

MANDATE TERMS AND CONDITIONS

INTRODUCTION

1. In these Terms and Conditions (and any related communications in which Mercury sets out the basis on which it agrees to provide services to the Client) references to “Mercury”, “we”, “us” and “our” are to Mercury International FX (being a company incorporated in South Africa with registration number 2016/064154/07 whose registered address is at 6th Floor, Hill House, 3 Somerset Rd, Green Point, Cape Town, 8005) and references to “you” or the “Client” are to a client who has completed the attached application form, which together with these Terms and Conditions, constitutes the mandate between the Client and Mercury.
2. Please read these Terms and Conditions carefully to ensure that you are aware of your rights and obligations in entering into contracts with Mercury. If there are any terms that you do not understand, you should discuss it with Mercury and/or your legal adviser before completing this mandate.
3. The mandate constitutes the basis of you and us entering into FX Contracts and Payment Contracts. The mandate shall come into force on the date you sign same and shall remain in force until terminated in accordance with these Terms and Conditions. The Client may be required to provide and/or enter into additional documentation from time to time in order for Mercury to provide the services as described in the mandate.
4. In order to become a Client and before any services can be provided by Mercury, the applicant must provide Mercury with all information reasonably required by Mercury to comply with its legal and regulatory obligations and its own internal risk management processes, including but not limited to the information contained in the mandate.

MERCURY'S SERVICES

5. Mercury provides a foreign exchange service: providing facilities for the purchase or sale of currencies for both commercial and personal purposes between the Client and an authorised dealer (as defined by the South African Reserve Bank). Mercury will also, if necessary, facilitate the opening of a bank account for the Client with the authorised dealer.
6. Mercury may in its absolute discretion provide, or continue to provide, the following services to you:
 - (a) Foreign Exchange Services - we may enter into transactions for the sale and purchase of currency in the form of spot contracts (known as “FX Contracts”) with you in accordance with an order by you (such order being an “FX Order”); and
 - (b) Payment Services - following the execution of an FX Contract or to transfer money to a bank account without currency conversion and subject to these Terms and Conditions, Mercury may transfer the bought currency or other funds to the Client’s bank account or the bank account of a third party (the “Payee”) in accordance with an instruction by you (such instruction being a “Payment Instruction” and the onward transfer being a “Payment”) (known as “Payment Contracts”).
7. Mercury may provide information about foreign exchange markets and related matters from time to time. However, Mercury does not provide advice as to the merits of proposed contracts nor any taxation or other advice to the Client and whilst Mercury may provide information, the Client relies entirely on its own judgment when making an Order and must not treat any information so provided as advice. This also applies to the chosen way for exchange control purposes to take money out of South Africa or transfer funds into South Africa.
8. Mercury will always contract directly with the Client when entering into an FX Contract with the Client. Mercury will not act on the Client’s behalf or as the Client’s agent when entering into a contract for foreign exchange with its counterparties.
9. We only offer deliverable contracts for commercial and personal purposes. This means that you will always need to have a genuine commercial and/or personal reason for entering into an FX Contract such as (but not limited to) the purchase of a foreign property, goods and/or services or the remittance of funds whilst working abroad. We will not trade with you if you are seeking to enter into a foreign exchange transaction as an investment or to profit by pure speculation on foreign exchange movements.
10. Mercury’s contracts with Clients are for settlement or delivery. That means at maturity the Client must take or give instructions for delivery of funds to a bank account.

FOREIGN EXCHANGE ORDERS

11. The Client warrants that it is acting on his/her own account and has the full capacity to place an instruction with us in respect of our services (“an Order”). Mercury is entitled (but not obliged) to act upon Orders which are or reasonably appear to be from the Client. In particular, an Order received from an authorised e-mail address or telephone number shall be sufficient to authenticate an Order as being from a Client, and Mercury shall be entitled to act upon Orders and instructions received from communication channels provided to Mercury by the Client.
12. Mercury is under no obligation to accept any Order and may refuse to do so without giving any reason. Mercury will not be liable to the Client or any other party for any loss or damages resulting from Mercury’s refusal to accept an Order.
13. The Client may place an Order:
 - 13.1 verbally by telephone by calling +27 (21) 403 9810 or by using the telephone number of the Client’s designated account manager or otherwise by speaking to a Mercury employee via telephone;
 - 13.2 by email to contact@mercury-fx.com or to your designated account manager’s email address or the email address of any other Mercury dealer; or
 - 13.3 online via the Online Platform.
14. An Order can be accepted by us verbally or in writing (which includes email) or when you receive a confirmation that your Order has been accepted on the Online Platform (should your Order be placed online). Once accepted, such Order will be final and binding.
15. If Mercury accepts an Order, Mercury shall subsequently provide to the Client a confirmation of the details of the Order (a “Confirmation”) by email. An Order remains binding whether or not the Client receives the Confirmation and the Client will notify Mercury if the Client has not received a Confirmation within 2 hours of making the Order.
16. The Client must inform Mercury of any errors or omissions within 1 (one) business day from when the Confirmation was issued by Mercury to the Client, otherwise the Client is deemed to have accepted the contents of such document and shall not thereafter be entitled to dispute the contents of the Confirmation.
17. It is the Client’s obligation to inform Mercury about their correct residency and exchange control status and to ensure you have all the necessary exchange control approvals in place prior to placing an Order. Mercury bears no responsibility or liability should any incorrect or out of date information be provided in this regard.
18. Mercury endeavours to assist with exchange control procedures but cannot guarantee a positive outcome and cannot be held liable for any loss that might be suffered by the Client due to a delay or other causes related to exchange control.
19. The Client will inform Mercury once funds have been transferred into the foreign currency account or ZAR client account. Upon receipt of the amount to be traded by electronic transmission, together with confirmation that the Client has exchange control clearance to transfer funds, Mercury will be able to facilitate a foreign exchange transaction on behalf of the Client.
20. The Client hereby gives Mercury the authority to sign Balance of Payment forms on behalf of the Client.

ACCOUNT OPENING

21. As part of its authorisation with Investec Private Bank (“Investec”) as an authorised intermediary, Investec provides our clients with bank accounts for the receipt and safeguarding of monies received by or held on behalf of our clients.
22. The Client authorises and empowers Mercury to act as agent on his/her behalf to open a bank account with Investec in accordance with the mandate.
23. The Client acknowledges that in granting this mandate they assume, except in so far as there may in law be a right of recovery against the agent, all risks connected with the administration of the entrusted funds, as well as the responsibility to ensure that the agent executes the instructions as recorded in this mandate.
24. Mercury may deduct from money held for the Client any amount the Client owes to Mercury including any fees, costs, taxation liabilities, margin calls, or charges incurred by Mercury in relation to such Client, however they arise, and apply such deduction in meeting such liabilities.

25. Mercury will not be responsible for any loss, consequential or otherwise, arising from changes in tax or other legislation that may have an impact on the performance of the investment.
26. The Client understands that this is a financial product and not an investment in an insurance policy with an insurer. A “cooling off” period does not apply.
27. The Client authorises Mercury to make payments from his or her account for foreign exchange transactions to the authorised dealer and to refund funds back into the Client’s South African bank account.
28. In complying with its anti-money laundering obligations under FICA, should cash be deposited into the account, the Client must forward proof of source of these funds to Mercury before the funds can be utilised.

FEES AND CHARGES

All fees are inclusive of VAT.

Account Opening

29. The account is interest bearing. For amounts over ZAR 10 000 money market rates apply, which change on a daily basis. Mercury charges a fee of 0.5% per annum on interest earned for operating the account. The fees are calculated and accrued daily on the interest on the account balances and paid monthly. The Client will receive a monthly statement from the authorised dealer.
30. If the Client’s payment is dishonoured, returned, not met on first presentation, or stopped for whatever reason, Mercury shall levy an administrative charge of R250 (or equivalent currency) in respect of each such payment. Cash payments will be subject to a processing fee, whether or not the payment is returned to the Client.

Foreign exchange services

31. The Client acknowledges the authorised dealer will charge a spread of 0.5% where the transfer is over ZAR5 million or ZAR equivalent; or 0.7% where the transfer is between ZAR1.01 million and ZAR5 million or ZAR equivalent; and 0.85% where the transfer is below ZAR1 million or the ZAR equivalent. The authorised dealer will pay Mercury an amount equal to 0.3% where the transfer is over ZAR5 million or ZAR equivalent; or 0.4% where the transfer is between ZAR5 million and ZAR1.01 million or ZAR equivalent and 0.45% where the transfer is below ZAR1 million.

RISK DISCLOSURE

32. The Client acknowledges the inherent risk associated with the selected investments and that foreign exchange rates are subject to fluctuations outside of Mercury’s control. The Client furthermore agrees that Mercury will not be liable in respect of any loss or diminution of value or profit derived from a change in any foreign exchange rate. You bear the total investment risk.

LIMITATION OF LIABILITY

33. Mercury accepts no responsibility for any delay in fulfilling a contract attributed to the late arrival of funds or instruction of payment relative to the cut off times of the designated bank or for delays or faults due to the clearing banks or banking systems.
34. Mercury shall not be liable for any bank charges that the Client may incur in sending or receiving funds to or from Mercury.
35. Mercury shall not be liable to the Client for the non-performance of Mercury’s obligations or the failure to execute any Order if the execution of the Order would be illegal.

AMENDMENT OF THE MANDATE

36. We may amend the mandate by giving you no less than 2 (two) months’ notice in writing. If you object to the proposed amendments, you have the right to terminate the mandate without charge before the date proposed by Mercury for the entry into force of the changes. You will be deemed to have accepted the proposed amendments unless you notify us and terminate the mandate before the date proposed by Mercury for the entry into force of

the changes. If we receive no objection from you, such amendments shall take effect from the date specified by us but may not affect any rights or obligations that have already arisen and will not be retrospective.

TERMINATION

37. Without affecting any other right or remedy available to it, Mercury may terminate this mandate upon 2 (two) months' written notice to the Client. The Client may terminate the mandate at any time by giving notice to Mercury via telephone on +27 (21) 403-9810 or by email to contact@mercury-fx.com.

DATA PROTECTION

38. The Client understands that the authorised dealer is required to report to SARS on account holders who are US citizens or residents or who have unexplained US indicators, e.g. an address in the US or US passport number in terms of the FATCA legislation (the Foreign Account Tax Compliance Provisions).
39. The Client agrees that all Client personal data contained in the mandate and/or any further personal data collected in the course of the business relationship with us may be collected, recorded, stored, adapted, transferred or otherwise processed and used ("processed") by Mercury.
40. The Client acknowledges and agrees that the data shall be processed only for the purposes of providing our services, including but not limited to: account administration, anti-money laundering and counter-terrorist financing identification, tax identification, where appropriate, for the purpose of FATCA compliance.
41. Data may be transferred to companies appointed by Mercury (e.g. client communication agents or paying agents) to support Mercury related activity. You may request details of your personal data held on our files, in accordance with South African law. You may also request the update or the correction of any incorrect personal data.

CLIENT DECLARATION

42. I confirm that I am responsible for the accuracy and completeness of all answers, statements or other information provided by me or on my behalf and warrant that all information provided to Mercury in this mandate and/or in any documents signed by me in connection with this application are true and correct.
43. I have read, understood and agree to these Terms and Conditions.
44. I confirm that I will take responsibility for any tax requirements governed by my country of residence at the time of this investment.
45. I confirm that I will take responsibility for, and have received, the necessary exchange control approvals and/or authorisations as may be necessary to undertake this investment.
46. I agree that all transactions on my behalf shall comply with any rulings, regulations and legislation in respect of the South African Reserve Bank and Exchange Control.
47. I mandate Mercury to assist with my foreign exchange transaction and to fix a rate (if and when required) through the specified authorised dealer and to provide all required documentation to satisfy Exchange Control and South African Reserve Bank regulations to the exchange control department of the authorised dealer.
48. I agree that my contractual relationship with Mercury is subject to South African law and regulation (including but not limited to Exchange Control and tax requirements).
49. I undertake to inform Mercury in writing if any of my personal information as contained in the mandate, or the circumstances referred to in this declaration, change.