CLIENT AGREEMENT

Between

.............................................................................................................................................

(“member”)

and

.............................................................................................................................................

(“client”)

1 Interpretation

1.1 In this agreement, unless otherwise clearly indicated by, or inconsistent with, the context –

1.1.1 the words and expressions used in this agreement bear the same meaning as are assigned
    to them in the Interest Rate and Currency Rules of the JSE (“the rules”);

1.1.2 In the event of conflict between the rules and the provisions of this agreement the provisions
    of the rules shall prevail; and

1.1.3 “clause” means a separate numbered provision of this agreement.

1.2 The rules shall apply mutatis mutandis to this agreement as if incorporated herein.

2 Rules binding

The client by his or her signature hereto acknowledges and confirms that he has read and understood and shall
be bound by the rules.

3 Appointment

(Delete clause which is not applicable)
3.1 Non-discretionary client agreement

The client appoints the member and the member accepts the appointment to trade in instruments listed by the JSE without discretion and only in response to an order from the client.

3.2 Discretionary client agreement

The client hereby appoints the member and the member accepts the appointment to trade with the client in the instruments listed by the JSE on a discretionary basis as defined in the rules or in response to an order from the client, as the case may be.

4 Conditions precedent

This agreement shall be of no force and effect until the client has been loaded on the trading system in terms of the rules and has, if clause 14.4 of this agreement applies, paid the amount to be invested in terms of that clause.

5 Risk acknowledgement

The client acknowledges that he or she has read the Risk Disclosure Statement attached hereto as Annexure A and fully understands the contents thereof.

6 Obligations of member

6.1 The member –

6.1.1 shall endeavour, but shall not be obliged, to confirm to the client that any instruction has been executed and shall not be responsible for any accidental delay or inaccuracy in the execution of the client's instructions;

6.1.2 may report to the client in writing whenever a trade is done and such report shall include details of the IRC security, the price, the number of IRC securities, the time of the instruction to trade, the time at which the trade was done and whether the trade had the effect of opening, closing, increasing or decreasing a position, the fees and commission payable and other details relevant to the trade; and

6.1.3 shall maintain the trading and position records and report to the client as required by rule 10.20, and shall take all reasonable steps to provide the client with any information that the client requires relating to the positions of the client.

6.2 In the case of a discretionary client agreement, the member warrants that he will manage the client's investments in accordance with the investment objectives of the client referred to in clause 14.4.1.

7 Margin and withdrawals from client's account

7.1 The member is authorised to withdraw from the client's account referred to in rule 10.70 such amounts as are required from time to time to settle any amounts due in the course of opening, closing or maintaining any positions on behalf of the client and to effect such other payments as are necessary in the operation of the client's account.

7.2 In terms of rule 8.80 the client shall pay to the member an amount of additional margin equal to a factor of ........% of the initial margin kept by the clearing house. (Complete by inserting amount – insert 0% if not applicable)

8 Trading capacity

The client hereby authorises the member to trade as –

Principal
Agent
Principal or agent

(indicate choice with x)

9 Trading limits

The member shall advise the client of all trading or position limits imposed upon it by its clearing member, if any,
and of all limits imposed by the member on the client.

10 **Telephone calls**

The parties acknowledge and confirm that they are conversant with the provisions of rule 10.30 relating to the tape recording of telephone calls that they shall be deemed irrevocably to have consented thereto.

11 **Reserved**

12 **Fees**

12.1 Fees for services rendered shall be levied by the member in accordance with the rules and the client hereby undertakes to pay such amount on the due date for the payment thereof.

12.2 The member shall give the client 30 days written notice of any change in the fees contained in Annexure B to this agreement.

12.3 The member —

may

may not

*(indicate choice with x)*

charge a fee for any trade with the client when acting as principal.

13 **Disclosure to third parties**

The member undertakes not to disclose confidential information relating to the client except where such disclosure is —

13.1 made under compulsion of law or in terms of the rules;

13.2 in compliance with a duty to the public to disclose;

13.3 necessary to further the legitimate interests of the member; or

13.4 made with the consent of the client.

14 **Client warranties**

The client warrants that

14.1 the information set out as regards him or her in the Client Registration Form and in this agreement is in all respects true and correct;

14.2 he or she will keep the member informed of any changes in the information set out in the documents mentioned in clause 14.1;

14.3 he or she complies and will comply with all the requirements of the rules for acceptance as a client; and

14.4 in the case of a discretionary client agreement, that he or she —

14.4.1 has the following investment objectives set out in Annexure D to this agreement, as amended from time to time;

14.4.2 shall invest R .......... within ........... days of signature hereof, which shall constitute the investments made;

14.4.3 intends to make the investment available for a period of ..... months, subject to clause 14.4.1, starting on ............ 20......, after which the period will automatically be extended by the number of months as stipulated above, subject to clause 19;

*(Complete 14.4.2 and 14.4.3)*

14.4.4 is entitled at any time to require the payment to him or her of any funds in the name of
15 Breach by client

15.1 Time shall be of the essence for the performance by the client of any obligation under this agreement and the rules including, but not limited to, a breach of rule 10.100.

15.2 The provisions of rules 11.10 and 11.20 shall apply in case of any breach by the client of his or her obligations under this agreement.

16 Breach by member

16.1 Should the member fail to fulfil any obligation to the client in terms of this agreement the client shall immediately inform the JSE of the details of such breach.

16.2 The provisions rules 11.10 and 11.30 or 11.40, as the case may be, may be invoked in the case of any breach by the member of its obligations under this agreement.

17 Voluntary termination

A party shall be entitled to terminate this agreement by giving written notice to the other party in the manner provided in this agreement, provided that such termination shall not —

17.1 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;

17.2 entitle the client to claim or withdraw from the account referred to in clause 7 any monies held to secure the obligations of the client, until such obligations have been settled.

18 Arbitration

Any dispute arising out of or in connection with this agreement or the subject-matter of this agreement, shall be resolved by arbitration or mediation in terms of section 5 of the rules.

19 Law

19.1 This agreement shall be governed by, and construed in accordance with, the laws of the Republic of South Africa.

19.2 Subject to the provisions of clause 18, the parties submit to the jurisdiction of the South African courts.

20 Relaxation

20.1 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, shall 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 term hereof.

20.2 The provisions of rule 10.100 of the rules shall otherwise apply to any such relaxation or indulgence.

21 Variation

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 shall be of any force or effect unless reduced to writing and signed by both the parties or their duly authorised representatives: Provided that no such addition, variation, novation or waiver shall, except in the case of any addition or variation to Annexures C and D, be effected without the prior approval of the executive officer.

22 Whole agreement

This Agreement, read with any approved occurrences referred to in clause 21, contains the entire agreement between the member and client and neither of them shall be bound by any undertakings, representations or warranties not recorded herein.

23 Notices and domicilia

23.1 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.

23.2  For the purposes of this agreement the respective addresses shall be as follows -

The member
Address: 

Telephone number: 
Facsimile: 
E-mail: 

The Client
Address: 

Telephone number: 
Facsimile: 
E-mail: 

or at such other address, not being a post office box or poste restante, or number of which the party concerned 
may notify the other in terms of this agreement.

23.3  Any notice given in terms of this agreement shall, unless sent by electronic means, be in writing and shall 
be deemed, until the contrary is proved, to have been received –

23.3.1  at the time of delivery if delivered by hand during normal business hours at the addressee's 
registered address;
23.3.2  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 the addressee at the addressee's 
registered address;
23.3.3  on proof of transmission if transmitted by facsimile or electronic means.

23.4  Notwithstanding anything to the contrary contained in this agreement a communication actually received 
by one of the parties from another shall be adequate written notice or communication to such party.

Thus done and signed at ...............................................................................................................................................
on this the .............................................................. day of .............................................................. 20...........

..............................................................................................  
Full name  
For the member  
(who warrants that he is duly authorised to bind the member).
As Witnesses:

1. ................................................................. .................................................................
   Full name
2. ................................................................. .................................................................
   Full name

Thus done and signed at .........................................................................................................................

on this the ................................................ day of ................................................................. 20...........

................................................................. .................................................................
   Full name                                    For the client
                                     (who warrants that he is duly authorised
to bind the client).

As Witnesses:

1. ................................................................. .................................................................
   Full name
2. ................................................................. .................................................................
   Full name

ANNEXURE A

Risk Disclosure Statement

This risk disclosure statement is made pursuant to the rules. The risk of loss arising from trading in futures and options 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 or deposit with your member. 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 liable for any resulting deficit.

2. Under certain market conditions it may be difficult or impossible to close out a position. This may occur, for example, where trading 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. A spread or straddle position may be as risky as a simple long or short position and can be more complex.

5. Markets in futures and options can be highly volatile and investments in them carry a substantial risk of loss. The high degree of "gearing" or "leverage" which is often obtainable in trading these contracts 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.

6. When your member deals on your behalf, you should allow this only in contracts listed on the JSE. Should you deal in contracts not listed on the JSE, then you do so at your own increased risk.
7. Prior to the commencement of trading, you should require from your member written confirmation of all current commissions, fees and other transaction charges for which you will be liable.

8. Members 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.

9. You should carefully consider whether your financial position permits you to participate in a syndicate. Areas of particular concern are —
   9.1 charges for management, advisory and brokerage fees;
   9.2 the performance record of the syndicate and for how long it has been operating; and
   9.3 the credibility of management.

10. Your member should explain to you the meaning of various terms set out herein so that you are fully aware of their significance.

11. If you have any doubts or concerns regarding the risks in trading futures and options you may contact the JSE for more detailed information before signing this statement.

This brief statement cannot disclose all risks of investment in futures and options. 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 consequences and on this you should consult your lawyer, accountant or other tax advisor.

ANNEXURE B
Fees schedule
The fees referred to in clause 12 of this agreement, will be as follows:

ANNEXURE C
Investment objectives of client
The investment objectives of the client as envisaged in clause 14.4.1 of this agreement shall be as follows:

……………………………………………………………………………………………………………………………………………………
……………………………………………………………………………………………………………………………………………………
……………………………………………………………………………………………………………………………………………………

NOTE:
Any later amendments to Annexures B or C must be attached to this agreement, properly signed and dated.