transactions:

a payment of a cash equivalent of the pro rata percentage of the Dividend, that is received from an Issuer based on the fraction of the Underlying Reference Instrument of the CFD Transaction, which cash will be paid into your Account.
- (5) If a Corporate Action relates to a rights offer (a rights offer is an issue of rights to buy additional Issuer Securities made to the Company's existing security holders to take up further Securities in proportion to their existing holdings by way of the issue of "fully paid" or "nil paid" letters or rights):
  - (i) **FWT shall send you a notice, to the email address stipulated in the Application Form which you submitted via the EasyAdvisor Platform, in terms of which you will be requested to make an election within the stipulated time period stated in the notice. Your failure to respond within the time period stipulated in the notice, may result in FWT endeavouring to sell the nil paid rights on your behalf, prior to or on the last day to trade such nil paid rights. FWT gives no undertaking that it will be able to sell your nil paid rights in these circumstances. In the event that FWT is unable to sell such nil paid rights, you acknowledge that your nil paid rights will lapse and you will have no claim against FWT for failure to sell the nil paid rights on your behalf. You hereby indemnify FWT and hold FWT harmless for any losses which you may suffer as a result of any nil paid rights not being sold as contemplated in this clause.**

## 28.2 Voting rights

- (1) For Whole Securities registered in the name of, and held by, FWT Nominees, FWT will act on your behalf, to vote by proxy or in person (at FWT's discretion) for you, in accordance with your instructions (as communicated by you to us in accordance with clause 33), at any shareholders meeting of a Company in which you hold Whole Securities, and to vote in particular matters in accordance with your instructions (as communicated by you to us in accordance with clause 33), and to notify you in writing within 7 (seven) Business Days from when we become aware of all shareholders meetings related to:
  - (a) a cancellation of the listing of the Securities;
  - (b) any meeting having effect on the value of the Securities;
  - (c) a consolidation, amalgamation or merger of a Company in which the Securities are held;
  - (d) other take-over offers;
  - (e) insolvency;

- (f) the subdivision, consolidation or reclassification of the Securities;
  - (g) the unbundling of the Securities by the Company;
  - (h) any meeting which may materially impact on an investment or Security; and
  - (i) any meeting relating to directors' appointments; so that you may provide instructions on how to vote.
- (2) Despite the provisions of clause 28.2, notice of any meeting relating to voting for any Company in which you own Whole Securities will be communicated to you in writing, in accordance with the provisions of clause 33, no later than 7 (seven) Business Days after receipt of a notice by us of such a meeting.
- (3) Your instructions on how to vote must reach us at least 5 (five) Business Days after receipt by you of the notice referred to in 28.2(2). If you fail to notify us (in time or at all) you hereby unconditionally and irrevocably appoint us to vote as your proxy at any meeting in any manner we deem fit.
- (4) As the beneficial (true) owner of Whole Securities registered in the name of, and held by, FWT Nominees, you have the right to attend any meeting as set out in this clause 28 and vote on your own behalf. If you choose to do so, you are obliged to give us 7 (seven) Business Days' notice of your intention to do so.
- (5) In respect of CFD Transactions, you will not have any voting rights.

## 29. CHARGES

- 29.1 The charges listed in the Cost Profile will be levied against your Account. Despite any other provision of this Agreement, charges will change and are not limited to only those charges set out in the definition of Cost Profile in clause 2.1(22). Additional charges may be charged and payable by you from time to time to make provision for any new fees, including without limiting the generality of the afore-going, any administration fees, commissions, taxes, costs, charges or any other funding costs which FWT may become subject to or which may be associated with the performance by FWT of its obligations under this Agreement. New or additional charges will be charged by FWT in its sole and absolute discretion from time to time.
- 29.2 FWT may amend the charges payable on your Account and the EasyAdvisor Platform and may introduce new charges payable on your Account and the EasyAdvisor Platform, where necessary and from time to time. Details of any changes to the applicable charges will be posted on the Website. **You acknowledge that by continuing to engage in any activity using the EasyAdvisor Platform and following any notice of the new or amended charges, all services provided via the EasyAdvisor Platform will be subject to the new or amended charges and you agree to be bound by any new or amended charges.**
- 29.3 **Without prejudice to FWT's rights to recover indemnity costs under clause 41 below, and Account charges listed in the Cost Profile, if your Account has an overdue debit balance (i.e. is in arrears) and it becomes reasonable for us to refer the matter to a law firm for collection, FWT has the right to add a charge which reflects our legal costs of referral to lawyers in connection with the collection of overdue accounts.**
- 29.4 **Your Account, the Advice you receive from us in your Investment Plan and each of your investments in Bundles will be subject to the standard cost settings which apply by default to all of our Client's Accounts and investments. This means that when you receive an Investment Plan from us and instruct us to make an investment in a Bundle on the EasyAdvisor Platform in accordance with your Investment Plan, the Rand amount of your investment in a Bundle will by default automatically include all costs and charges associated with the Advice and your investment and you will therefore not be liable to pay for these costs over and above the Rand amount of the Advice and your investment.**

## 30. INSOLVENCY PROTECTIONS

- 30.1 This clause sets out all the ways in which your ownership of Whole Securities and your interests in Fractional Security Rights are safe and protected, in the unlikely event that we suffer an Insolvency Event.

30.2 For the purposes of this clause:

- (1) **“Ceded Rights”** means the Ceded Rights as defined in clause 30.4(3) below;
- (2) **“CFD Transaction Profit”** means any amounts due to you, by us, as a result of CFD Transactions carried out on the EasyAdvisor Platform (as set out in clause 16.7(4) above) including pro rata percentages of the income received from any Issuer as described in clause 27.5(1), in respect of the Underlying Reference Instrument of your CFD Transaction;
- (3) **“Free Money”** has the meaning given to that term as in clause 7.2 above;
- (4) **“FWT Bank Account”** means the:
  - (a) bank account opened and maintained by and held in the name of FWT Nominees on behalf of FWT’s Clients as beneficiaries of the amounts standing to the credit of such account from time to time to which your Client Money, Free Money and Trade Profit is paid by FWT to FWT Nominees on behalf of FWT’s Clients from time to time; and
  - (b) the FWT Nominees Bank Account details are as follows:

Bank:	Mercantile Bank Limited
Branch code:	450-905
Branch name:	Sandton
Account number:	1050666909
Account name:	First World Trader Nominees (Pty) Ltd
- (5) **“FWT Equities”** means the equities which FWT may purchase from time to time, to hedge FWTs obligations to you in respect of your CFD Transactions, which equities are held by FWT Nominees on behalf of FWT in the FWT Securities Account;
- (6) **“FWT Securities Account”** means:
  - (a) the Securities account held with Société Générale, in the name of FWT Nominees into which the FWT Equities are deposited or stand to be credited; and
  - (b) the FWT Nominees Bank Account details are as follows:

Société Générale:	
Account name:	First World Trader Nominees (Pty) Ltd
Strate reference number:	25840000
- (7) **“Insolvency Event”** means, in relation to FWT, any of the following events or circumstances:
  - (a) an Order or declaration is made for the liquidation, winding-up, or dissolution (and, in each case, whether provisional or final) of FWT or its estate;
  - (b) any liquidator is appointed in respect of FWT or any material part of its instruments;
- (8) **“Margin”** means the combined value of any Initial Margin and Variation Margin paid by you to, or due to you from, FWT in respect of your CFD Transactions on the EasyAdvisor Platform;
- (9) **“Secured Clients”** means you, and all other clients who have entered into the EasyAdvisor Terms and Conditions with FWT at any time prior to the happening of an Insolvency Event, whom FWT has provided a Security Cession;
- (10) **“Secured Obligations”** means any Margin, CFD Transaction Profit or Trade Profit which FWT may now or at any time owe to you in terms of this Agreement;

- (11) “**Security Cession**” means the cession in security (assuming the pledge construction), as set out in clause 30.4(3) below;
- (12) “**Société Générale**” means Société Générale Securities Services (Johannesburg Branch), an authorised central securities depository participant admitted to Strate Proprietary Limited;
- (13) “**Trade Profit**” means interest, Dividends, allotments, income, redemption proceeds and other distributions and payments, relating to Whole Securities; and

### 30.3 For your Whole Securities:

- (1) All Whole Securities bought on the EasyAdvisor Platform are protected in an Insolvency Event, because all Whole Securities are segregated (i.e. kept separate) from the assets of FWT and held in safe custody by, and registered in the name of, FWT Nominees. As you are the beneficial owner of such Whole Securities, they do not at any time form part of FWT’s estate.
- (2) Trade Profit due to you is held in the FWT Nominees Bank Account, operated by FWT Nominees for your benefit. The use of this account means that all Trade Profit amounts are regarded as Client Money. In an Insolvency Event, these amounts fall outside the estate of FWT, and are regarded as your own property.

### 30.4 For Fractional Securities:

- (1) Your Client Money and Free Money will be held in the FWT Nominees Bank Account operated FWT Nominees for your benefit. This use of a FWT Nominees Bank Account means that these portions of your Free Money are regarded as Client Money. In an Insolvency Event, these amounts fall outside the estate of FWT, and are regarded as your own property.
- (2) Your Margin will be paid to FWT and FWT will use your Margin to purchase the FWT Equities to cover (i.e. hedge) FWT’s obligations to you in respect of your CFD Transactions.
- (3) From the Signature Date, as security for a debt, FWT cedes in *securitatem debiti* (i.e. as security for a debt) (assuming the pledge construction) to you (in your capacity as a Secured Client), all right, title and interest in and to the FWT Equities, that are now or at any time deposited in or stand to be credited to the FWT Securities Account and the FWT Nominees Bank Account (whichever is applicable), or such other account or held by FWT Nominees otherwise (“**Ceded Rights**”), as a continuing general covering collateral security for the due, proper and timeous payment and performance in full of all of the Secured Obligations subject to the terms and conditions set out below:
  - (a) the Security Cession takes effect on the Signature Date and no additional acts are required to create or perfect the Security Cession and Pledge;
  - (b) the Security Cession operates as a cession in security for a debt (assuming the pledge construction) of the Ceded Rights, individually and collectively;
  - (c) the Security Cession:
    - (i) may be enforced by you and/or the other Secured Clients when an Insolvency Event happens; and
    - (ii) may not be enforced if any breach or termination of the Agreement occurs independently of an Insolvency Event;
  - (d) until there is an Insolvency Event, FWT is expressly authorised to exercise all rights, powers and privileges and perform all obligations attaching to, and collect and retain and use all Ceded Rights in their own name and for their own benefit;
  - (e) the Security Cession is granted to all Secured Clients of FWT from time to time, irrespective of when you or any other Secured Client entered into this Agreement, so long as the Secured Clients entered into this Agreement before the Insolvency Event happened;

- (f) all Secured Clients will share equally in the realisation proceeds of the Ceded Rights following the occurrence of an Insolvency Event provided that as a Secured Client your claim on an Insolvency Event will be restricted to the value of the Margin and CFD Transaction Profit which is owed to you (and which hasn't already been paid to you yet);
- (g) the Security Cession will terminate when all the Secured Obligations have been settled unconditionally and irrevocably, and/or the Agreement is terminated. The Security Cession will not terminate by reason solely of the fact that there may at any time be no or reduced obligations or debts owing by FWT to you; and
- (h) FWT will not grant any further cessions, pledges, mortgages, hypothecation, disposals or any other form of security or encumbrance in respect of the Ceded Rights other than to other Secured Clients on the same terms and conditions as set out herein.

### 31. MODIFICATIONS TO THE EASYADVISOR PLATFORM

- 31.1 FWT may in our sole discretion, change, update, or improve the EasyAdvisor services from time to time, but has no duty to do so. FWT may also stop providing any available service to any person at any time without prior notice and may, in its sole discretion, remove Bundles supported by the EasyAdvisor Platform ("**Discontinued Bundles**").
- 31.2 You will be able to view the Discontinued Bundles held by you in your Account. You will not however be able to invest in Discontinued Bundles via the EasyAdvisor Platform. FWT will however accept instructions to sell Discontinued Bundles, but no new buy orders will be permitted.

### 32. SECURITY INTEREST AND SET-OFF

- 32.1 The assets in your Account and all rights that you may have to claim against FWT will be subject to a first, perfected, and prior lien, security interest, and right of set-off and these rights are ceded in security by you in favour of FWT as security for the payment in full of any amounts owing, any indebtedness or any other obligation you may owe to FWT whether in terms of this Agreement or for any other reason.
- 32.2 The assets in your Account will be held by FWT as security for payment of any liability you may have towards us. You agree to pay any debt owed to FWT and pay any debit balances in your Account on demand. If payment is not made within 7 (seven) days of demand, FWT may sell some or all of your Whole Securities or close out some or all of your CFD Transactions, without prior notice, to pay for any liability. **FWT will not be liable for any losses that arise out of or relate to any such actions, including tax consequences you may face as a result of such actions. In the event FWT sells assets to satisfy a debt, FWT reserves the right to restrict or close your Account, and to seek payment of any residual indebtedness through any legal means possible, including but not limited to, reporting such debt to credit agencies.**
- 32.3 Set-off and Netting:
  - (1) We may (in addition to any general lien, right of set-off, right to combine accounts or any other right to which it may be entitled), without notice to you, set off any obligation of yours to make payment to us under this Agreement against our liability to you in respect of any credit balance (or any part thereof in such amounts as we may elect) in the Account.
  - (2) On the liquidation or sequestration (whichever may be applicable) of either us or you:
    - (a) all unperformed obligations of either party in terms of any transactions executed in accordance with this Agreement:
      - (i) will terminate; and
      - (ii) will become due immediately;
    - (b) the values of the unperformed obligations will be determined; and
    - (c) these values will be netted, so that only a net amount is payable to or by a party,

and the value of any assets (if applicable) which have been transferred as Margin for obligations under any of the transactions executed in accordance with this Agreement will be included in the calculation of the net amount payable upon such liquidation or sequestrations (whichever may be applicable).

### 33. NOTICES AND ADDRESSES

#### 33.1 Notices

- (1) Any notice, consent, approval or other communication in connection with this Agreement (“**Notice**”) will be in writing in English.
- (2) **You acknowledge and confirm that any Notice from FWT made under or in connection with the Agreement may be made verbally or in writing in Notices or other communications to your last known home address, place of work, land line telephone number (including a telephone answering machine), mobile telephone (including answer phone), fax number, email address or other contact details, as provided by you in your Application Form, or subsequently amended by you.**

#### 33.2 Addresses

- (1) FWT chooses the physical address and/or email address below as the address to which any Notice must be sent.

Physical address: 16<sup>th</sup> Floor

25 Owl Street  
Braamfontein Werf  
2092

Email address: [helpme@easyadvisor.co.za](mailto:helpme@easyadvisor.co.za)

Marked for the attention of: Client Relations

- (2) You choose the physical address and/or email address set out in your Application Form as the address to which any Notice must be sent.
- (3) Any Party may by Notice to the other Party change its address and/or the person, if any, for whose attention any Notice must be marked by sending a Notice to the address chosen in clauses 33.2(1) and 33.2(2).

#### 33.3 Effective on receipt

- (1) Any Notice takes effect when received by the party receiving it (“recipient”) (or on any later date specified in the Notice) and, unless it is proved otherwise, is considered to be received:
  - (a) When left at your last known home or work address;
  - (b) If given by leaving a telephone or mobile phone or voice mail message, one hour after the message being left on the relevant medium;
  - (c) If sent by post on the day after the subsequent day (or third day in the case of air mail) after posting (excluding Sundays and public holidays);
  - (d) If sent by private post or courier service, on the next day (or on the third day in the case of air mail) after posting (excluding Sundays and public holidays);
  - (e) If sent by email, one hour after sending to the email address of record which you provided in your Account application, or subsequently changed in writing to us and which change of email address of record we have accepted by confirmation of same to you. A “bounce back” or other form of rejection from the server or host domain of your email address of record will NOT serve as a basis to contest receipt where the bounce back or other form of rejection was through no fault of FWT or otherwise attributable to its own internal systems.

- (f) If sent by SMS to your mobile phone, as soon as the “message sent” or like confirmation is provided by the mobile phone network.
- (g) If sent by FWT Communicator, within one hour or the end of the Business Day, whichever is sooner, from dispatch by us.

(2) Despite anything to the contrary in this Agreement, a Notice actually received by a Party is effective even though it was not sent, or delivered, or sent and delivered to its address in clause 33.2.

#### 33.4 Service of legal process

- (1) Each Party chooses its physical address referred to in clause 33.2 as its address at which legal process and other documents in legal proceedings in connection with this Agreement may be served (*domicilium citandi et executandi*).
- (2) Any Party may by Notice to the other Party change its address at which legal process and other documents in legal proceedings in connection with this Agreement may be served to another physical address in South Africa.

### 34. TAXES

- 34.1 You are responsible for paying all taxes, including without limitation Securities Transfer Tax under the Securities Transfer Tax Act, 2007 (“**STT**”) and Value Added Tax, that may arise as a result of your Investment activity, whether under current or changed law or practice and if we become responsible for making any payment or payments relating to your Investing you authorise us to deduct any such payment from your Account or otherwise require you to pay or reimburse us.
- 34.2 You will be responsible for paying the full amount of STT in respect of Whole Securities purchased in your Investment in a Bundle via the EasyAdvisor Platform. A transfer administration fee is also payable upfront in respect of the Fractional Security Rights which form part of your Investment in a Bundle entered into via the EasyAdvisor Platform as set out in the Cost Profile. For accounting purposes, your STT liability or liability for transfer administration fees will be rounded off to the nearest cent.
- 34.3 We will not be responsible for notifying you of a change in tax law or practice and you should seek professional advice as to your personal tax situation.
- 34.4 You will also be responsible for paying the fee to Strate in respect of Whole Securities purchased in your Investment in a Bundle via the EasyAdvisor Platform. A settlement administration fee is also payable in respect of the Fractional Security Rights which form part of your Investment in a Bundle entered into via the EasyAdvisor Platform as set out in the Cost Profile.
- 34.5 You will be responsible for paying any dividends tax in respect of any and all dividends declared and paid by Issuers on Whole Securities which shall be levied at the rate stipulated in the Income Tax Act, 1962, from time to time, and calculated on the amount of such dividends (“**Dividends Tax**”).
- 34.6 **You also consent to and allow us to deduct any Dividends Withholding Tax levied in terms of the Income Tax Act (“DWT”) from any and all gross dividends declared and paid to your Account and for us to only pay you the net amount of such dividends and to pay the DWT to the South African Revenue Services (“SARS”) on your behalf.**
- 34.7 If you are eligible for an exemption from Dividends Tax or are eligible for a reduced rate of tax you will complete the Dividends Tax Exemption Form and deliver the completed and signed form to us. **You acknowledge and agree that if the completed and signed Dividends Tax Exemption Form is not received and processed by us by the time that the dividend payment must be made, we will withhold the full DWT without taking into account any exemption or reduced rate.**
- 34.8 **You agree that you will inform us immediately should your circumstances change which would result in the exemption from Dividends Tax or the reduced rate of tax no longer applying. You agree that you will have no claim against us for your failure to notify us of any changes to your circumstances.**
- 34.9 For tax purposes, your intention when you transact determines if any gain made on an Investment is subject to income tax or capital gains tax. We cannot make this determination on your behalf. We may however provide you with a report which will summarise the gains and losses you made during a year. This report may make use of the weighted average method to calculate any gains and losses (the weighted average is a method approved by the Income Tax Act). **We will take care in preparing the information but we give no representation, warranty or undertaking and no responsibility will be accepted by us as to the accuracy of the information contained in any report we provide to you.**

34.10 We are not able to provide you with any tax advice pertaining to any of the above. We would recommend that you obtain specific tax advice from your tax advisor or from a tax authority.

### 35. TAX FREE SAVINGS ACCOUNTS

35.1 For purposes of this clause:

- (1) **“Yearly Payment Limit”** means the annual contribution limit of R33 000 applicable to deposits or payments made by you into your Tax Free Savings Account with us and includes deposits or payments made by you into any other tax free savings or investment accounts in one tax year;
- (2) **“Lifetime Payment Limit”** means the lifetime contribution limit of R500 000 applicable to deposits or payments made by you into your Tax Free Savings Account with us and includes deposits or payments made by you into any other tax free savings account or investment accounts during your lifetime; and
- (3) **“Tax Year”** means the period from 1 March and ending on the last day of February each year.

35.2 If you are a natural person and a South African citizen, when setting up an Investment Goal, your Account allows you the option to use your Tax Free Savings Account with us to Invest. A Tax Free Savings Account allows you to Invest in Tax Free Products on a tax free basis up to the Yearly Payment Limit and the Lifetime Payment Limit. **By applying for a Tax Free Savings Account, you warrant that you are a South African citizen and not a Corporate Body.**

35.3 If you do not have an existing Account with us and you wish to open a Tax Free Savings Account, you are required to open an Account with us by following the procedure set out in clause 11 of this Agreement.

35.4 If you are an existing Client, we will automatically provide you with a Tax Free Savings Account under your Account.

35.5 In respect of your Tax Free Savings Account, we may only allow you to Invest in Tax Free Products available on the EasyAdvisor Platform. You may Invest in Tax Free Products, but only up to the Yearly Payment Limit and the Lifetime Payment Limit. This means that we may not accept deposits or payments totalling more than R33 000 into your Tax Free Savings Account in one Tax Year or deposits or payments totalling more than R500 000 into your Tax Free Savings Account during your lifetime.

35.6 Despite any other clause in this Agreement, before 1 March 2016, you will not transfer any money or Tax Free Products from:

- (1) your existing Account to your Tax Free Savings Account (i.e. only new investments in Tax Free Products are allowed);
- (2) your Tax Free Savings Account to your Account;
- (3) an account with another FSP to your Tax Free Savings Account with us; or
- (4) your Tax Free Savings Account with us to an account with another FSP.

35.7 You may sell your Investments in Tax Free Products and withdraw money from your Tax Free Savings Account. However, such a withdrawal will not be subtracted from your Yearly Payment Limit or from your Lifetime Payment Limit. This means that if you have contributed your full Yearly Payment Limit or Lifetime Payment Limit and you then withdraw money from your Tax Free Savings Account, you may not pay it back in again in that Tax Year, or where your Lifetime Payment Limit has been reached, at all.

35.8 If you sell your Tax Free Products, any profits or income from the sale of your Investments will be paid by FWT into your Account in accordance with the provisions of this Agreement.

35.9 If you are a Minor and you withdraw money from your Tax Free Savings Account, we will only deposit the money into your Designated Account if that Designated Account is held in your name.

35.10 Any amount earned by you (i.e. profits and income) in respect of your Investments in your Tax Free Savings Account will not be taxed and will not be included in your Yearly Payment Limit or Lifetime Payment Limit. You may retain the profits and income received on your investments in your Tax Free Savings Account (i.e. re-invest them) and these amounts will not be included in your Yearly Payment Limit or Lifetime Payment Limit.



- 35.11 Any dividends earned by you in respect of your Investments in your Tax Free Savings Account will be paid into your Tax Free Savings Account.
- 35.12 The charges levied against your Tax Free Savings Account will be the same as the charges levied against your Account as set out in clause 29.1.
- 35.13 **You will be responsible for paying the penalties as provided for in the Income Tax Act, if you exceed your Yearly Payment Limit or your Lifetime Payment Limit.** The Yearly Payment Limit and the Lifetime Payment Limit applies to each and every tax free savings or investment account held by you as contemplated in the Income Tax Act and not only in respect of your Tax Free Savings Account held with us. This means that you must check that the total value of all your Tax Free Savings Accounts held with us and with other banks, FSP's and other product providers in terms of the Income Tax Act, does not exceed the Yearly Payment Limit or the Lifetime Payment Limit.

## **36. THIRD PARTY PRODUCTS**

- 36.1 We may from time to time, and in our sole discretion, allow Third Party FSPs to make their Third Party Products available to you via our EasyAdvisor Platform or certain Bundles which you may invest in accordance with your Investment Plan may include Third Party Products.
- 36.2 Should you decide to invest or disinvest in any Third Party Product, we may assist the Third Party FSP acting as their financial intermediary in terms of our own FAIS licence (i.e. as their FAIS broker or go-between) to attend to the following administrative functions on their behalf, for any of your investments or disinvestments in a Third Party Product:
- (1) to allow you to use our EasyAdvisor Platform to open Third Party Accounts with Third Party FSPs;
  - (2) to facilitate any Third Party Account Opening Procedures required by any Third Party FSP with which you choose to open a Third Party Account;
  - (3) to obtain from you any additional FICA documents required as part of the Third Party Account Opening Procedures and/or required to comply with any EasyEquities internal FICA rules;
  - (4) to provide you with the relevant Third Party Legal Agreements via the EasyAdvisor Platform for your acceptance and signature;
  - (5) to accept funds which you deposit into your Account by any payment method set out in clause 23.1, subject to the provisions of clause 23, and, where applicable, to reflect such funds as Free Money standing to the credit of your Account;
  - (6) to act on your instructions submitted to us via the EasyAdvisor Platform to invest a certain amount of Free Money in a Third Party Product with a Third Party FSP in accordance with the provisions of the relevant Third Party Legal Agreements, and thereafter to transfer that amount of Free Money to the Third Party FSP in accordance with your instructions;
  - (7) to act on your instructions submitted to us via the EasyAdvisor Platform to withdraw a certain amount of your investment with a Third Party FSP in a Third Party Product in accordance with the provisions of the relevant Third Party Legal Agreement, and upon receipt of any proceeds from such disinvestment from the Third Party FSP, to credit those proceeds to the Free Money standing to the credit of your Account; and
  - (8) to allow you to view certain information related to your Third Party Account, including without limitation, the value of your investments with any Third Party FSP in any Third Party Products from time to time.
- 36.3 **Despite any other provision in this Agreement, you acknowledge that we may, in our sole discretion, determine whether we will act in accordance with or reject any instruction which you give to us via the EasyAdvisor Platform in terms of this clause 36.**
- 36.4 **Where you choose to invest or disinvest in a Third Party Product with a Third Party FSP, you represent and warrant to us:**
- (1) **that you will complete all Third Party Account Opening Procedures and sign and accept all Third Party Legal Agreements, to which you will be bound;**

- (2) **save for a decision to Invest in a Bundle in accordance with your Investment Plan, that all decisions you make to:**
- (a) **open a Third Party Account;**
  - (b) **invest or disinvest in any Third Party Product; or**
  - (c) **otherwise invest with a Third Party FSP,**

**are made solely by you. Any information which you may obtain regarding a Third Party Product or Third Party FSP via our EasyAdvisor Platform will not constitute a recommendation by us regarding any particular investment, Third Party Product or Third Party FSP. This means that you make your own choices about investment decisions and even if you rely on information provided on the EasyAdvisor Platform, we will not be responsible for any losses you suffer because of investments made with a Third Party FSP in a Third Party Product.**

- 36.5 **You acknowledge that Third Party FSPs may charge you certain fees in terms of any Third Party Legal Agreement you conclude with them in respect of your Third Party Products.**
- 36.6 **You acknowledge that Third Party FSPs may pay us a fee for the services we render on their behalf in terms of this clause 36.**
- 36.7 We will not charge you a fee in respect of your investments in or disinvestments from any Third Party Products. Pre-funding your Account pay attract transaction or banking fees as provided for in this Agreement.
- 36.8 **You hereby indemnify FWT, FWT Nominees and all Affiliates, and hold us harmless from and against any and all claims, proceedings, damages, injuries, liabilities, losses, costs, and expenses (including reasonable attorneys' fees and litigation expenses), relating to or arising from any investment or disinvestment you make in any Third Party Product with any Third Party FSP. You acknowledge that we are not liable for any investments or disinvestments you make with Third Party FSPs via the EasyAdvisor Platform, and that we act only as the intermediary between yourself and any Third Party FSP.**

## **37. TRANSFER OF ACCOUNTS**

- 37.1 If you decide to transfer your Account to another FSP, you may only do so by providing written instructions to transfer your Account to another FSP. A transfer may only be made to an Account in your name with another FSP in accordance with the provisions of Applicable Law.
- 37.2 A brokerage fee may be charged for the transfer of the Whole Securities you own in a Bundle to another FSP, as listed in the Cost Profile.
- 37.3 Only Whole Securities which form part of your Investment in a Bundle may be transferred. You will be responsible for the payment of any taxes, costs or expenses in respect of these Whole Securities transferred to another FSP or that FSP's nominee.
- 37.4 The Fractional Security Rights which form part of a Bundle and entered into with FWT through a CFD Transaction, will be closed out once your instruction to transfer your Account (as per clause 37.1) is received. You will receive a cash settlement in respect of your profit or loss under the Fractional Security Right as calculated in terms of clause 16.7(4) above and paid according to clause 23.
- 37.5 In the event that you transfer Whole Securities from another FSP to us, we will facilitate this transfer, but we will not be liable or responsible for any tax consequences arising from such a transfer, and you will be responsible for paying all taxes that may arise as a result of the transfer. This means that you will have no claim against us in this regard.

## **38. INTERNET TRADING**

- 38.1 We may suspend your ability to set Investment Goals and Invest in the circumstances set out in clause 45 (Force Majeure).
- 38.2 We may reject any internet Investment instruction for any reason including, but not limited to, the fact that you do not have enough money in your Account to pay for the proposed Investment.

- 38.3 We will have no liability to you if the internet connection is lost with the result that you are unable to use our services, including without limitation, to Invest.
- 38.4 We take reasonable precautions to ensure that data created by us has been checked for viruses, but it is your responsibility to ensure that the onward transmission, opening or use of this data will not negatively affect your systems or data. Please make sure that your computer has up-to-date virus detection software and please carry out virus and other checks as you consider appropriate. We accept no responsibility for losses that you may suffer as a result of the onward transmission of viruses, from us to you.
- 38.5 The EasyAdvisor Platform is a sophisticated investing platform and although we take reasonable care to ensure that it operates correctly, it may be subject to errors or failures from time to time. As a result of such errors or failures, and even though we have a back-up disaster recovery site which we may operate from to reduce any risks to you, you may still experience problems with the EasyAdvisor Platform, including that:
- (1) You cannot Invest or communicate with us through it;
  - (2) You receive misleading or inaccurate information from it; and/or
  - (3) You may not receive messages that we send you, for example Contract Notes.
- 38.6 We do not guarantee that the EasyAdvisor Platform will be without any problems, and you use the EasyAdvisor Platform at your own risk of sustaining loss or damage as a result of any such problems. Such loss and damage might happen as a result of:
- (1) Being unable to Invest or disinvest at a particular time;
  - (2) Believing that you have set up an Investment Goal and Invested when our system records state that you have not, or believing that you have not set up an Investment Goal and Invested when our system records show that you have; and/or
  - (3) Other difficulties, misunderstandings, errors or unintended consequences caused by problems with the EasyAdvisor Platform.
- 38.7 If as a result of problems with the EasyAdvisor Platform our computer records differ with your records or what you remember, the version of events recorded by our computer will apply (in the absence of dishonesty by us) and our obligations to each other (including the obligation to pay any money) will be calculated on the basis that our computer records are correct. Therefore, if you are having difficulty with the EasyAdvisor Platform in any way, you should telephone us as quickly as possible so that any misunderstanding or mistake can be avoided or corrected.
- 38.8 We have the right to remove altogether, or reduce the availability of, the EasyAdvisor Platform, at any time.
- 38.9 We strongly recommend that you keep your own records of your internet instructions including details of the times, dates, and nature of your instructions. These details may be important if there is a dispute.

## **39. SECURITY AND CONFIDENTIALITY OF THE EASYADVISOR PLATFORM**

- 39.1 Only authorised persons may use the FWT services. FWT may view, monitor, and record activity on our Websites without notice to or permission from you.
- 39.2 **You acknowledge that by opening an Account with us, answering the Suitability Questions and by receiving an Investment Plan from us you will be providing us with personal data, which may be protected by data protection legislation, including amongst others, the Protection of Personal Information Act, 2013 (“POPI”). You authorise us to:**
- (1) **process all such personal data;**
  - (2) **transmit any such personal data to any Affiliate for the purposes of performing the Agreement and in furtherance of our legitimate interests including statistical analysis, marketing of our services and credit control;**

- (3) transmit any such personal data to any Affiliate for the purposes of marketing our services and products and the services and products of any of our Affiliates.

39.3 You acknowledge that we may store all or part of your personal data using a third party data storage provider located outside of South Africa. We will ensure that any third party data storage provider which we use will maintain commercially appropriate administrative, physical, and technical safeguards to protect your personal data.

#### 40. INTELLECTUAL PROPERTY RIGHTS

40.1 You acknowledge and agree that the copyrights, trademarks, service marks and all other intellectual property or other rights to any information distributed to or received by you whether sent by us or on our behalf, by any means (including but not limited to by Internet electronic communication or mobile phone), together with any advertising media, Website or other material connected to the EasyAdvisor Platform and in any databases that contain or constitute the information, will remain our sole and exclusive property.

40.2 You will not permit or facilitate, and will take steps to prevent any sale, re-distribution, dissemination, re-publication or re-display of the information referred to in clause 40.1, however received, to any third party.

#### 41. INDEMNITY

To the extent allowed by Applicable Law, you agree to defend and indemnify FWT, FWT Nominees and all Affiliates, and hold them harmless from and against any and all claims, proceedings, damages, injuries, liabilities, losses, costs, and expenses (including reasonable attorneys' fees and litigation expenses), relating to or arising from any breach by you of this Agreement, any Applicable Law or FSCA determination. This means that if you do not comply with the terms of this Agreement, any Applicable Laws or determination by the FSCA, you will have to pay for any of the above losses and expenses caused to FWT, its nominees or Affiliates, or any third party because of your breach.

#### 42. ASSIGNMENT

42.1 The Agreement will operate for the benefit of you and FWT. The Agreement is binding on you, us and our respective successors. You may not transfer (assign) any of your rights or obligations under this Agreement to any third party, unless a director of FWT has agreed to the transfer in writing.

42.2 FWT may, without your approval, transfer (assign) any part of its rights or obligations under the Agreement to any third party as of a date and on such terms notified to you as per clause 33. Where FWT transfers rights and obligations in this way:

- (1) we will advise you of the transfer in accordance with clause 33; and
- (2) you agree that FWT may provide information about you (including information that may be protected by law), your Account and your Investment Plans, to the transferee (i.e. the person to whom FWT is transferring its rights and obligations).

#### 43. DISPUTES

43.1 You must give us written details of any dispute as soon as it arises. Sometimes, you may have only a limited time within which to advise FWT of a dispute. If you do not advise us of the dispute within the allowed time period, we may reject (i.e. not accept) the dispute. Disputes must be referred to FWT's compliance department. Contact information for our compliance department is listed on our Website. FWT will try to settle your dispute quickly and reasonably taking into account industry practice.

43.2 FWT has the right to refuse to accept any new instructions from you except for instructions to sell your existing Bundles, in scenarios where there is any unresolved dispute with you.

#### 44. TERMINATION

You or FWT may close your Account at any time. If your Account is closed, you are still responsible for all debts or obligations you owe to FWT.

**45. FORCE MAJEURE**

45.1 To the extent that it becomes impossible for you or FWT (a Party) to perform any obligation (other than a payment obligation) in terms of this Agreement as a result of an event or circumstance that:

- (1) was not considered when the Agreement was entered into;
- (2) even if it was considered, cannot be guarded against or reasonably avoided,
- (3) either Party may: advise the other Party within 5 (five) Business Days that an unforeseen event has happened, and the nature, extent, effect and likely duration of the event;
- (4) keep the other Party updated as may be reasonably required by the other Party;
- (5) take all reasonable action to correct or lessen the consequences (and report to the other Party); and
- (6) continue to perform its obligations under this Agreement as soon as possible and advise the other Party when performance of the obligation again becomes possible.

45.2 Performance of obligations under this Agreement is suspended for as long as the event or circumstance continues to make the performance impossible.

45.3 If the event or circumstance continues for longer than 7 (seven) Business Days either Party may cancel this Agreement on written notice to the other Party provided that the obligation which the affected Party is unable to perform is a material obligation under this Agreement.

**46. EVENTS OF DEFAULT**

46.1 An Event of Default includes all of the following:

- (1) you do not provide any payment due to FWT or other dealings with FWT; or
- (2) you do not act in accordance with the terms of this Agreement; or
- (3) you die or become a mental patient within the meaning of any applicable mental health legislation; or
- (4) your parent or guardian revokes their consent granted in the Guardians Consent Form for you to enter into this Agreement or you cease to be an emancipated minor; or
- (5) a bankruptcy or an insolvency petition is presented against you, or any act analogous to any of those events occurs in any of the jurisdictions in which you are resident; or
- (6) you convene a meeting for the purpose of making or proposing or entering into any arrangement or composition for the benefit of your creditors (other than for the purposes of a bona fide reconstruction or amalgamation); or
- (7) any distress, execution, or other process is levied against any of your property and is not removed, discharged or paid within seven days; or
- (8) you have any security created by any form of mortgage or charge and the mortgagee and/or chargee takes steps to enforce the security; or
- (9) any debt owed by you or any partnership in which you are a member becomes immediately due and payable or capable of being declared so due and payable, prior to its stated maturity by reason of default on the part of any person, you or any partnership in which you are a member fail to discharge any indebtedness on its due date whether to FWT or not (other than a liability which you are contesting in good faith); or
- (10) you commit any breach of any representation or warranty that you gave to us, or if you fail to immediately advise us if any representation or warranty subsequently becomes untrue or misleading after it has been made; or

- (11) FWT reasonably believes that you will be unable to pay your debts as they fall due and action in accordance with clause 46.2 below is necessary or desirable to protect the commercial interests of FWT and of its other customers; or
- (12) any payment order made by you is countermanded or returned by your bank unpaid (it will be an Event of Default should a cheque paid by you not clear on first presentation); or
- (13) an Insolvency Event in respect of FWT occurs.

46.2 If an Event of Default occurs in relation to you, FWT (or its administrator, receiver, trustee, business rescue practitioner or the like), without prejudice to any other right against you which it may have, may:

- (1) sell, without prior notice to you, any or all of your Bundles (in whole or in part) at a level based on FWT's then prevailing price or, if no prevailing price, at a level which is fair and reasonable;
- (2) exercise its rights of set-off under this Agreement;
- (3) close your Account and refuse to accept any further Investment Goals from you or undertake any Investments in Bundles for you;
- (4) recover any sums which are payable by you in respect of realised losses on your Account;
- (5) charge you interest on any money due, from close of business on the date when monies first fell due until the date of actual payment at a rate not exceeding SAFEY +5%; and/or
- (6) if you fail to make a payment when due, inform your partner, employer, any professional, regulatory or other organisation with which you are associated or any person who we believe to have an interest in knowing such facts of the amount of such overdue sum, the circumstances thereof, the fact that you have failed to make payment, and any other relevant facts or information. By entering into this Agreement, you expressly consent to any disclosure of this data by us in the circumstances set out herein.

46.3 If you do not pay us any money you may owe us on time, it will be treated as a continuing Event of Default and give us the right to sell any or all of your Bundles, in whole or in part, at any time before the money is paid. This includes the closure of any and all Bundles which would be profitable to you at the time of the forced closure (where reasonably possible) to the extent necessary for you to meet your outstanding monetary obligations to us.

46.4 We do not owe you any duty to consider your interests in exercising our rights on the occurrence of an Event of Default.

46.5 You must give notice to FWT if you have reason to believe that an Event of Default has occurred in relation to your Account or if you have reason to believe that an Event of Default will occur.

## **47. ADJUSTMENTS AND TAKEOVERS**

47.1 “**Market Events**” are any declaration by an Issuer which is a Company of the terms of any of the following:

- (1) a subdivision, consolidation or reclassification of shares, a share buy-back or cancellation, or a free distribution of shares to existing shareholders by way of a bonus, capitalisation or similar issue;
- (2) a distribution to existing holders of shares of additional shares, other share capital or securities granting the right to payment of dividends and/or proceeds of liquidation of the issuer in equal proportion with such payments to holders of the underlying shares, or securities, rights or warrants granting the right to a distribution of shares or to purchase, subscribe or receive shares, in any case for payment (in cash or otherwise) at less than the prevailing market price per share as determined by us;
- (3) any other event in respect of the shares similar to any of the above events or otherwise having a diluting or concentrating effect on the market value of the shares; or
- (4) any event similar to those described above that has a diluting or concentrating effect on the market value of any financial instrument not based on shares.

47.2 If there is a Market Event, you agree that we may deal with your Orders or Investments in good faith in order to preserve the economic equivalent of the rights and obligations of both of us in relation to such Investments immediately before that Market Event. In order to do this, we may either:

- (1) Vary the terms of your Investment; or
- (2) Cancel and/or close out the Investment on notice to you.

47.3 Any adjustment as set out in clause 47.2 above will be effective from the date determined by us. We will inform you of any adjustment or amendment as soon as possible.

47.4 If at any time a take-over offer is made in respect of an Issuer which is a Company, then at any time before the closing date of that offer we may give notice to you of our intention to close any open Investments relating to that Company's Securities. The date of such notice will be the closing date and we will notify you of the closing price.

47.5 In the event of a special dividend we may make an appropriate adjustment (including a retrospective adjustment i.e. one that applies to past Investments) to the opening price of an Investment.

#### **48. SUSPENSION AND INSOLVENCY**

48.1 If at any time trading is suspended in any Security which forms part of a Bundle which is the subject of an open Investment then that Investment in that Security which forms part of a Bundle will be valued at the mid-price quoted by us at the time of suspension. Where the suspension continues for 5 (five) Business Days, we may agree a closing date and a closing price, which price will be the closing price for that Investment. Where we do not agree on a closing price or closing date, any affected open Investment will stay open until the suspension is terminated or until, where the Security is in respect of a Company, that Company goes into insolvency or is otherwise dissolved. We have the right at all times during the term of an open Investment where the Security is suspended to adjust the mid-price quoted by us.

48.2 If a Company, whose Securities represent all or part of the subject matter of an open Investment goes into insolvency or is otherwise dissolved, we will treat the day on which the Company goes into insolvency or is otherwise dissolved as the closing date of that Investment. The closing price will be the value of any distribution a holder of a Security of the same type as the Security underlying the Investment would receive.

48.3 FWT has the right at all times when your Investments are suspended under this clause 48, to revalue the price of that Investment and/or to change the Margin requirement.

#### **49. BREACH**

49.1 Should either Party ("**Defaulting Party**") breach (fail to comply with) any of the provisions of this Agreement, then the other Party ("**Aggrieved Party**") may give the Defaulting Party 7 (seven) Business Days written notice or such longer period of time as the Aggrieved Party may specify in the notice, to comply or correct the breach. If the Defaulting Party fails to comply with the notice, the Aggrieved Party may:

- (1) claim immediate payment and/or performance by the Defaulting Party of all of the Defaulting Party's obligations that are due for performance under the Agreement; or
- (2) cancel this Agreement upon written notice to the Defaulting Party where the breach constitutes a material breach (a material breach is one that defeats the purpose of the Agreement),

in either event without prejudice to the Aggrieved Party's right to claim damages or to exercise any other rights that the Aggrieved Party may have under this Agreement or in law.

49.2 Without detracting from the provisions of clause 49.1, the Aggrieved Party may cancel this Agreement at any time by giving to the Defaulting Party notice of the cancellation if:

- (1) the Defaulting Party commits a material breach of this Agreement which cannot be corrected;
- (2) the Defaulting Party is, other than for the purposes of reconstruction or amalgamation, placed under voluntary or compulsory sequestration, winding-up, judicial management, business rescue or the equivalent of any of these in any country;

- (3) a judgment against the Defaulting Party which cannot be appealed; or
- (4) the Defaulting Party makes or offers to make a general assignment or any arrangement or composition with or for the benefit of its creditors generally (or any class of its creditors) for releasing it wholly or partially from its debts.

49.3 Any cancellation of this Agreement by the Aggrieved Party will be effective once a cancellation notice has been received by the Defaulting Party (in the case of a material breach) or the date of the breach (in circumstances mentioned in clauses 49.1(2), 49.2(3) or 49.2(4)).

49.4 Any cancellation is without prejudice to any claim that either Party may have in respect of any breach of the terms and conditions of this Agreement by the other Party arising before the Agreement was cancelled.

## 50. VARIATION OF THIS AGREEMENT

50.1 This Agreement may be varied by FWT at any time. The variation will be effected by publishing the new version of the Agreement on the Website and will apply immediately after the date of publication unless it is impracticable in the circumstances to do so.

50.2 Alternatively, we may notify you by email whenever a variation of this Agreement is made and provide you with details of same and when such variation will take effect and, if necessary, where you can find a copy of any new version of the Agreement on the Website. You may request, at any time, that we send you a paper copy of the varied Agreement.

50.3 **You acknowledge that by continuing to engage in using the EasyAdvisor Platform, you agree to be bound by any new version of the Agreement, published on the Website, emailed to you or delivered to you in hard copy or by any other manner from time to time.**

50.4 Any amended Agreement, as published on our Website, will supersede any previous agreement on the same subject matter and will govern all services provided on the EasyAdvisor Platform on the date the amended Agreement comes into effect. It is therefore your responsibility to ensure that you are aware of the latest version of the Agreement as published on the Website.

## 51. GENERAL

51.1 This Agreement is the whole agreement between the Parties.

51.2 No indulgence by a Party to another Party, or failure to enforce the terms of this Agreement, will be interpreted as a waiver or be capable of founding an estoppel (estoppel is a legal principle which allows a court to stop a litigant from taking an action which he/she would otherwise be able to take).

51.3 The Parties will do everything reasonable to ensure the effectiveness of this Agreement and the performance of their obligations under the Agreement.

51.4 If a term of this Agreement is illegal or unenforceable, that particular term may be cancelled and the remaining terms of the Agreement will still operate.

51.5 This Agreement is governed by South African law.

51.6 The Parties consent and submit to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Division, Pretoria in regard to all matters arising from this Agreement.

51.7 This Agreement may be executed in counterparts, each of which will be an original and which together constitute the same agreement. Signature of this Agreement by the Parties sent electronically by fax, email or by electronically accepting the terms and conditions on the EasyAdvisor Platform and/or Website will be treated as the Party's original signatures for all purposes under this Agreement. Sending copies of this Agreement and the pages requiring signatures by fax, by email in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original appearance of the Agreement, or by a combination of these methods, will be effective execution and delivery of this Agreement to the Parties and may be used as an original Agreement for all purposes. **You acknowledge that by continuing to engage in any activity using the EasyAdvisor Platform, you agree to be bound by the latest version of the Agreement, published on the EasyAdvisor Platform and/or the Website, emailed to you or delivered to you in hard copy or by any other manner from time to time.**



51.8 You authorise FWT to telephone or otherwise contact you at any time in order to discuss any aspect of FWT's or its Affiliates' business(es).