

- 1. DEFINITIONS:**
In this AGREEMENT the words and phrases printed in capital letters shall bear the meaning ascribed thereto hereinafter, unless the context shall clearly require otherwise.
- 1.1 **STRATEQUITY** Stratequity (Pty) Ltd, Reg. no. 1996/011877/07, 3rd Floor, Lakeside Building A, 2004 Gordon Hood Drive, CENTURION.
- 1.2 **THE INVESTOR**
The person/entity indicated as such on Page 1 of the attached Application form.
- 1.3 **AGREEMENT**
Shall mean this Agreement and any amendment to the foregoing pursuant to clause 10 hereof.
- 1.4 **INVESTMENT MANAGEMENT FEE**
Shall be the remuneration payable to STRATEQUITY in terms of clause 5 hereof.
- 1.5 **INVESTMENTS**
Shall mean the following Financial Services and Products:
1.5.1 Securities and Instruments: Shares of both listed and unlisted companies
1.5.2 Securities and Instruments: Money market instruments
1.5.3 Securities and Instruments: Debentures and securitised debt
1.5.4 Securities and Instruments: Warrants, certificates and other instruments acknowledging
1.5.5 Securities and Instruments: Bonds
1.5.6 Securities and Instruments: Derivative instruments
1.5.7 Participatory interest in Collective Investment Schemes
1.5.8 Subscribing to Policies with registered Insurance Companies
1.5.9 The Wealth Creator Subscription Plan
1.5.10 The Wealth Creator Lump sum Plan
1.5.11 The Wealth Creator Combination Plan
- 1.6 **THE WEALTH CREATOR SUBSCRIPTION PLAN** shall mean a plan whereby the INVESTOR pays an agreed amount to STRATEQUITY on a monthly or other regular interval, such payment to be administered for the buying of INVESTMENTS in terms of the provisions of clause 4.12.
- 1.7 **THE WEALTH CREATOR LUMP SUM PLAN**
Shall mean a plan whereby the INVESTOR pays an agreed amount to STRATEQUITY on an ad hoc basis as and when agreed to by the parties, such payment to be administered for the buying of INVESTMENTS in terms of the provisions of clause 4.13.
- 1.8 **THE WEALTH CREATOR COMBINATION PLAN** shall mean a plan whereby the INVESTOR pays an agreed amount to STRATEQUITY on a monthly or other interval or on an ad hoc basis, such payment to be administered for the buying of any single or combination of investments as described in 1.5 above in terms of the provisions of clause 4.7 as well as any further INVESTMENTS to be added thereto by mutual agreement between STRATEQUITY and the INVESTOR.
- 1.9 **SERVICES**
Shall mean the services set out in clause 4 of the AGREEMENT or arising from the general text of this AGREEMENT to be provided by STRATEQUITY to the INVESTOR in respect of the INVESTMENTS.
- 1.10 **DATE OF INVESTMENT**
Shall mean the date that funds are deposited under the control of STRATEQUITY for the purposes of INVESTMENT in terms hereof.
- 2. APPOINTMENT:**
- 2.1 The INVESTOR hereby appoints STRATEQUITY to provide the SERVICES, subject to the terms and conditions of this AGREEMENT.
- 2.2 STRATEQUITY hereby accepts the appointment and undertakes to provide the SERVICES subject to the terms and conditions of this AGREEMENT.
- 3. DURATION:**
- 3.1 The AGREEMENT shall commence on the date of signature hereof and shall endure for an indefinite period of time until terminated in terms of clauses 3.2 or 8.
- 3.2 This AGREEMENT may be terminated at any time by prior written notice of not less than 30 (thirty) days to that effect by either party and without any obligation to furnish reasons for the said termination, provided however that, in the event of the INVESTOR terminating the AGREEMENT for any reason other than the negligent performance of SERVICES by STRATEQUITY, the INVESTOR shall be liable for payment of STRATEQUITY'S FEE, as calculated to the date of such termination being the date after the lapsing of such 30 (thirty) day notice period.
- 3.3 STRATEQUITY shall, upon receipt of any notice of termination in accordance with clause 3.2, as soon as is reasonably possible;
3.3.1 provide the INVESTOR with full particulars of its investment portfolio;
3.3.2 acknowledge in writing to the INVESTOR of the termination notice received of the mandate to manage the INVESTOR'S INVESTMENTS to the INVESTOR, and
3.3.3 arrange for the return of any cash or scrip held if notified by the INVESTOR in the termination notice.
- 3.4 At final termination date after the 30 day notice period STRATEQUITY undertakes to:
3.4.1 inform the relevant companies of the cancellation of any mandate;
3.4.2 if necessary change the INVESTOR'S postal addresses at the relevant companies.
- 4. SERVICES:**
- 4.1 STRATEQUITY hereby undertakes to manage the INVESTMENTS on behalf of the client in accordance with the conditions of this AGREEMENT.
- 4.1.1 No securities will be held by STRATEQUITY. All securities will be held in safe custody by the relevant member Stock Broker and/or the relevant approved Nominee of the ADMINISTRATIVE FINANCIAL SERVICES PROVIDER and/or Transfer Secretary that has been appointed or nominated for this purpose.
- 4.1.2 All such securities will be registered in either the name of an FSB approved nominee company through whom STRATEQUITY has dealt or in the name of the fund through which STRATEQUITY invests or in the name of the INVESTOR.
- 4.2 The INVESTOR hereby authorises STRATEQUITY:
4.2.1 to enter into a client agreement on behalf of the INVESTOR in accordance with the requirements of any licensed Exchange, with such members of those Exchanges as STRATEQUITY may determine; and
4.2.2 to instruct any member of any licensed Exchange to deal on any of those Exchanges on the INVESTOR'S behalf in any INVESTMENT.
- 4.3 STRATEQUITY'S discretion will be unlimited except to the extent that the INVESTOR has in writing placed any limitations on STRATEQUITY and that STRATEQUITY has accepted these limitations in writing.
- 4.4 Without detracting from the generality of the above, STRATEQUITY shall be responsible for the following specific duties:
4.4.1 to manage the INVESTMENTS or any portion thereof for the benefit of the INVESTOR;
4.4.2 from time to time, and in its discretion, to call in or convert into cash any INVESTMENT or any portion thereof, to reinvest the proceeds thereof in any other as it may deem fit, and to vary such INVESTMENTS;
4.4.3 keep, or cause to be kept proper records reflecting truly and correctly its management of the INVESTMENTS, and provide the INVESTOR quarterly, with a statement reflecting the value and breakdown of the INVESTMENT, including the following:
4.4.3.1 any cash held on behalf of the INVESTOR on the date to which the statement of account relates;
4.4.3.2 any cash received and payments made by STRATEQUITY since the date of the previous statement of account;
4.4.4 forthwith deposit all monies received (including dividends) in connection with the management of the INVESTMENTS to which this AGREEMENT relates, to the credit of the INVESTOR into a separate bank account held by STRATEQUITY at a registered deposit taking institution of its choice, such account to be operated solely for this purpose;
4.4.5 to purchase and sell overseas quoted INVESTMENTS and financial instruments, subject to prevailing exchange control regulations;
4.4.6 the marking of all documents of title related INVESTMENTS so as to make it possible at all times to readily identify the owner thereof;
- 4.4.7 to maintain, in compliance with the abovementioned conditions, independently audited records of all transactions entered into on behalf of the INVESTOR;
4.4.8 should STRATEQUITY in its sole discretion deem it necessary, to inform the INVESTOR on the current investment trends in the financial markets and make recommendations regarding amendments to the INVESTMENTS;
4.4.9 STRATEQUITY undertakes to keep record of the information prescribed in terms of the FINANCIAL ADVISORY AND INTERMEDIARY SERVICES ACT 2002 (ACT 37 OF 2002) as far as foreign investments are concerned. This section provides for the following information:
4.4.9.1 The conditions in terms of which the INVESTMENT will take place.
4.4.9.2 The manner in which such INVESTMENTS will be made.
4.4.9.3 The risk profile pertaining to such INVESTMENTS, with particular reference to the currency risk.
4.4.9.4 The countries in which the INVESTMENTS may be made.
4.4.9.5 The exchange on which the INVESTMENTS are listed.
4.4.9.6 The name and address of the foreign intermediary used.
4.4.9.7 The name and address of the foreign regulator regulating the foreign intermediary.
4.4.9.8 The name and address of the foreign regulator regulating the INVESTMENTS.
4.5 STRATEQUITY is authorised to vote on behalf of the INVESTOR in respect of the INVESTMENTS and may in its sole discretion exercise this authority and decide how to cast such a vote.
- 4.6 STRATEQUITY may periodically forward a legal offer document to the INVESTOR, introducing the INVESTOR to take up the instruments at the price as specified in the offer document of an investment opportunity sourced by STRATEQUITY. However it is not a prerequisite for STRATEQUITY to send out any offer document.
- 4.7 Should STRATEQUITY have forwarded an offer document, the INVESTOR may decline the offer before the closing date stipulated in the offer document, and failing of which, the offer will be taken up on behalf of the INVESTOR by STRATEQUITY and the indicated INVESTMENT will be made in accordance with the mentioned offer. STRATEQUITY may from time to time, in its sole discretion decide on a minimum investment amount to be utilised for an investment from the INVESTOR'S accumulated funds in his investment account with STRATEQUITY.
- 4.8 Reports, statements, notices and corporate action communications will be sent to the client by the product suppliers in terms of any law, in electronic format to the e-mail address as indicated or by post to the delivery address as indicated on Page 1 of the attached Application form.
- 4.9 Should STRATEQUITY for any reason fail to make any investment or purchase any INVESTMENTS as mandated or instructed to for whatever reason, the INVESTOR shall not have any claim for any losses or potential losses suffered due to such failure or to instruct STRATEQUITY to utilise any other funds held on behalf of the INVESTOR unless such failure is due to the negligence by STRATEQUITY.
- 4.10 The INVESTOR understands and accepts that INVESTMENTS offered by STRATEQUITY will be based either on STRATEQUITY'S discretion or on the INVESTOR'S instruction or on the information contained in the offer documents, and therefore STRATEQUITY or its employees cannot be held responsible if the entire INVESTMENT is lost if the expected or projected forecasts are not met or if any project or company fails for whatever reason.
- 4.11 The INVESTOR may at any time cancel this agreement according to the provisions hereof and any balance in the investment account will be dealt with as follows:
4.11.1 ONLY if a cash repayment may legally be made, and where requested by the INVESTOR, will it be done, or
4.11.2 if a cash payment cannot be legally done, STRATEQUITY shall consult with the INVESTOR regarding the further dealing thereof.
- 4.12 When the INVESTOR subscribes to the Wealth Creator Subscription Plan, the following will apply:
4.12.1 STRATEQUITY will deduct the selected subscription amount from the defined bank account as set out on Page 1 of the attached Application form, or alternatively from funds held on behalf of the INVESTOR in an account as described in 4.4.4 above, and where after the accumulated investment portions be utilised to acquire INVESTMENTS as prescribed in paragraphs 1.5.1 to 1.5.8.
4.12.2 The investment portion of the subscription will be kept by STRATEQUITY in accordance with paragraph 4.4.4 above until time of utilisation in terms thereof. The investment portion will be specified in STRATEQUITY'S records under "Investment Funds" and investments will be made from these accumulated accounts.
4.12.3 STRATEQUITY will be remunerated on a monthly basis by debiting an agreed Account Fee as described in 5.1.1 below, on the investment portion of the monthly subscription and such Account Fee to apply monthly irrespective of the interval of collection or the successful collection thereof.
- 4.13 When the INVESTOR subscribes to the Wealth Creator Lump Sum Plan, the following will apply:
4.13.1 STRATEQUITY will periodically receive funds from the INVESTOR to be utilised for INVESTMENTS as prescribed in paragraphs 1.5.1 to 1.5.8.
4.13.2 The investment amount held will be specified on STRATEQUITY'S records under "Investment Funds".
4.13.3 STRATEQUITY will be remunerated on a monthly basis by the INVESTOR by debiting the INVESTOR'S bank account or alternatively from funds held on behalf of the INVESTOR in an account as described in 4.4.4 above, an agreed Account Fee as described in 5.2 below, such Account Fee to apply monthly irrespective if the INVESTOR'S funds are utilised for any INVESTMENT.
- 4.14 When the INVESTOR subscribes to the Wealth Creator Combination Plan, the following will apply:
4.14.1 STRATEQUITY will deduct the selected subscription amount from the INVESTOR'S bank account as set out on Page 1 of the Application form, or alternatively from funds held on behalf of the INVESTOR in an account as described in 4.4.4 above or according to any other withdrawal instruction received, and where after the accumulated investment portions be utilised to acquire any single INVESTMENT or a combination of INVESTMENTS as described in 1.5.1 to 1.5.8.
4.14.2 If such a combination includes either or both the Plans as described in 4.12 and/or 4.13 above, then such rules and remunerations will apply as described in these paragraphs.
4.14.3 If any other INVESTMENTS are included in the Combination Plan, such rules and remunerations will apply as stipulated under their respective headings in this agreement.
- 4.15 The INVESTOR may acquire more INVESTMENTS than the available funds in his investment account for no additional administration fee by completing the application form in the offer document and making payment to STRATEQUITY prior to the closing date of the offer.
- 4.16 In order to render these services, STRATEQUITY may open account(s) in the name and on behalf of the INVESTOR at any registered bank, Unit trust company, Assurance company, Stock Broker or Administrative Service Provider and will have full power of authority to sign all documents necessary to execute the INVESTOR'S mandate in terms hereof.
- 5. FINANCIAL SERVICES PROVIDER FEES**
5.1 All Fees exclude VAT except where it specifically states that the Fees include VAT.
5.1.1 **THE WEALTH CREATOR SUBSCRIPTION PLAN**
STRATEQUITY will levy an initial fee of 2.25%, subject to a minimum of R25 per month, plus 4% (Excl. VAT) for referral fees on all monies received (to be reviewed annually), to be paid by the INVESTOR.
5.1.2 The INVESTOR acknowledges that he is aware that STRATEQUITY may receive a "placement commission" from the companies in which the INVESTOR'S funds are utilised to acquire INVESTMENTS.
- 5.2 **THE WEALTH CREATOR LUMP SUM PLAN**
5.2.1 STRATEQUITY will levy a monthly account fee of R25 (to be reviewed annually), to be paid by the INVESTOR.
5.2.2 The INVESTOR acknowledges that he is aware that STRATEQUITY may receive a "placement commission" from the companies in which the INVESTOR'S funds are utilised to acquire INVESTMENTS.
- 5.3 **THE WEALTH CREATOR COMBINATION PLAN**
The fees will depend on which service of any or both of the plans in 4.12 or 4.13 above, is rendered.

5.4	INVESTMENT PORTFOLIO AND CASH:	5.6	STRATEQUITY shall be entitled to amend the fee by giving the INVESTOR one month's written notice of his intention to do so. Such notice shall reflect the proposed new fee. Unless the INVESTOR terminates the AGREEMENT as provided for in clause 3.2 above within 10 (ten) days after receipt of this notice, he shall be deemed to have accepted the amended fee.
5.4.1	The basis of charging a fee comprises an initial fee based on the market value of the invested amount, a basic fee based on the market value of the funds under management, and an incentive fee based on capital growth.	5.7	STRATEQUITY shall be entitled to draw cash in respect of fees owing to him on the relevant due dates from any account of the INVESTOR under his control in terms of this AGREEMENT, as well as to utilise any funds in the investment account to pay any outstanding amount due and payable by the INVESTOR to STRATEQUITY.
5.4.2	An initial fee of 0.50% will be levied and payable as and when funds are placed under the management of STRATEQUITY.	5.8	STRATEQUITY reserves the right to levy lower fees than agreed to above with the express right to revert to the agreed fees without prior notice to the INVESTOR.
5.4.3	A basic fee amounting to 1.5% per annum on the total portfolio valuation, based on the last sale price of each investment, as pro rata calculated on the last Friday of every calendar month each year. The first charge of the basic fee will be levied from the DATE OF INVESTMENT and be payable on the last Friday of every month, and shall be calculated on a pro rata basis for the period from the date of the INVESTMENT to the last Friday of the month.	6	RESPONSIBILITY OF INVESTOR TOWARDS STRATEQUITY: The INVESTOR shall;
5.4.4	An incentive fee calculated at 5% on the capital appreciation (realised or unrealised) of the portfolio since the previous accounting date, charged monthly on the same dates as provided for in clause 5.4.3, provided that in the event of the capital value of the portfolio having decreased at the relevant accounting date, no incentive management fee will be levied until such time as the value of the portfolio exceeds the previous level at which an incentive management fee was charged; in which instance the incentive fee will then be payable on the difference between the market value of the portfolio on the relevant date, and the value of the portfolio on the previous accounting date on which an incentive fee was charged.	6.1	make the INVESTMENT amount available to STRATEQUITY for INVESTMENT and management in accordance with this AGREEMENT;
5.4.5	A Switching fee of 0,25% will be charged on the amount that the investor switches from one risk portfolio to another, limited to a maximum amount of R750 per switch instruction.	6.2	pay the agreed FEES to STRATEQUITY in terms of clause 5 of this AGREEMENT.
5.5	INVESTMENT THROUGH AN ADMINISTRATIVE FINANCIAL SERVICES PROVIDER:	7	LIMITATION OF LIABILITY AND ACCEPTANCE OF RISK: The INVESTOR
5.5.1	INVESTMENTS placed through an ADMINISTRATIVE FINANCIAL SERVICES PROVIDER will generate a fee in accordance with the agreement signed with the ADMINISTRATIVE FINANCIAL SERVICES PROVIDER.	7.1	acknowledge being aware of the inherent risks pertaining to the INVESTMENTS and specifically that some INVESTMENTS carry a higher risk than others;
5.5.2	Commission and/or awards may be earned through INVESTMENTS placed with an ADMINISTRATIVE FINANCIAL SERVICES PROVIDER. The INVESTOR hereby confirms that he has been made aware of these amounts and awards.	7.2	acknowledges that he has also been made aware by STRATEQUITY of the risks pertaining to INVESTMENTS as referred to in the risk disclosure documents issued by individual financial exchanges from time to time in relation to specific financial markets, which risk disclosure documents are available for perusal by the INVESTOR at the respective exchanges;
5.6	STRATEQUITY shall be entitled to amend the fee by giving the INVESTOR one month's written notice of his intention to do so. Such notice shall reflect the proposed new fee. Unless the INVESTOR terminates the AGREEMENT as provided for in clause 3.2 above within 10 (ten) days after receipt of this notice, he shall be deemed to have accepted the amended fee.	7.3	accepts such risks, and absolves STRATEQUITY from liability for any losses occasioned by him from any cause howsoever arising; and
5.7	STRATEQUITY shall be entitled to draw cash in respect of fees owing to him on the relevant due dates from any account of the INVESTOR under his control in terms of this AGREEMENT, as well as to utilise any funds in the investment account to pay any outstanding amount due and payable by the INVESTOR to STRATEQUITY.	7.4	acknowledges and accepts the risk of any instruction not being executed or timeously executed, or of any failure to exercise the best discretion (notwithstanding STRATEQUITY's best endeavours), and therefore absolves STRATEQUITY from any liability arising from such act or omission.
5.8	STRATEQUITY reserves the right to levy lower fees than agreed to above with the express right to revert to the agreed fees without prior notice to the INVESTOR.	8	TERMINATION OF AGREEMENT: Notwithstanding the INVESTOR'S right to cancel the AGREEMENT pursuant to clause 3.2, the AGREEMENT will be terminated if STRATEQUITY:
6	RESPONSIBILITY OF INVESTOR TOWARDS STRATEQUITY: The INVESTOR shall;	8.1	ceases for whatever reason to be an approved FINANCIAL SERVICES PROVIDER;
6.1	make the INVESTMENT amount available to STRATEQUITY for INVESTMENT and management in accordance with this AGREEMENT;	8.2	is liquidated or it files an application for its liquidation, or if it commits an act of insolvency as defined in the Insolvency Act for the time being in force or if it makes any arrangement or compromise with his creditors generally; or
6.2	pay the agreed FEES to STRATEQUITY in terms of clause 5 of this AGREEMENT.	8.3	should the INVESTOR be liquidated/sequestered.
7	LIMITATION OF LIABILITY AND ACCEPTANCE OF RISK: The INVESTOR	9	CONFLICT OF INTERESTS: STRATEQUITY shall not be entitled to, and undertakes not to, take a position against the INVESTOR, or to sell for its own account any INVESTMENTS owned by it to the INVESTOR or to buy from the INVESTOR any INVESTMENT owned by the INVESTOR.
7.1	acknowledge being aware of the inherent risks pertaining to the INVESTMENTS and specifically that some INVESTMENTS carry a higher risk than others;	10	AMENDMENTS: No variation, modification or waiver of any provision of this AGREEMENT, or consent to any departure thereof, shall in any way be of any force and effect unless reduced to writing and signed by STRATEQUITY, except for specific additions as described in this agreement.
7.2	acknowledges that he has also been made aware by STRATEQUITY of the risks pertaining to INVESTMENTS as referred to in the risk disclosure documents issued by individual financial exchanges from time to time in relation to specific financial markets, which risk disclosure documents are available for perusal by the INVESTOR at the respective exchanges;	11	SOLE AGREEMENT: This AGREEMENT contains the whole of the contractual relationship between the parties and no representations, understandings or undertakings not contained herein shall in any way be binding upon the parties.
4.14.2	If such a combination includes either or both the Plans as described in 4.12 and/or 4.13 above, then such rules and remunerations will apply as described in these paragraphs.	12	DOMICILIA CITANDI ET EXECUTANDI: The parties hereby respectively select the following physical addresses as their domicilia citandi et executandi and post and telefax addresses for purposes of dispatching notices and other written communications inter se:
4.14.3	If any other INVESTMENTS are included in the Combination Plan, such rules and remunerations will apply as stipulated under their respective headings in this agreement.	12.1	STRATEQUITY: The address as printed on Page 1 of the attached Application form.
4.15	The INVESTOR may acquire more INVESTMENTS than the available funds in his investment account for no additional administration fee by completing the application form in the offer document and making payment to STRATEQUITY prior to the closing date of the offer.	12.1.1	INVESTOR: The address as filled in on Page 1 of the attached Application form.
4.16	In order to render these services, STRATEQUITY may open account(s) in the name and on behalf of the INVESTOR at any registered bank, Unit trust company, Assurance company, Stock Broker or Administrative Service Provider and will have full power of authority to sign all documents necessary to execute the INVESTOR'S mandate in terms hereof.	12.2	Either party shall have the right to amend the respective addresses as stated above in part or in whole, provided that the other party shall only upon expiry of (10) ten days after receipt of a written notice of such amendment, be deemed to be bound thereby.
5.	FINANCIAL SERVICES PROVIDER FEES	13	NOTICES: All notices, to be given by the parties inter se in terms of this AGREEMENT, shall only be binding if given in writing;
5.1	All Fees exclude VAT except where it specifically states that the Fees include VAT.	13.1	Any notice as aforesaid and any other written communication between the parties pursuant to this AGREEMENT shall (if, depending on the nature thereof, addressed to the addressee's physical, postal, telex or telefax address reflected in Clause 12), be deemed to have been received by the addressee:
5.1.1	THE WEALTH CREATOR SUBSCRIPTION PLAN STRATEQUITY will levy an initial fee of 2.25%, subject to a minimum of R25 per month, plus 4% (Excl. VAT) for referral fees on all monies received (to be reviewed annually), to be paid by the INVESTOR.	13.2	On the day of transmission, if by telefax;
5.1.2	The INVESTOR acknowledges that he is aware that STRATEQUITY may receive a "placement commission" from the companies in which the INVESTOR'S funds are utilised to acquire INVESTMENTS.	13.2.1	On the day of delivery, if by hand;
5.2	THE WEALTH CREATOR LUMP SUM PLAN STRATEQUITY will levy a monthly account fee of R25 (to be reviewed annually), to be paid by the INVESTOR.	13.2.2	On the day after dispatch, if by telegram; and
5.2.1	The INVESTOR acknowledges that he is aware that STRATEQUITY may receive a "placement commission" from the companies in which the INVESTOR'S funds are utilised to acquire INVESTMENTS.	13.2.3	Seven days after dispatch, if by prepaid registered post or registered airmail.
5.2.2	The INVESTOR acknowledges that he is aware that STRATEQUITY may receive a "placement commission" from the companies in which the INVESTOR'S funds are utilised to acquire INVESTMENTS.	13.2.4	INTERPRETATION: No provision of this AGREEMENT shall be construed as affecting the INVESTOR'S right at any time to require:
5.3	THE WEALTH CREATOR COMBINATION PLAN The fees will depend on which service of any or both of the plans in 4.12 or 4.13 above, is rendered.	14	payment to him, at his request, of any cash held in the INVESTOR'S name, or in the sub-register of an approved nominee company, or a trust account operated in terms of section 4(5) of the Financial Institutions (Investment of Funds) Act, 1984 held at a financial institution.
5.4	INVESTMENT PORTFOLIO AND CASH:	14.1	delivery in negotiable form to him of any INVESTMENT made by STRATEQUITY on his behalf.
5.4.1	The basis of charging a fee comprises an initial fee based on the market value of the invested amount, a basic fee based on the market value of the funds under management, and an incentive fee based on capital growth.	14.2	The headings of the chapters and clauses of this AGREEMENT have (with the exception of the headings furnished in Clause 1) been inserted for purposes of ease of reference and may not be taken into consideration in interpreting the provisions of this AGREEMENT;
5.4.2	An initial fee of 0.50% will be levied and payable as and when funds are placed under the management of STRATEQUITY.	14.3	In this AGREEMENT the singular also refers to the plural and vice versa, unless the context clearly required the contrary.
5.4.3	A basic fee amounting to 1.5% per annum on the total portfolio valuation, based on the last sale price of each investment, as pro rata calculated on the last Friday of every calendar month each year. The first charge of the basic fee will be levied from the DATE OF INVESTMENT and be payable on the last Friday of every month, and shall be calculated on a pro rata basis for the period from the date of the INVESTMENT to the last Friday of the month.	15	OBJECTIVES: The INVESTMENT objective is indicated on Page 2 of this agreement.
5.4.4	An incentive fee calculated at 5% on the capital appreciation (realised or unrealised) of the portfolio since the previous accounting date, charged monthly on the same dates as provided for in clause 5.4.3, provided that in the event of the capital value of the portfolio having decreased at the relevant accounting date, no incentive management fee will be levied until such time as the value of the portfolio exceeds the previous level at which an incentive management fee was charged; in which instance the incentive fee will then be payable on the difference between the market value of the portfolio on the relevant date, and the value of the portfolio on the previous accounting date on which an incentive fee was charged.	16	INVESTMENT ACCOUNT: Monies received (which can include interest received and/or dividends) from approved service providers on behalf of INVESTORS will in STRATEQUITY'S sole discretion either be applied for further INVESTMENT and be deposited into a bank account as envisaged above or into the bank account of the INVESTOR as indicated on Page 1 of the attached Application form. Interest earned on any funds held by STRATEQUITY for the INVESTOR, will accrue to the investment account of the INVESTOR.
5.4.5	A Switching fee of 0,25% will be charged on the amount that the investor switches from one risk portfolio to another, limited to a maximum amount of R750 per switch instruction.	17	STRATEQUITY:As a discretionary FINANCIAL SERVICES PROVIDER may, in order to render an intermediary service to the client, utilise the services of its own staff or that of another approved FINANCIAL SERVICES PROVIDER.
5.5	INVESTMENT THROUGH AN ADMINISTRATIVE FINANCIAL SERVICES PROVIDER:	18	JURISDICTION RESTRICTIONS: The Jurisdiction restrictions indicated in clause 4.4.9 will apply or as indicated in no. 4 on Page 2 of the attached Application form.
5.5.1	INVESTMENTS placed through an ADMINISTRATIVE FINANCIAL SERVICES PROVIDER will generate a fee in accordance with the agreement signed with the ADMINISTRATIVE FINANCIAL SERVICES PROVIDER.	19	ELECTRONIC MANDATE REPORTS AND STATEMENTS: The parties agree that an electronic Mandate is binding and enforceable and that STRATEQUITY may forward future electronic reports and statements electronically.
5.5.2	Commission and/or awards may be earned through INVESTMENTS placed with an ADMINISTRATIVE FINANCIAL SERVICES PROVIDER. The INVESTOR hereby confirms that he has been made aware of these amounts and awards.	20	DEBIT ORDERS: The INVESTOR hereby authorises STRATEQUITY irrevocably to collect by means of electronic debit order from the bank account as indicated on page one of this agreement, or against any other account held with STRATEQUITY on behalf of the INVESTOR, or from any other bank account indicated by the INVESTOR, any fees or expenses due and payable by the INVESTOR to STRATEQUITY.