

CLIENT AGREEMENT

between

the Client as defined in the Standard Online Share Trading Mandate (“the **Client**”)

and

SBG Securities Proprietary Limited with company registration number: 1972/008305/07 (“**SBG Sec**”)

1. INTERPRETATION

- 1.1. In this Agreement, unless otherwise clearly indicated by, or inconsistent with, the context:
 - 1.1.1. each word or expression used in this Agreement bears the meaning assigned to it in Clause 2 below,
 - 1.1.2. this Agreement must be read in conjunction with the Mandate, Online Terms and Conditions and the relevant agreements governing the OTC Derivative Instruments,
 - 1.1.3. the singular includes the plural and *vice versa*,
 - 1.1.4. a reference to a person includes a juristic person,
 - 1.1.5. one gender includes the other and neuter, and
 - 1.1.6. “Clause” means a separate numbered provision of this Agreement.
- 1.2. The rule of interpretation that this Agreement must be interpreted against the party responsible for its drafting, does not apply to this Agreement.

2. DEFINITIONS

- 2.1. “**Agreement**” means this agreement and all annexes or schedules thereto.
 - 2.2. “**Available Trading Funds**” means the sum of the cash balance and the Daily P&L Amount, as displayed in the Client’s account on the Site.
 - 2.3. “**Business Day**” means any day other than a Saturday, Sunday or official public holiday in the Republic of South Africa and on which the relevant securities exchange is open for trading, the relevant clearance system is open for acceptance and execution of settlement transactions and SBG Sec and the Corporate and Investment Banking Division of Standard Bank is open for
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regular business in Rosebank and Johannesburg.

- 2.4. **“CFD”** means a Contract for Difference which is an OTC Derivative Instrument.
- 2.5. **“Close-Out”** means the cancellation of a position in one direction with an equal and opposite position or by way of any other method as deemed appropriate by SBG Sec.
- 2.6. **“Corporate Event”** means any action by an issuer of an Underlying Asset affecting the holder’s entitlement to the benefits relating to that Underlying Asset. This includes, but is not limited to, dividends (whether in cash or in securities) or any subdivision, consolidation, reclassification, unbundling, takeover, merger, tender-offer, spin-off, capital reduction, rights issue, share conversion, or share redemption.
- 2.7. **“Daily P&L Amount”** means, at any time in the day, the sum of the Client’s profits and losses on all the Client’s margined Positions.
- 2.8. **“DWT”** means Dividend Withholding Tax.
- 2.9. **“ECTA”** means Electronic Communications and Transactions Act, 25 of 2002, as amended, supplemented or substituted from time to time.
- 2.10. **“FAIS”** means the Financial Advisory and Intermediary Services Act, 37 of 2002, as amended, supplemented or substituted from time to time.
- 2.11. **“FAIS Statutory Disclosure”** means the statutory disclosure in terms of FAIS which is available on the Site, as amended, supplemented or substituted from time to time.
- 2.12. **“Fee Schedule”** means the fee schedule which is available on the Site, as amended, supplemented or substituted from time to time.
- 2.13. **“FMA”** means the Financial Markets Act, 19 of 2012, as amended, supplemented or substituted from time to time.
- 2.14. **“Independent Amount”** means the amount payable by the Client to Standard Bank in terms of the Credit Support Annex to the ISDA Master Agreement, in respect of any OTC Derivative Instruments.
- 2.15. **“ISDA Master Agreement”** means the 2002 ISDA Master Agreement as published by the International Swaps and Derivatives Association, Inc, including all schedules and annexes thereto, which is concluded between the Client and Standard Bank.
- 2.16. **“ITA”** means the Income Tax Act, 58 of 1962, as amended, supplemented or substituted from time to time.
- 2.17. **“JSE”** means the JSE Limited t/a The Johannesburg Stock Exchange, a company duly registered and incorporated with limited liability in terms of the company laws of the Republic of South Africa, licenced to operate an exchange under FMA.
- 2.18. **“Long Position”** means one or more OTC Derivative Instruments acquired by the Client in terms of which:

- 2.18.1. in relation to CFDs,
- 2.18.1.1. where the price of the Underlying Asset has appreciated the Client agrees to receive the difference between the opening and closing value of the Underlying Asset over a period of time; or
- 2.18.1.2. where the price of the Underlying Asset has depreciated the Client agrees to pay the difference between the opening and closing value of the Underlying Asset over a period of time; or
- 2.18.2. in relation to other OTC Derivative Instruments, the Client has the right or obligation to buy or sell the Underlying Asset at the agreed price on or before a future date in accordance with the terms and conditions of the relevant OTC Derivative Instrument.
- 2.19. **“Online Terms and Conditions”** mean the SBG Sec Standard Online Share Trading terms and conditions as amended, supplemented or substituted from time to time and as displayed on the Site.
- 2.20. **“OST Mandate”** means the SBG Sec Standard Online Share Trading mandate as amended, supplemented or substituted from time to time.
- 2.21. **“OTC Derivative Instrument”** means an over-the-counter derivative instrument acquired by the Client or Standard Bank or an over-the-counter derivative transaction or contract concluded between the Client and Standard Bank, the terms of which are governed by the ISDA Master Agreement and may include CFDs or other over-the-counter derivative transactions or contracts such as options, forwards and swaps.
- 2.22. **“Position”** means either a Long Position or a Short Position.
- 2.23. **“Premium”** means the amount payable to Standard Bank in accordance with the terms of an OTC Derivative Instrument.
- 2.24. **“SARS”** means the South Africa Revenue Service or any successor thereto.
- 2.25. **“Site”** means the SBG Sec Standard Online Share Trading website, with the following link: (<https://securities.standardbank.co.za/ost/>) and/or Standard Online Share Trading mobile application.
- 2.26. **“Short Position”** means one or more OTC Derivative Instruments acquired by the Client in terms of which:
- 2.26.1. in relation to CFDs,
- 2.26.1.1. where the price of the Underlying Asset has appreciated the Client agrees to pay the difference between the opening and closing value of the Underlying Asset over a period of time; or
- 2.26.1.2. where the price of the Underlying Asset has depreciated the Client agrees to receive the difference between the opening and closing value of the Underlying Asset over

a period of time; or

- 2.26.2. in relation to other OTC Derivative Instruments, the Client has granted the right or obligation to another person to buy or sell the Underlying Asset at the agreed price on or before a future date in accordance with the terms and conditions of the relevant OTC Derivative Instrument.
- 2.27. **“Standard Bank”** means The Standard Bank of South Africa Limited with company registration number: 1962/000738/06.
- 2.28. **“STT”** means securities transfer tax in terms of the STT Act.
- 2.29. **“STT Act”** means the Securities Transfer Tax Act, 25 of 2007, as amended, supplemented or substituted from time to time.
- 2.30. **“TAA”** means the Tax Administration Act, 28 of 2011, as amended, supplemented or substituted from time to time.
- 2.31. **“Underlying Asset”** means any security or index as defined and contemplated in the FMA or any other underlying instruments, agreements or contracts expressly agreed to between SBG Sec and the Client.
- 2.32. **“Value Available Before Auto Close-Out”** means the sum of the Available Trading Funds, the additional margin amount as described in Clause 8.2 and any other funds being withheld on unconfirmed orders in respect of any instruments or transactions.

3. AGREEMENTS BINDING

- 3.1. The Client accepts this Agreement electronically in accordance with the ETCA as provided for at the end hereof and acknowledges and confirms that he/she/it has read and understands and will be bound by the respective agreements, including without limitation the ISDA Master Agreement.
- 3.2. By accepting this Agreement as contemplated above, the Client represents and warrants that he/she/it has read the FAIS Statutory Disclosure on the Site and that he/she/it is aware that it may be updated, supplemented or substituted from time to time and when provided with any notice of its amendment or update, the Client will be deemed to have read such amended or updated FAIS Statutory Disclosure.
- 3.3. By accepting this Agreement as contemplated above, the Client represents and warrants that he/she/it has read the Fee Schedule on the Site and that the Fee Schedule may be amended, supplemented or substituted from time to time in accordance with the provisions of the OST Mandate. When provided with any notice of its amendment or update, the Client will be deemed to have read and agreed to such amended or updated Fee Schedule.

4. APPOINTMENT (NON-DISCRETIONARY)

The Client appoints SBG Sec and SBG Sec accepts the appointment to trade in OTC Derivative Instruments without discretion and only in response to an order from the Client, or if required to do so in terms of the provisions of this Agreement.

5. CONDITIONS PRECEDENT

This Agreement will be of no force and effect until the Client has accepted the terms of the ISDA Master Agreement prior to being authorised to trade *via* the Site. This Agreement will be of no force and effect until the Client has been registered on the Site and if applicable has paid any amount required in terms of this Agreement or the ISDA Master Agreement.

6. RISK ACKNOWLEDGEMENT

The Client acknowledges and warrants that he/she/it:

- 6.1. has read the OTC Risk Disclosure Statement attached hereto as Annex A and fully understands the contents thereof,
- 6.2. understands that Standard Bank, with whom the Client may trade, determines its prices at its sole and absolute discretion,
- 6.3. understands the manner in which OTC Derivative Instruments are priced, that factors that influence prices, such as, but not limited to, liquidity, securities borrowing rates, interest rates, ordinary dividends, special dividends, capital reductions and other Corporate Events of whatever nature and commissions, taxes and levies may change without notice, thus affecting the price or other terms of OTC Derivative Instruments and hence the Positions held by the Client, and
- 6.4. understands that certain Corporate Events, such as, but not limited to, capital reductions, special dividends, unbundling, spin-offs, share splits, mergers, acquisitions and share consolidations may affect the quantity or other terms of the OTC Derivative Instruments and hence the Positions held by a Client subsequent to such Corporate Events, and
- 6.5. understands that Standard Bank has the sole and absolute discretion as to the determinations and calculations of any adjustments to be made to prices or other terms of the OTC Derivative Instruments as Standard Bank determines in its sole and absolute discretion as appropriate to account for the economic effect that any of the above factors or events referred to in Clauses 6.3 and 6.4 may have on the OTC Derivative Instruments and/or to preserve as nearly as practicable the economic terms of the relevant OTC Derivative Instruments, whichever may be in Standard Bank's sole and absolute discretion the appropriate action to take.

7. OBLIGATIONS OF SBG SEC

SBG Sec:

- 7.1. will endeavour, but is not obliged, to confirm to the Client that any instruction has been executed and will not be responsible for any accidental delay or inaccuracy in the execution of the Client's instructions,
- 7.2. may report to the Client in writing by electronic messaging system or by electronic mail ("email") whenever a trade is done and such report may include details of the OTC Derivative Instrument, the price, the number of OTC Derivative Instruments, the time of the instruction to trade, the time at which the trade was done, the fees and commissions payable and other details relevant to the trade, and

- 7.3. will maintain records of any trading and of the Client's Positions and will take all reasonable steps to provide the Client with any information that the Client acting in good faith and in a commercially reasonable manner requires relating to the Positions of the Client. However, the primary obligation to monitor the OTC Derivative Instruments and his/her/its Positions on the Site remains solely that of the Client.

8. ADDITIONAL MARGIN, INDEPENDENT AMOUNTS AND WITHDRAWALS FROM CLIENT'S ACCOUNT

- 8.1. SBG Sec is authorised to withdraw from the Client's account any Independent Amount, any Premium, any additional margin (as contemplated in Clause 8.2 below), any debit interest (as contemplated in Clause 8.3 below) and any such other amounts as are required from time to time to settle any amounts due in the course of acquiring, disposing or maintaining any OTC Derivative Instruments and hence the Client's Positions on behalf of the Client and to effect such other payments as are necessary in the operation of the Client's account.
- 8.2. In addition, the Client shall pay to SBG Sec an amount of additional margin equal to a factor of the Independent Amount. This factor will be disclosed to the Client on the Site, from time to time, and may be changed by SBG Sec in its sole and absolute discretion without notice to the Client.
- 8.3. The Client acknowledges and accepts that from time to time as a result of the withdrawals contemplated above the cash balance in the Client's account may become negative and would commence incurring debit interest at the prevailing debit interest rate applied by SBG Sec as notified from time to time. If the Client does not forthwith make a payment equal to the negative cash balance to settle the negative amount, SBG Sec will be charging debit interest to the Client which the Client accepts to be immediately due and payable.

9. CAPACITY – ACTING AS PRINCIPAL

The Client hereby acknowledges and confirms that he/she/it understands that any OTC Derivative Instrument will be acquired by Standard Bank and the Client in their respective principal capacities and the Client may not act as agent for any unnamed or undisclosed principal. The Client will at all times be liable as principal to Standard Bank, notwithstanding the fact that the Client may have acted as an agent for an undisclosed or unnamed principal.

10. TRADING LIMITS AND POSITION LIMITS

SBG Sec will advise the Client of any trading limits or Position limits which may from time to time be imposed by SBG Sec or Standard Bank in the sole and absolute discretion of each of these entities. Neither SBG Sec nor Standard Bank will be required to provide any reasons to the Client or any authorised representative of the Client for the imposition of the relevant trading limits or Position limits. The Client shall without further ado comply with the relevant trading limits and Position limits, failing which SBG Sec and Standard Bank has the right to forthwith close any Positions in excess of the relevant trading limits or Position limits out by way of Close-Out as defined above.

11. EXPIRY OF OTC DERIVATIVE INSTRUMENTS (EXCLUDING CFDS)

- 11.1. If the Client holds a Long Position at the close of business on the expiry date of an OTC Derivative Instrument, SBG Sec will only take delivery of the Underlying Assets on behalf of the Client if:

- 11.1.1. in the case where the OTC Derivative Instrument is an option, the Client has informed SBG Sec in writing in advance of his/her/its intention to exercise the option, alternatively where such option is exercised automatically no such notice is required, and
- 11.1.2. (i) in the case where the OTC Derivative Instrument is an option and SBG Sec had been informed or automatic exercise is applicable, or (ii) where the relevant OTC Derivative Instrument is a derivative transaction or derivative contract other than an option and, in both instances, SBG Sec has agreed to take delivery of the Underlying Asset, and
- 11.1.3. the Client has enough money available in the trading account by 12:00 noon on the Business Day which is two (2) Business Days prior to the expiry date of the option or the delivery date of the other derivative transaction or derivative contract to cover the cost of acquisition of such Underlying Assets, including without limitation all commissions, levies, costs and taxes applicable to the delivery, transfer and settlement of such Underlying Assets.
- 11.2. The Client irrevocably authorises SBG Sec to make delivery of and transfer the Underlying Assets if the Client holds a Short Position at the close of business on the expiry date or valuation date of an OTC Derivative Instrument.
- 11.3. Any profits or losses and costs incurred on the Client's account by actions of the SBG Sec in terms of Clauses 11 and 12 shall be for the account of the Client and shall be immediately due and payable by the Client to SBG Sec.

12. AUTOMATIC CLOSE-OUT AND CANCELLATION OF PENDING ORDERS

- 12.1. Some or all of a Client's OTC Derivative Instrument Positions may be closed out by SBG Sec by way of Close-Out as defined in the sole and absolute discretion of SBG Sec, at any time on any day (i) before opening of trading on the relevant securities exchange, (ii) during the trading day on the relevant securities exchange, and/or (iii) after close of trading on the relevant securities exchange, in accordance with the applicable provisions of this Clause 12, if the Value Available Before Auto Close Out is a negative amount.
- 12.2. The automatic close-out ("Auto Close-Out") feature of the risk management system of SBG Sec may close automatically a sufficient quantity of the Client's Positions in OTC Derivative Instruments held in the Client's portfolio out by way of Close-Out as defined above, so as to ensure that the value of the available trading funds is no longer negative. The above Auto Close-Out of any OTC Derivative Instruments may be in conjunction with or in addition to the automatic close-out of any other contracts in terms of the relevant rules of the relevant securities exchange or the relevant contracts in connection with transactions on the relevant securities exchange between SBG Sec and the Client, as determined by SBG Sec in its sole and absolute discretion.
- 12.3. Auto Close-Out will only occur at any time during which the relevant securities exchange is open for trading during its regular trading session.
- 12.4. If applicable, any unmatched orders placed by the Client may be cancelled in order to execute the Auto Close-Out or the Close Out order, as the case may be.

12.5. In respect of any OTC Derivative Instrument where an order placed by a Client has not been confirmed by Standard Bank at least one hour prior to the close of the regular trading session of the relevant securities exchange on the date of expiry of that OTC Derivative Instrument, SBG Sec will cancel such pending order and will also prohibit any further trade in such OTC Derivative Instrument.

13. STOP LOSS OR TAKE PROFIT

13.1. The Client may place advance instructions on the Site. Each advance instruction must contain a trigger condition and the required order parameters. An advance instruction will be irrevocable after the relevant trigger condition applicable to the relevant advance instruction has occurred. Neither SBG Sec nor Standard Bank will be liable for any damage or loss suffered by the Client as a result of the movement of the market price between the time that the trigger condition has occurred and the time that the order relating to the advance instruction is sent to market by SBG Sec. Neither SBG Sec nor Standard Bank will be liable for any damage or loss suffered by the Client as a result of the movement of the market price between the time that the order relating to the advance instruction is sent to the market and the time that such order is executed or fails to be executed in the market. Any such order that fails to be executed by the close of market on the day on which the order was sent to the market, will automatically be cancelled.

13.2. The Client may (i) change, (ii) cancel and (iii) ascertain the status of all his/her/its advance instructions on the Site prior to the occurrence of the relevant trigger condition.

13.3. To the extent that the Client's Position in any OTC Derivative Instrument changes after an advance instruction has been placed by the Client, such advance instruction may be automatically cancelled (or, depending on the nature of the relevant advance instruction, may not be automatically cancelled) and the Client acknowledges that, where appropriate, it is solely the Client's obligation to amend the advance instruction to bring it in line with the relevant change in the Client's relevant Position. Neither SBG Sec nor Standard Bank shall be liable for any damage or loss suffered by the Client as a result of any advance instruction that is cancelled and therefore not executed following such change to the Client's Position. If the execution of any advance instruction is to result in crossing the zero threshold (in other words, it is to result in the Client switching between a Long Position and a Short Position or *vice versa*), such advance instruction will be automatically cancelled upon the occurrence of the relevant trigger condition. SBG Sec may notify the Client by electronic messaging system, including email, if an advance instruction has automatically been cancelled as contemplated in the foregoing sentence, however SBG Sec shall not be liable for any damage or loss suffered by the Client should such notification not be sent by SBG Sec to the Client.

13.4. Notwithstanding the provisions of this Clause 13 or any other relevant provisions of this Agreement, the Client specifically acknowledges that SBG Sec does not guarantee that an order sent by SBG Sec to the market following the occurrence of a trigger condition relating to an advance instruction will be executed. Further, the Client hereby specifically acknowledges that he/she/it is solely responsible to ensure that he/she/it monitors and manages his/her/its OTC Derivative Instruments and Positions at all times and not to solely rely on any advance instructions provided to SBG Sec.

- 13.5. Any OTC Derivative Instrument acquired or disposed of as a result of an such advance instruction as contemplated in this Clause 13 will be done in accordance with the relevant provisions of the ISDA Master Agreement.

14. TELEPHONE CALLS

The Client acknowledges, confirms and consents that SBG Sec may record all telephone calls. With respect to such telephone calls, the recording may be admissible in any dispute resolution proceedings as contemplated herein.

15. FEES

SBG Sec will levy fees for services rendered in accordance with the provisions displayed on the Site and the Client hereby undertakes to pay such amount on the due date for the payment thereof.

16. DISCLOSURE TO THIRD PARTIES

SBG Sec undertakes not to disclose confidential information relating to the Client except where such disclosure is:

- 16.1. made to a regulatory body with competent jurisdiction,
- 16.2. made under compulsion of law,
- 16.3. in compliance with a duty to the public to disclose,
- 16.4. necessary to further the legitimate interests of SBG Sec, or
- 16.5. made with the consent of the Client, which consent the Client will not unreasonably withhold.

17. CLIENT WARRANTIES AND UNDERTAKINGS

- 17.1. The Client warrants that the information set out in this Agreement and in the Client details as completed on the Site are in all respects true and correct.
- 17.2. The Client undertakes to keep SBG Sec informed of any changes in the information furnished in terms of Clause 17.1.
- 17.3. The Client acknowledges that SBG Sec will at all times act on the information and Client details available on the Site at the time of SBG Sec's conduct or action, and that SBG Sec will not be liable for any action taken or conduct based on information or details which are incorrect.

18. BREACH BY CLIENT

Time is of the essence and shall in future be of the essence for the performance by the Client of any obligation under this Agreement and the ISDA Master Agreement.

19. DIVIDEND CESSION, STT AND DWT

- 19.1. In terms of the STT Act, STT is payable by the recipient of a dividend where such dividend is received by means of any cession of dividends before 1 April 2012. The aforementioned statement however does not constitute tax advice and all Clients are accordingly advised to obtain the appropriate advice from his/her/its tax advisor.
- 19.2. The Client hereby authorises and instructs SBG Sec to retain and pay to SARS on his/her/its behalf the STT due (where applicable) in respect of any OTC Derivative Instruments which incorporate a cession of dividends.
- 19.3. The Client acknowledges that he/she/it will be liable for all DWT in respect of any and all dividends (other than a dividend in specie) that are ceded to him/her/it in respect of any OTC Derivative Instruments, which will be levied at the rate stipulated in the ITA from time to time and calculated on the amount of such dividends.
- 19.4. The Client hereby consents to and authorises SBG Sec, as an authorised regulated intermediary and in terms of the ITA, to deduct DWT from any and all gross dividends ceded and paid to him/her/it in respect of any OTC Derivative Instruments which incorporate a cession of dividends and to only pay to him/her/it the net amount of such dividends and to pay the DWT to SARS on his/her/its behalf.
- 19.5. If any of the exemptions as provided for in Section 64F of the ITA are applicable to the Client, he/she/it will complete the Beneficial Owner Declaration of Status ("DTD (EX)" or "DTD (RR)"), as prescribed by SARS, and deliver the fully completed and signed declaration (together with the supporting documentation thereto) to SBG Sec. The Client acknowledges and agrees that the full DWT will be withheld by SBG Sec, in respect of any and all dividends ceded paid to him/her/it, until the DTD (EX) or DTD (RR) (as the case may be) has been (i) duly completed and signed by the Client and (ii) received and processed by SBG Sec.
- 19.6. The Client undertakes to inform SBG Sec immediately should any circumstances change which would result in any exemption no longer being applicable and SBG Sec will withhold DWT from the date of receipt of the changed status notification. The Client will have no claim against SBG Sec as a result of my failure to notify SBG Sec timeously of such changes in terms of this Clause.
- 19.7. Notwithstanding Clause 19.6 above, the Client understands and agrees that in terms of the ITA if DWT was withheld in respect of any dividend payment made to him/her/it in respect of any OTC Derivative Instruments which incorporate a cession of dividends by SBG Sec in circumstances where an exemption was applicable, the Client may apply to SBG Sec for a refund of such DWT, provided that (i) such application is submitted to SBG Sec within a period of 3 (three) years calculated from the date of the respective net dividend payment by SBG Sec to him/her/it and (ii) that the Client submits the requisite declaration and supporting documentation to SBG Sec's complete satisfaction. SBG Sec will reasonably endeavour to refund the amount of DWT withheld within a period of 1 (one) year from the date of the submission of the said application and declaration. It is specifically recorded and agreed that SBG Sec will only accept claims for refunds in respect of DWT which had been previously withheld by it and not by any other third party.
- 19.8. The Client hereby gives express authority/permission to SBG Sec to pass any and all of his/her/its information and/or documentation to SARS. The Client acknowledges that SBG Sec, as an

authorised regulated intermediary in terms of the ITA and in terms of the TAA, is obligated to submit such information and/or documentation to SARS. To the extent that the Client has not provided SBG Sec with the relevant documentation and/or information, the Client hereby consents that Standard Bank may provide SBG Sec with such information and/or documentation.

20. DURATION

This Agreement is effective as from the time the conditions in Clause 5 have been fulfilled until it is terminated as provided for under this Agreement. A party may terminate this Agreement by giving written notice to the other party in the manner provided in this Agreement, provided that such termination will not:

- 20.1. affect the rights or obligations of the parties in terms of this Agreement which may have arisen or are in existence at the date of such notice or at the date of termination of this Agreement, or
- 20.2. entitle the Client to claim or withdraw from the account referred to in Clause 8 any money held to secure the obligations of the Client, until such obligations have been settled.

21. DISPUTE RESOLUTION

- 21.1. SBG Sec and the Client will endeavour to resolve any dispute arising from this Agreement amicably. SBG Sec will investigate the cause of the dispute with a view to resolve it as soon as it is practically possible, given the nature of the dispute and the availability of information, capacity and documents.
- 21.2. Failing amicable resolution in terms of Clause 21.1, and provided that the dispute involves an OTC Derivatives Instrument involving the JSE or relates to JSE authorised investments, the dispute will be referred to the JSE Surveillance Department and finally determined by mediation or arbitration as contemplated in the rules of the JSE.
- 21.3. In all other cases, failing amicable resolution, the dispute will be referred to and resolved by arbitration. The arbitration will be conducted in terms of the then prevailing Commercial Rules of the Arbitration Foundation of Southern Africa ("AFSA"). The seat of the arbitration will be Sandton. The arbitration will be conducted in English. The parties to the dispute will agree on an arbitrator which will be a practising or non-practising lawyer with at least 15 years' experience in legal work relating to the financial markets, securities trading, derivative instruments and derivative contracts. If the parties cannot agree on an arbitrator, the arbitrator will be appointed by the Registrar of AFSA.

22. LAW

This Agreement is governed by and must be construed in accordance with the laws of the Republic of South Africa. To the extent that an action or legal process is not covered by the dispute resolution provisions above, the parties submit to the non-exclusive jurisdiction of High Court of South Africa, (Gauteng Local Division, Johannesburg or any successor thereto).

23. RELAXATION

No latitude, extension of time or other indulgence which may be given or allowed by a party to the other

party in respect of the performance of any obligation under this Agreement or the enforcement of any right arising from this Agreement, and no single or partial exercise of any right by any party, will under any circumstances be construed as an implied consent by such party or operate as a waiver or a novation of or otherwise affect the rights of any party under this Agreement or prevent such party from enforcing strict and punctual compliance with each and every provision or term hereof.

24. VARIATION

- 24.1. No addition or variation, consensual cancellation or novation of this Agreement and no waiver of any right arising from this Agreement or its breach or termination will be of any force or effect unless reduced to writing and signed by both the parties or their duly authorised representatives or accepted electronically on the Site through a click-wrap agreement.
- 24.2. Save for Clause 24.1 above, SBG Sec may make unilateral changes to the Mandate and the Online Terms and Conditions and any such changes will be posted on the Site for viewing or downloading. If the Client proceeds to use the services after such notification has been posted on the Site, the Client will be deemed to have accepted the amended Mandate and the amended Online Terms and Conditions.
- 24.3. The Client may update his/her/its contact details by completing the required fields on the Site.
- 24.4. Notice of any addition or variation, consensual cancellation or novation made in terms of any of the Clauses 24.1 to 24.3 above will be indicated to the Client on the Site or via email or in writing.

25. WHOLE AGREEMENT

This Agreement, the Mandate and the Online Terms and Conditions, read with any approved occurrences referred to in Clause 24, contains the entire Agreement between SBG Sec and Client and neither of them will be bound by any undertakings, representations or warranties not recorded herein.

26. NOTICES AND DOMICILIA

- 26.1. The parties choose as their *domicilia citandi et executandi* their respective addresses set out in this Clause for all purposes arising out of or in connection with this Agreement at which addresses all processes, communications and notices arising out of or in connection with this Agreement, its breach or termination may validly be served upon or delivered to the parties.
- 26.2. For the purposes of this Agreement the address of the Client is the address as supplied, or amended from time to time, by the Client on the Site.
- 26.3. For the purposes of this Agreement the address of SBG Sec is its principal place of business currently:
Standard Bank Centre, 1st Floor, East Wing, 30 Baker Street, Rosebank, 2196, Johannesburg
or any such future address as is notified to the Client from time to time by giving notice to the Client in writing and/or as furnished on the Site.
- 26.4. Any notice given in terms of this Agreement will, unless sent by electronic means, be in writing and will be deemed, until the contrary is proved, to have been received:

- 26.4.1. at the time of delivery if delivered by hand during normal business hours at the addressee's registered address;
- 26.4.2. by no later than the seventh day after the date of posting if posted by pre-paid registered post from an address within the Republic of South Africa to (i) the Client at his/her/its postal address as recorded on the Site or (ii) to SBG Sec at its postal address as advised on the Site from time to time;
- 26.4.3. on proof of transmission if transmitted by electronic means.
- 26.5. Notwithstanding anything to the contrary contained in this Agreement a communication actually received by one of the parties from another will be adequate written notice or communication to such party.

ANNEXURE A

OTC Risk Disclosure Statement

The risk of loss arising from trading in OTC Derivative Instruments can be substantial. You should carefully consider whether such investments are suitable for you in the light of your circumstances and financial resources. You should be aware of the following points:

1. If the market moves against your Position, you may, in a relatively short time, sustain more than a total loss of the funds placed by way of margin, Independent Amount, Premium or deposit with SBG Sec. You may be required to deposit a substantial additional sum, at short notice, to maintain your margin balances. If you do not maintain your margin balances your Position may be closed out at a loss and you will be forthwith liable for any resulting deficit, which will be immediately due and payable to SBG Sec or Standard Bank, as the case may be.
2. Under certain market conditions it may be difficult or impossible to close out an OTC Derivative Instrument Position. This may occur, for example, where trading in the Underlying Assets is suspended or restricted at times of rapid price movement.
3. Where permitted, placing a stop-loss order will not necessarily limit your losses to the intended amounts, for market conditions may make it impossible to execute such orders at the stipulated price.
4. Markets can be highly volatile and investment in them carries a substantial risk of loss. The high degree of "gearing" or "leverage" which is often associated with OTC Derivative Instruments such as CFDs stems from the payment of what is a comparatively modest deposit or margin when compared with the overall contract value. As a result, a relatively small market movement can, in addition to achieving substantial gains where the market moves in your favour, result in substantial losses which may exceed your original investment where there is an equally small movement against you.
5. SBG Sec or Standard Bank may also be dealers trading for their own account in the same markets as you, in which case their involvement could be contrary to your interests.
6. OTC Derivative Instruments are not acquired or disposed of on any exchange and accordingly the protection offered in respect of such exchange traded contracts is not available in respect of OTC Derivative Instruments. It is therefore important to understand that the risk in such OTC Derivative Instruments is to the other party to such trades, in this instance Standard Bank.
7. Your financial advisor should explain to you the meaning of various terms set out herein and in the Agreement so that you are fully aware of their significance.
8. If you have any doubts or concerns regarding the risks in trading OTC Derivative Instruments you must contact your financial advisor for more detailed information before signing or accepting this statement.
9. Corporate Events on Underlying Assets can have a material effect on the quantity and/or value and/or other terms of an OTC Derivative Instrument. You are responsible for making the necessary enquiries to ensure that you make an informed decision regarding investing in the OTC Derivative Instrument and specifically, but not limited to, any Corporate Events affecting, or which could affect the Underlying Assets. A Corporate Event could increase the risk of investing in the OTC Derivative Instrument.

- 10.** You are responsible for obtaining the necessary approvals and making the relevant disclosures required in terms of the Listing Requirements of the JSE in respect of any OTC Derivative Instruments where you are a director (as defined in the Listing Requirements) of the issuer of the Underlying Assets.
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This brief statement cannot disclose all risks of investment in OTC Derivative Instruments. They are not suitable for many members of the public and you should carefully study such investments before you commit funds to them. They may also have tax and other consequences and on this you should consult your lawyer, accountant or other tax advisor.