

Application Procedure Guidelines for Baskets

This operational guideline sets out the procedural and documentation requirements for each type of investor, e.g. direct cash client or asset swap client.

(1) Direct Cash Clients / Using Offshore Funds

(Minimum subscription amount AUD30, 000 per investor)

- Client completes application form neatly, please ensure that the relevant **boxes are ticked** and **all questions are completed – the administrator will revert and request any outstanding information.** Please ensure that the **client has signed** under the declaration on page 5 in the space provided.
- **Upfront product fees** (where applicable) will be deducted by the administrator and paid directly to the distributor's bank account. Complete section 1 point 2 of the application form "Upfront fee to be deducted by the administrator in AUD ____". (maximum of 2% plus VAT if applicable)
- **Distribution fees** of 0.7% will be calculated automatically by the administrator annually in advance and paid directly to the distributor's bank account.
- Client ensures that the necessary **FICA/KYC documents** are **completed** and **attached** to the application form (please refer to Annexure 1 which is attached to the application form);
- Client **transfers money** to China Seas Basket Limited. The bank details for banker's use are:

SWIFT Field 56	Correspondent bank	: National Australia Bank Melbourne Australia
	SWIFT address	: NATAAU33
	BSB	: 083-011
SWIFT Field 57	For credit to	
	Account number	: 1803 068888 500
	Account name	: Investec Bank (Channel Islands) Limited
	Address	: Investec House, La Plaiderie, St Peter Port, Guernsey
	SWIFT address	: GMGUGGSP
SWIFT Field 59	Beneficiary	: <u>02299601</u> Account number at Investec Bank (CI) Ltd <u>PPFS China Seas Basket Limited Client Monies</u> Account name at Investec Bank (CI) Ltd
	Currency	: AUD (Australian Dollars)
	IBAN	: GB64GMGU40481502299601
	Sort Code	: 40-48-15
	REFERENCE	: INVESTOR'S NAME (important!)

- Docex the above documents to **Bobby Niehaus** or **Megan Clegg** at DOCEX 46 Cape Town or courier to 5th floor Investec Bank, 36 Hans Strijdom Avenue, Cape Town, 8001.
- Your client will receive a **share confirmation letter** stating their investment details (posted directly from Guernsey) and you will be sent a scanned copy of this letter by the ICM team.

(2) Direct Cash Clients / Using R4m Allowance

(Minimum subscription amount AUD30, 000 per investor)

- Client completes application form neatly, please ensure that the relevant **boxes are ticked** and **all questions are completed – the administrator will revert and request any outstanding information**. Please ensure that the **client has signed** under the declaration on page 5 in the space provided.
- **Upfront product fees** (where applicable) will be deducted by the administrator and paid directly to the distributor's bank account. Complete section 1 point 2 of the application form "Upfront fee to be deducted by the administrator in AUD ____". (maximum of 2% plus VAT if applicable)
- **Distribution fees** of 0.7% will be calculated automatically by the administrator annually in advance and paid directly to the distributor's bank account.
- Client ensures that the necessary **FICA/KYC documents** are **completed** and **attached** to the application form (please refer to Annexure 1 which is attached to the application form);
- Client ensures that they have an original **Tax Clearance Certificate** for the ZAR amount that they wish to transfer (we will gladly provide you with the tax clearance application form).
- Consultant to ensure that a photocopy of the **FICA docs** provided with the application form are sighted by a Commissioner of Oaths/or similar and **the copies are attached to the Tax Clearance Certificate**
- Client ensures that they complete and sign an **MP1423 form as well as a BOP form** (we can provide you with these forms)
- Client **transfers the funds to Investec Forex's banking account** (we will provide this when requested) ensuring they use their **name as a reference**
- A consultant from the trading desk will contact the client when the funds arrive in the Forex bank account and will agree the rate and the trade will take place.
- Proof of the forex trade will be sent to the client.
- Your client will receive a **share confirmation letter** stating their investment details (posted directly from Guernsey) and you will be sent a scanned copy of this letter by the ICM team.

VERY IMPORTANT: THE INVESTMENT MAY BE REJECTED IF THE APPLICATION FORM OR FICA DOCUMENTATION ARE INCOMPLETE

(3) Clients Using Investec Securities ("ISL") Swap Capacity

(Minimum subscription amount AUD30, 000 per investor)

- Client completes application form neatly. Please ensure that the relevant **boxes are ticked**, the **investment amount** is correctly filled in and that the **client has signed** under the declaration on page 5 in the space provided. The application form must then be forwarded to Margaret Troup/Nick Bjelos at DOCEX 120 RANDBURG or sent by courier to 100 Grayston Drive, Sandown, Sandton, 2196 **before** ISL can invest the client's asset swap funds into the basket.
- **Upfront product fees** (where applicable) will be deducted by ISL when deducting the initial asset swap fee, and paid to the distributor. Complete section 1 point 4 of the application form "Agreed upfront fee to be deducted by distributor ____% or AUD ____". (maximum 2% plus VAT if applicable). In this case the distributor is ISL.

- **Distribution fees** of 0.7% will be calculated automatically by the administrator annually in advance and paid directly to ISL who in turn will pay these fees on to the distributor's bank account.
- The **asset swap fee** that will need to be paid to ISL is 0.30% initial and 0.30% ongoing.
- Client must **transfer ZAR to ISL's bank account** below (into their ISL / BDA account number):

ISL Bank details for asset swap clients:

- Bank: First National Bank Limited
- Acc Name: Investec Securities Limited
- Acc No: 62033942021
- Branch: Corporate Account Services
- Sort Code: 25-50-05
- **Reference: ISL / BDA Account Number**

Very important please note that currency trades are settled on T+2 and it is therefore necessary for your client to deposit the funds into the BDA account as soon as possible, if no cash is available in the client's account the trade may not take place or the funds could be booked to the relevant ISL broker as a misdeal.

E-Mail Templates for Asset Swap Requests Dealt Through ISL

ISL can only deal for investments into China Seas Basket Limited after receiving either email instruction a. or b. below addressed to **ISL_ASSETSWAPS** and copied to the ISL administrator and Capital Markets (megan.clegg@investec.co.za or bobby.niehaus@investec.co.za)

a. For New Asset Swap Requests

- Client Name: Mr X
- ISL/BDA a/c number: 123456
- Investment amount: e.g. ZAR/GBP/USD/AUD _____ (NB: the consultant must state if this amount includes or excludes upfront fees)
- Upfront product fees: X% plus 14% VAT (to be deducted by ISL swap team and accrued to - distributor name??)
- Asset swap upfront fees due to ISL: 0.30% plus VAT
- Asset swap ongoing fees due to ISL: 0.30% plus VAT
- Invest offshore funds purchased into: China Seas Basket Limited

b. For Switch Requests from Existing Offshore Fund Investments

- Client Name: Mr X
- ISL/BDA a/c number: 123456
- Switch Instruction: e.g. switch 100% of units / holdings from Fund A into Fund B
- Upfront product fees: X% excl VAT (to be deducted by ISL swap team and accrued to - distributor name??) NB the distributor must confirm if this must be charged locally by ISL on the ZAR value of the switch request, or if the fee should come from the clients existing offshore investments.
- Please note your client will not receive a **share confirmation note** from the company as the shares are held in the name of ISL on behalf of various underlying clients. ISL will issue the client their own separate confirmation note detailing the amount invested, and the number of shares purchased. In addition the client will be able to see their holding on their ISL account statement that is issued by ISL to all clients on a monthly basis.
- ISL completes one application form representing a nominee account for ISL.

(4) Clients Using Investec Securities Swap Capacity (New Clients)

(Minimum subscription amount AUD30, 000 per investor)

- Client must open an ISL / BDA account/number in order to utilise asset swap capacity through ISL.
- Please contact Investec Capital Markets or the ISL broker directly for ISL swap account opening forms and procedure requirements.
- Once a BDA account has been opened the steps listed under (3) above would need to be followed.

Any member of the ICM team will gladly assist you on any of the above; please do not hesitate to contact us:

Japie Lubbe	021 416 3307	japie.lubbe@investec.co.za
Craig Stanley	021 416 3316	craig.stanley@investec.co.za
Bobby Niehaus	021 416 3254	bobby.niehaus@investec.co.za
Megan Clegg	021 416 3340	megan.clegg@investec.co.za