



Capital-Builder Investments is authorised as an approved  
Category 2 Financial Services Provider, License 21606

## **DISCRETIONARY MANDATE**

**ENTERED INTO BETWEEN**

**Deo Volente Empowerment and Training CC  
Reg 2004/050938/23**

**trading as**

# **CAPITAL-BUILDER INVESTMENTS**

(hereinafter referred to as the Financial Services Provider)

**AND**

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(hereinafter referred to as the Client)

**FOR THE MANAGEMENT OF  
FOREIGN CURRENCY INVESTMENTS**

**(Please ensure all pages and options or alterations  
are initialed by Client AND witnesses)**

## WHEREBY IT IS AGREED

### 1. AUTHORISATION

1.1. The Client authorises the Financial Services Provider to manage the following investments on behalf of the Client referred to above:

To speculate and/or purchase and/or sell cash or spot Foreign currency (Forex) through the foreign exchange markets.

1.2. The Financial Services Provider shall exercise its discretion in the management of investments on behalf of the Client in a Managed Forex Account.

1.3. The Clearing Firm is ODL Securities Limited (powered by FXCM), Company nr 2926252, situated in The Northern & Shell Building, 10 Lower Thames Street, London EC3R 6AD, United Kingdom. ODL Securities Limited is authorised and regulated by the Financial Services Authority (Registration number 171487) and is a member of the London Stock Exchange and NYSE Euronext. ODL Securities Ltd is an affiliate of Forex Capital Markets Ltd (FXCM UK). Forex Capital Markets Ltd is authorised and regulated by the Financial Services Authority (Registration number 217689). The Client authorises the Financial Services Provider to open account(s) for the Client according to the policies and requirements of the Clearing Firm, including the acceptance of the Clearing Firms terms of business and related documents.

1.4. The funds for investments shall be paid directly to the clearing firm.

Deposits in US Dollar must be transferred to:

Bank of America N.A., 150 Broadway, New York, NY 10038 United States

ABA: 026009593

Swift: BOFAUS3N

Beneficiary: Forex Capital Markets Ltd

Beneficiary address: 145 Leadenhall Street, 2<sup>nd</sup> Floor Rear London, EC3V 4QT,  
United Kingdom

Beneficiary account: 483024234411

REFERENCE: For further account of, <Client's name> and <account  
number or temporary ID for new accounts>

Deposits in sterling must be transferred to:

HSBC Bank PLC, 20 Eastcheap (Eastcheap Branch), London EC3M 1ED United  
Kingdom

Sort Code: 40-02-31

Swift Code: MIDLGB22

IBAN: GB11MIDL40023181336045

Beneficiary: Forex Capital Markets Ltd

Beneficiary address: 145 Leadenhall Street, 2<sup>nd</sup> Floor Rear London, EC3V 4QT,  
United Kingdom

Beneficiary account: 81336045

REFERENCE: For further account of, <Client's name> and <account  
number or temporary ID for new accounts>

Deposits in EUR must be transferred to:

HSBC Bank PLC, 8 Canada Square, London E14 5HQ, United Kingdom

Sort Code: 40-05-15

Swift Code: MIDLGB22

IBAN: GB70MIDL40051558617374

Beneficiary: Forex Capital Markets Ltd

Beneficiary address: 145 Leadenhall Street, 2<sup>nd</sup> Floor Rear London, EC3V 4QT,  
United Kingdom

Beneficiary account: 58617374

REFERENCE: For further account of, <Client's name> and <account  
number or temporary ID for new accounts>

- 1.5. The Financial Services Provider may invest in speculative foreign Exchange investments on behalf of Client.

## 2. INVESTMENT OBJECTIVES

### 2.1. Definitions

“Clearing Firm” means an entity outside the Republic of South Africa which complies with the requirements set out in, and has been approved in accordance with, the Regulations, and which handles confirmation, delivery and settlement of foreign exchange transactions in the foreign exchange market;

“Drawdown” means the reduction in a managed account value because of a trade or series of trades in the relevant account;

“Leverage” means the usage or gearing of a relatively small margin deposit to control a much larger amount usually expressed as the ratio of the margin deposit to the total value of levered foreign currency;

“Managed Forex Account” means an investment resulting from the advice or the intermediary services of a financial investment advisor or a Financial Services Provider, and which account is managed for or on behalf of a client by that intermediary or another financial investment intermediary appointed by the first mentioned intermediary; and

“Margin” means a specified amount of money used as collateral to insure against potential losses from outstanding positions.

### 2.2. The investment objective

The objective is wealth creation by trading with Client’s venture capital. Trading will be restricted to the following currencies: EURO (EUR), UNITED STATES DOLLAR (USD), GREAT BRITISH POUND (GBP), SWISS FRANC (CHF), CANADIAN DOLLAR (CAD), AUSTRALIAN DOLLAR (AUD) and JAPANESE YEN (JPY) or crosses thereof.

### 2.3. Capital Exposure

To limit the risk the Financial Services Provider will not expose more than **5 % (five percent)** of the Client’s capital to any single trade at any point in time.

### 2.4. Draw Down

In the event that a total loss of **20% (twenty percent)** or more on the Client’s initial investment occurs, trading on the investment will be terminated and the Client will be informed. Further trading will commence only with the Clients written instruction.

- 2.5. The Financial Services Provider shall obtain and transmit to clients any information which the clearing firm must disclose in terms of any law or regulations.

## 3. TREATMENT OF FUNDS

- 3.1. The Financial Services Provider shall not receive nor handle any Client funds. Funds shall be transferred by Client’s bank directly to Clearing Firm that handles confirmation, delivery and settlement of foreign exchange transactions according to exchange control laws of local jurisdiction as stipulated in section 1.4.

- 3.2. Cash accruals (including profits, dividends and interest) due to the Client, shall be transferred by clearing firm, upon instruction from Financial Services Provider, or



Client, to Client's bank. Until such instruction is issued, it shall be re-invested by Financial Services Provider in terms of this mandate.

- 3.3. In the event that the Client wants to withdraw a portion of his investment, Client will notify Financial Services Provider in writing who will instruct clearing firm to transfer funds to Client's bank. The withdrawal shall be executed at the end of the next calendar month in which notice is given or earlier, provided that it is within a period of 60 calendar days.
- 3.4. The Client authorizes the Financial Services Provider to, as per its discretion, open up to five individual trading accounts for the Client with the clearing firm.

#### **4. REMUNERATION**

The client shall remunerate the Financial Services Provider for the management of investments on behalf of the Client as follows:

##### **4.1. Administration Fee (once off)**

Total Initial Fee: 3% (three percent) of the market value of the investment. This fee will be deducted from the market value of the portfolio by the Clearing Firm and paid to the Financial Services Provider's Commission Account (8000018106).

##### **4.2. Annual Fee: 0% (zero percent) will be levied for administration purposes.**

##### **4.3. Performance Fee: The Financial Services Provider will be entitled to a performance fee of 20% (Twenty percent) of net new trading profits.**

The performance fee, if any, will be calculated by the Clearing Firm when the open position is closed down and paid to the Financial Services Provider's commission account or as per policy of the Clearing Firm.

##### **4.4. Trading Fee: A transaction fee of \$30 USD (Thirty US Dollars) will be charged (pro rate) to the Clients account at entry and exit for every standard lot of \$100,000 (one hundred thousand dollars) traded, regardless of account performance. The Financial Services Provider may recover the trading fee at regular intervals from the Clients account.**

##### **4.5. The Financial Services Provider may receive commission and incentives from the third party for placing the funds with them and or trading through them. The commission and or incentives will be disclosed to the Client upon request.**

#### **5. INDEMNITY**

Client hereby indemnifies Financial Services Provider and any third party with whom Financial Services Provider contract on Client's behalf and hold such third party and Financial Services Provider harmless in respect of any:

- 5.1 loss incurred on behalf pursuant to any bona fide investment made by Financial Services Provider in terms of this mandate. Nothing herein contained will however absolve Financial Services Provider from liability for loss suffered by Client through any act of fraud, theft or other grossly irregular act on the part of Financial Services Provider and their employees;
- 5.2 and all claims, damages, liabilities, costs and expenses, including reasonable attorneys fees, which may be brought against Financial Services Provider by

virtue of the fulfilment of this mandate;

- 5.3 income tax or other tax or levy of whatsoever nature in respect of which Client may become liable or which may become payable pursuant to anything done by Financial Services Provider on Client's behalf in terms of this mandate and in particular tax on the increase in value of any asset administered or managed by Financial Services Provider on your behalf and for Client's benefit;
- 5.4. Although the Financial Services Provider does not receive funds directly from the client, the Financial Services Provider carries indemnity insurance as specified by the South African Financial Services Board to cover risk of loss from fraud or negligence;
- 5.5. The Financial Services Provider have no voting rights on behalf of the clients in respect of the investments under management save for those rights contained in the limited power of attorney to trade such funds; and
- 5.6. Client undertakes to refund to Financial Services Provider on demand any amount which Financial Services Provider may be called upon to pay be any revenue authority in respect of any such interest or gain accruing for Client's benefit and further authorises Financial Services Provider to pay any such amount out of the investments or realised proceeds of the investment managed by Financial Services Provider on your behalf or under Financial Services Provider's control.

## **6. THIRD PARTY**

The Financial Services Provider may from time to time in order to render services to the Client, make use of other registered Financial Service Providers or staff members or another party as may be deemed necessary.

The foregoing notwithstanding Financial Services Provider assumes no liability whatsoever for any act of fraud, theft, bad faith, dishonesty or gross negligence on the part of any third party as mentioned above, or on the part of any such third party's employees. Financial Services Provider further do not assume any liability in the event of the insolvency or subsequent sequestration or liquidation of such third party's estate.

## **7. RECORDING OF CONVERSATION**

Client consents to recording any telephone conversations between Client and any member of Financial Services Provider's staff and acknowledges that this is an international practice.

## **8. CLIENT DECLARATION**

Client hereby confirms that the funds stated in this application are fully legitimate and comply with all legislation and regulations of relevant jurisdictions and international practice.

## **9. TERMINATION OF MANDATE**

Any amendment of any provision of this mandate shall be in writing and shall be by means of a Supplementary or New Agreement between the Financial Services Provider and the Client.

The Financial Services Provider or the Client shall be entitled to terminate this mandate after notice in writing. In the event of the Client terminating this mandate, the the withdrawal

shall be executed at the end of the next calendar month in which notice is given or earlier, provided that it is within a period of 60 calendar days.

## 10. GENERAL RISK DISCLOSURE

Although some of the following are not applicable to the Financial Services Provider and this mandate, the Financial Advisory and Intermediary Services Act, 2002 (Act no. 37 of 2002) of South Africa requires that the following general risk disclosure be published:

### MARGIN TRADING IN FOREX

The risk of loss arising from margin trading in Forex 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:

#### Operational Risk:

1. If the market moves against your position, you may, in a relatively short time, sustain a total loss of the funds placed by way of margin of deposit with your broker. 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.

#### Event Risk:

2. Under certain market conditions it may be difficult or impossible to close out a position. This may occur, for example, where the market is informed of news that will influence interest rates and rapid price movement occurs.
3. When used, 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 in Forex may be as risky as a simple long or short position and can be more complex.

#### Leverage Risk:

5. Markets in Forex 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 instruments stems from the payment of what is a comparatively modest deposit or margin when compared with the overall 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.

#### Currency Risk:

6. You should not deal in foreign exchange derivatives unless you understand the nature of the contract you are entering into and the extent of your exposure to risk. You should also be satisfied that the contract is suitable for you in the light of your circumstances and financial position.

This brief statement cannot disclose all risks of investments in Forex trading. 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.

## 11. EFFECTIVE DATE

This mandate will become of force and effect on the date of signature. Trading will only commence when the Clearing Firm confirmed the receipt of funds and allocation to trading accounts has been completed.



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**12. REPORTING**

Client statements will be obtained by Financial Services Provider from the clearing firm on behalf of the Client and will be forwarded to the Client via

Mail

E-mail

Client will have access to statements on-line at all times by accessing the Client's account via online means. Login and Passwords will be supplied to Client by the Clearing Firm.

INITIAL INVESTMENT AMOUNT .....

**CLIENT:**

SIGNED AT ..... ON THIS ..... DAY OF ..... 20.....

.....  
**(Client)**

Witness #1.....

Witness Signature

ID#: .....

Client Surname : .....

Client Full Names: .....

SIGNED AT ..... ON THIS ..... DAY OF ..... 20.....

**ACCEPTED BY FINANCIAL SERVICES PROVIDER:**

.....  
**(Financial Services Provider)**

Witness #1 .....

Witness Signature

ID#: .....

Suite 203  
Manie Steyn Building  
34 Newton Street  
P O Box 7604  
Newton Park  
PORT ELIZABETH  
6045 South Africa

Telephone +27 (0)41 365 1206  
Fax to email +27 (0)88 041 379 1647



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Deo Volente Empowerment and Training CC, Reg 2004/050938/23, t/a **Capital Builder Investments**

**Client Information**

First Names: .....

Surname: .....

ID/Passport No: ..... Date of Birth: ..... Title: .....

Physical Address:.....

.....

..... Code: .....

Postal Address: .....

..... Code: .....

Tel: (h) (.....)..... (w) (.....).....

Fax: (h) (.....)..... (w) (.....).....

Cell: ..... Language: .....

E-mail: .....

Please indicate the applicable category by encircling the correct item:

**Employment Status:** Employed Self-employed Retired Other

**Net worth:** less than R300,000 R300,000 – R600,000 R600,000 – R1,2 million

R1,2 million – R3 million More than R3 million

**Annual income:** less than R300,000 R300,000 – R600,000 R600,000 – R1,2 million

R1,2 million – R3 million More than R3 million

**Banking Details**

Bank Name: .....

Branch: ..... Branch Code: .....

Account Number: ..... Account Type: .....

Full Name of Account Holder: .....

*I, the undersigned, agree that all the above information is true and complete according to the best of my knowledge.*

.....  
Signature Date

Scan and E-mail all documents to [info@capital-builder.com](mailto:info@capital-builder.com) and mail or courier originals to P O Box 7604, Newton Park 6055. South Africa as soon as possible.



**The following documents must be attached:**

- 1. Certified copy of Client’s ID document**
- 2. Certified Proof of residence (Recent Utility bill, not older than 6 months)**
- 3. Certified Stamped bank statement of client’s bank**
- 4. Signed Power of Attorney (FXCM)**
- 5. Completed and signed FIA001 tax clearance application (if applicable)**

**TAX CLEARANCE APPLICATION ASSISTANCE**

*Capital-Builder Investments is a registered tax practitioner and will obtain tax clearance certificate for foreign exchange free of charge. Complete and sign the following power of attorney if client needs a tax clearance. Please complete form FIA 001 in detail and attach to the application. Please refer to template if in doubt. It is VERY IMPORTANT to submit an ORIGINAL STAMPED bank statement that shows the amount of money for the application in an account. This bank statement must not be older than ONE MONTH.*

I, the undersigned ..... in my capacity as taxpayer with income tax reference number ..... and VAT number ..... (if applicable) hereby nominate and appoint Paul Louis Louw in his capacity as tax practitioner PR-826930B to be representative with full power and authority to act on my behalf to obtain foreign exchange tax clearance certificates and in my name and on my behalf to make any enquiries or to complete or sign the necessary documents regarding my tax affairs. This power of attorney does not apply to the lodging of any objection by me against my assessment, appeal to the Tax Board or Court or participation in the alternative dispute resolution in terms of the rules applicable to the dispute resolution process, which process requires a separate power of attorney contemplated in rule 4(d)(ii) of the rules issued in terms of section 107A of the Income Tax Act, 1962.

This done and executed at ..... on this the .....

Signature: .....

As witnesses:

..... (Full name: .....)

..... (Full name: .....)

**DECLARATION**

I, the undersigned ..... (NAME),

being an INTRODUCER OF BUSINESS / REFEREE OF BUSINESS / CONDUIT OF INFORMATION of:

FINANCIAL SERVICES PROVIDERS NAME: Deo Volente Empowerment and Training CC, trading as  
CAPITAL-BUILDER INVESTMENTS

FSP LICENCE NUMBER: 21606

Do hereby confirm:

1. That I am employed in the capacity of INTRODUCER OF BUSINESS / REFEREE OF BUSINESS / CONDUIT OF INFORMATION (DELETE ANY NOT APPLICABLE) and that I have not been registered as a representative of the FSP.
2. That the relevant parts of the FAIS Act and its regulations have been explained to me, and that I understand what applies to me.
3. That I specifically have not been registered as a representative in terms of the FAIS Act.
4. That I did not give any financial advice to the client and that I referred all questions that may fall within the ambit of such advice to a person qualified to do so.

I, the undersigned ..... (NAME),

being a client or prospective client of above mentioned Financial Services Provider

Do hereby confirm:

1. That I understand that the above person, employed in the capacity of INTRODUCER OF BUSINESS / REFEREE OF BUSINESS / CONDUIT OF INFORMATION (DELETE ANY NOT APPLICABLE) is not registered as a representative in terms of the FAIS Act and its regulations.
2. That this person supplied me with factual information of the Capital-Builder Investment Product, based upon approved marketing material of the Financial Services Provider.
3. That this person did not give any financial advice to me and that all questions that may fall within the ambit of such advice were referred to or shall be referred to a person qualified to do so.

Signatures: .....

Client/Prospective Client

Introducer or Referee of Business/ Conduit of information

Date: .....

Place: .....



FOREIGN INVESTMENTS WITH A DIFFERENCE!

203 Manie Steyn Building  
34 Newton Street  
Newton Park 6045  
PORT ELIZABETH

P O Box 7604  
Newton Park  
6055  
SOUTH AFRICA

Phone: 041 365 1206  
E-mail: [info@capital-builder.com](mailto:info@capital-builder.com)

Fax: 088041 3791647  
URL: [www.capital-builder.com](http://www.capital-builder.com)

**INTERMEDIARY DISCLOSURE FOR  
AUTHORISED FINANCIAL SERVICES PROVIDER**

In terms of the Financial Advisory and Intermediary Services Act (FAIS) (ACT NO 37 OF 2002) the following information must be disclosed to clients and potential clients:

FULL NAME: Paul Louis Louw  
PHYSICAL ADDRESS: 203 Manie Steyn Building  
34 Newton Street  
Newton Park  
Port Elizabeth  
South Africa

POSTAL ADDRESS: P O Box 7604  
Newton Park  
6055  
South Africa

TELEPHONE: +27 (0)41 365 1206  
MOBILE +27 (0)82 550 4114  
FAX-TO-EMAIL +27 (0)88 041 379 1647  
E-MAIL [info@capital-builder.com](mailto:info@capital-builder.com)

I have been licensed to provide intermediary services to my clients in terms of the following category:  
CATEGORY 2

2.13 Foreign Currency denominated Investment instruments

I have achieved the following formal qualifications: B.A., B.Th, M.Th., RPE, SAIFM

I am the Managing Member and I am authorised to act within the specific approved FSB mandate, attached.

Income generated from this mandate will be sourced from ODL Securites Limited (Powered by FXCM), The Northern & Shell Building, 10 Lower Thames Street, London EC3R 6AD, United Kingdom. ODL Securities Limited is regulated by the Financial Services Authority (Registration no 171487). The terms of business of ODL Securities Ltd is available on their website [www.odlsecurities.com](http://www.odlsecurities.com) or available from me on request.

As a client, should you feel that your rights have been prejudiced, or you have been aggrieved in any way, you have the right to lodge a complaint. A copy of the complaints process is available upon request.

Moonstone Compliance (Pty) Ltd is the business compliance officer and is represented by:  
LEANNE MORGAN, Cell number 083 654 1777. Moonstone Compliance can be contacted at:  
1st Floor, Valerida Centre, Piet Retief Street, Stellenbosch 7600. Telephone 021 883 8000.

I herby acknowledge that I have read the content of this document.

\_\_\_\_\_  
Client Name

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Date