

SAVINGS AND INVESTMENTS TERMS AND CONDITIONS

1 DEFINITIONS

- 1.1 “African Bank” means African Bank Limited with registration number Reg No: 2014/176899/06.
- 1.2 “Applicable Law” means any local, provincial, national or international statute, regulation, regulatory guideline, the Code of Banking Practice and judicial or administrative interpretation (whether or not having the force of law but, if not having the force of law, is generally complied with by the persons to whom it is addressed or applied).
- 1.3 “Business Day” shall mean any day that is not a Saturday, Sunday or official South African public holiday.
- 1.4 “Client” means the holder of the Investment Products account who is party to these Terms and Conditions.
- 1.5 “Instruction” means an Instruction from the Client to African Bank to perform a Transaction, by any means permitted by African Bank.
- 1.6 “Product Information” means the specific conditions applicable to the specific Investment Product relating to, amongst other things, interest rates, minimum and maximum terms, qualifying criteria, notice periods and minimum or maximum balances, which are published by African Bank.
- 1.7 “Investment Product” means any of the various Investment Products offered by African Bank.
- 1.8 “Transaction” means any transaction effected by the Client or by African Bank on the Client’s behalf, relating to an Investment Product, including without limitation deposits, withdrawals, payment orders and transfers.
- 1.9 “Verification Mechanisms” means any personal identification number, password or other form of verification implemented by African Bank, in order to facilitate access and use of the Investment Products.

2 AGREEMENT

- 2.1 The Investment Product account will only become active when the application, in whatever format including electronically and/or by telephone, has been submitted to, verified and accepted by African Bank and the deposit has been received and credited to the Client’s Investment Product account. African Bank may at its sole discretion refuse to open an Investment Product or to accept a deposit.
- 2.2 An Investment Product will only be made available to persons who at the time of opening an Investment Product are in possession of a valid South African identity document and are above the age of 16 at the time of opening the Investment Product. Where the person involved is 16 years and under (“Minor”), the Retail Investment shall be opened on behalf of the Minor only with the consent of a legally appointed guardian or parent, evidenced by the legal appointed guardian or parent affixing their signature on the application form. The said Minor’s name will be entered into the title of the Retail Investment.
- 2.3 The Client undertakes to furnish African Bank with all information and/or documentation required in terms of the Financial Intelligence Centre Act, 2001 (“FIC Act”). The Client consents to African Bank verifying any information contained in the application form or in any documentation and generally making whatever enquiries it deems necessary in order to verify the information and/or documentation. In the case of a Minor this obligation lies with the legally appointed guardian.
- 2.4 Availability of or access to any Investment Product is at African Bank’s discretion. The Client acknowledges and agrees that African Bank is entitled in its sole discretion from time to time to replace, substitute or withdraw any Investment Product or other product or service.
- 2.5 The Client shall choose in which product to invest. African Bank shall not provide any income tax or any other advice pertaining to this choice. The Client will be given product information (verbally or in print) when the product is opened. The Investment Products shall be subject to these Terms and Conditions, any Applicable Law, applicable accepted market practice, African Bank’s standard banking practice and procedures and the Product Information and rules as amended from time to time.

3 OPERATION OF THE INVESTMENT PRODUCT ACCOUNT

- 3.1 The Client warrants that he has the necessary authority to open and operate the Investment Product account and undertakes to furnish African Bank with all documents and information to prove such authority. African Bank shall be entitled to rely on and act in accordance with Instructions received from any person authorized to access or use the Investment Product by virtue of any authority, resolution, mandate or power of attorney (“authority”) provided by the Client to African Bank.

- 3.2 To the extent that a Minor is involved, the legal guardian agrees that they will at all times be responsible for all instructions given and all transactions conducted by the Minor, and for ensuring the Minor’s compliance with these Terms and Conditions. The legal guardian undertake to fully indemnify African Bank on demand against all claims, proceedings that may be made against African Bank, and any and all damages, liabilities, losses and expenses (including legal fees) which African Bank may incur or suffer, directly or indirectly, as a result of or in connection with the carrying out of any instructions given by a Minor.

3.3 Payments

- 3.3.1 African Bank shall have the option to pay via the Automated Clearing Bureau, by electronic funds transfer or by direct debit against the Client’s bank account. African Bank shall not make any cash payment to the Client.
- 3.3.2 African Bank shall not effect any payments, of either capital or interest, from the Investment Product account until the Client has furnished African Bank with all information and/or documentation required in terms of the Financial Intelligence Centre Act, 2001 and other than to the Client’s designated bank account as specified on the Application form, or otherwise as notified to African Bank to its satisfaction by the Client or the Client’s duly authorized signatory/ies. African Bank shall not be liable howsoever should it refuse to effect a payment otherwise than in accordance with this clause. In the event African Bank fails to effect payment to the Client for whatsoever reason, African Bank shall be entitled to reinvest such sums in a similar Investment Product with the same terms as the original Investment Product.
- 3.3.3 The Client warrants that the designated bank account details supplied to African Bank are true and correct. Should the Client wish to change banking details at any time, African Bank shall be entitled to require that the Client furnish written instructions to that effect together with necessary documentation as proof thereof to the satisfaction of African Bank. The Client indemnifies and holds African Bank harmless against any loss, damage, expense or claim which African Bank and/or the Client may incur as a result of a payment/s made in circumstances where the bank account details are not correct. Account validation may be carried out by African Bank before payments are made. If an account fails the validation and no instructions are received from the Client, the Bank will reinvest the funds in a similar product with the same term as the original investment.
- 3.3.4 If the interest or capital payment day falls on a Saturday, Sunday or public holiday, the payment may be made on the next business day.
- 3.3.5 If any form of funds is deposited into the investment account, the funds shall be credited to the account but shall become available when the funds have been cleared. If the funds are dishonored, the investment account shall be debited accordingly and the bank shall send back the funds to the client at his own risk. A dishonor fee may be charged at the bank’s discretion. If funding occurs through a cheque deposit, early withdrawal is not allowed until the cheque has cleared. Cheques must be made out to African Bank Limited.
- 3.4 The Client is responsible for ensuring that African Bank is in receipt of any Instruction and that such Instructions are clear and intelligible. African Bank shall not be liable for any failure by the Client to do so. The Client agrees that African Bank shall be entitled, but is not obliged, to confirm or authenticate any Instruction given in any manner to African Bank prior to effecting any Transaction and shall not be liable for any delay in giving effect to any Instruction as a result of exercising its right to confirm or authenticate an Instruction. Confirmation of transactions will be sent by African Bank via sms to the Client’s nominated cellphone number.
- 3.5 Statements will be issued, at the bank’s discretion, subject to the specifications of the Investment product chosen. The Client undertakes to verify the correctness of his Investment Product account(s) details on a regular basis and to inform African Bank immediately of any errors therein or arising there from. If no query is received within 30 (thirty) Business Days at the end of the calendar month of the date of issue of the statement, such statement shall be deemed to be correct.
- 3.6 The Client agrees to use and/or implement any Verification Mechanisms in accordance with the Terms and Conditions and/or any other conditions which African Bank may impose. The Client acknowledges that failure to use and/or implement any Verification Mechanism may result in unauthorized access and/or use of the Investment Product account and losses, for which the Client will be liable. The Client is responsible for ensuring that the Verification Mechanisms are kept secret and physically secure.
- 3.7 In the event that monies are credited to the Investment Product account in error, the Client authorizes African Bank to do all such things as African Bank may deem necessary in order to ensure that the Client is not unjustifiably enriched. The Client agrees that African Bank



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- shall be entitled to recover from the Client any amount of money paid to the Client, to which the Client is not entitled for whatsoever reason.
- 3.8 African Bank shall not be required to do anything or to refrain from doing anything which would in its opinion infringe any Applicable Laws. African Bank may do whatever it considers necessary to comply with any and all Applicable Laws.
- 3.9 African Bank will not give effect to any Instruction or process a Transaction if the Investment Product is inactive.

4. AMENDMENTS AND VARIATIONS

- 4.1 African Bank may from time to time amend or substitute these Terms and Conditions. African Bank shall give the Client 30 (thirty) Business Days' notification of any material amendment or material change (subject to any Applicable Law) by any means of any communication, including announcements on the African Bank website. African Bank shall not be liable for any loss occasioned by the Client not receiving any notifications. Should the Client elect not to accept any amendment, the Client is entitled to close the Investment Product account, subject to the Product Information and the provisions of clause 8 below.
- 4.2 The Client shall immediately inform African Bank of any change of name, status or other details provided by the Client. African Bank shall be entitled but not obliged to refuse to act on Instructions given by the Client using a different name or in circumstances where African Bank is aware of any change in detail or status, until African Bank is provided with the necessary documentary proof to its satisfaction.
- 4.3 Any variation of the Client's Investment Product account by the Client or by the Client's authorized representative shall only bind African Bank if reduced to writing, or if given by such means of communication as may be acceptable to African Bank.

5. ELECTRONIC TRANSACTIONS

- 5.1 With regard to Instructions given or received by data message as defined in the Electronic Communications and Transactions Act, 2002 ("e-communication"), the Client authorizes African Bank to act in accordance with any Instruction which may be given by the Client. The Client acknowledges that e-communication is a continuously developing medium of communication and as such may be unreliable, which is beyond the control of African Bank. When there are delays in the transmission and receipt of Instructions or other information, this may result in delays in the execution of Instructions sent by e-communication. It may not be possible to cancel or revise an Instruction furnished through African Bank's electronic channels after it has been given.
- 5.2 The Client shall bear all risk of transmitting information which may be confidential and African Bank is not liable for any loss, harm or damage suffered by the Client as a result thereof. African Bank reserves the right to request independent verification of any information transmitted by e-communication. E-communication sent by African Bank to the Client may not be encrypted and African Bank is not liable for any loss resulting from this, unless the loss is caused by gross negligence.

6. DISCLAIMERS

- 6.1 The information provided by African Bank in respect of the Investment Products is provided in good faith. The Client accepts that the information may change from time to time and no guarantee is made by African Bank concerning the accuracy and/or completeness of information.
- 6.2 The Client warrants that he is acting for his own account and that he has made his own independent decision to open his choice of Investment Products. The Client is not relying on any communication (written or oral) of African Bank or an agent of the bank, as investment advice or as a recommendation to open an Investment Product. If the Client is in need of financial planning assistance, the Client should contact a financial advisor.
- 6.3 African Bank is not responsible, or liable for, any loss, damage or expense which may be suffered by the Client or a third party as a result of the failure by African Bank to perform or process a Transaction as a result of acts, events or circumstances beyond African Bank's control, including failure, unavailability or malfunction of any networks or third party systems and power failures.
- 6.4 African Bank is not liable for any damage or loss to the client resulting from incorrect information provided by the client to African Bank or which the client may suffer as a result of any person gaining unauthorized access to any information or data pertaining to the client and their account due to the client's negligence.

7. BREACH AND CANCELLATION

- 7.1 African Bank will not close an Investment Product without giving the Client reasonable prior notice. African Bank is entitled to close an Investment Product without notice to the Client if it is compelled to do so under any Applicable Law or if African Bank has reasons to believe that the Investment Product account is being used for any unlawful purposes. Any closure or suspension of the Investment Product shall be without prejudice to any rights African Bank may have to recover amounts due to it or any losses or damages suffered by it. Under such circumstances, African Bank shall be entitled to cancel any Instructions received from the Client.
- 7.2 Should the Client commit a breach of any obligation contained in these Terms and Conditions, the Client undertakes to pay all legal costs incurred by African Bank in recovering any amount due to it on an attorney and own client scale.

8. INTEREST, FEES AND CHARGES

- 8.1 Interest rates applicable to the Investment Products are determined at African Bank's discretion. The rate quoted in the "Proof of application" is only valid for the quoted day. The Client acknowledges that applicable interest rates may be reduced in the event that the product rules are not complied with. Interest rates are subject to change according to the changes in market activity and may be linked to repo rate changes or any other specified rate. This excludes fixed deposit accounts.
- 8.2 Payment of interest and capital shall as a standard be on a Business Day.
- 8.3 Where the Client makes a deposit on a day later than the date when the Investment Product is opened and a change in the interest rate occurred during this period, the interest rate as at the date of the deposit shall apply. Interest accumulates from the date on which the funds deposited are reflected in the investment account.
- 8.4 African Bank shall be entitled to recover from the Client any fee, tax or penalty imposed on African Bank and/or the Client in terms of any Applicable law or by any commercial bank. Any fee charged under this clause may be debited from the Investment Product account balance.
- 8.5 Interest is calculated on the daily balance of the account, on a three hundred and sixty-five day year.
- 8.6 To the extent permitted by law and otherwise at African Bank's sole discretion, the Client may request the early withdrawal of investments. African Bank is entitled to charge the Client an early withdrawal fee. As part of the process of approving or rejecting an application for an early withdrawal, African Bank requires the client to adhere to the following procedures:
- Contact the African Bank customer call centre on 0861 111 011
 - Supply reasons for the requested early withdrawal as well as pertinent original certificates corroborating the reason, such as death or medical certificates. Application would not necessarily be rejected for lack of supporting documents.
- 8.7 In computing the early withdrawal charges, the bank will take into account amongst others the relevant market conditions at the time of the early withdrawal request as well as interest rates applicable at initiation of the investment, the remaining term to maturity and any administration fees incurred in the processing of the instruction.

9. NOTICES AND CORRESPONDENCE

- 9.1 Notices or other correspondence may be given to the Client by short message system ("sms"), hand, post, telefax or e-communication to the address, telephone number, cell phone number or electronic mail address specified in the application form or as recorded by African Bank.
- 9.2 Correspondence sent to the Client by African Bank:
- by post, will be deemed to be received by the Client on the 10th Business Day after date of posting;
 - by telefax, will be deemed to be received by the Client at the time when the Client's telefax machine acknowledges receipt thereof; and
 - by e-communication or sms will be deemed to be received by the Client in accordance to the Electronic Communications and Transactions Act, 2002
- 9.3 Correspondence given by the Client to African Bank by post, telefax or e-communication will be deemed to be received by African Bank only when African Bank acknowledges receipt thereof.

10. GENERAL

- 10.1 The Client grants African Bank (including its agents and contractors) authority to monitor,

- intercept, record and use as evidence all forms of correspondence or communications received by or sent from African Bank or any of its employees, agents or contractors. Specifically, African Bank may record telephone conversations with the Client. African Bank's recordings of telephone conversations shall be and remain the sole property of African Bank and will be accepted by the Client as conclusive evidence of the Instructions or conversations so recorded. The Client agrees that African Bank may deliver copies or transcripts of recordings to any court or regulatory authority. African Bank is not required to maintain copies of such recordings and transcripts.
- 10.2 Except where African Bank is legally compelled by law or a court order or a duty to the public exists or where the Client gives African Bank its consent or where the rights and/or interests of African Bank requires it, African Bank undertakes to keep all Client information and Investment Account information confidential.
- 10.3 In effecting any Transaction, African Bank shall not act as the Client's agent.
- 10.4 The Client may not transfer or cede his rights from this account as security for loans without the consent of African Bank. African Bank will only consider cessions or pledges to other registered South African banks. African Bank may cede or transfer any of its rights and obligations under these Terms and Conditions to any person.
- 10.5 African Bank shall yearly issue the Client with an income tax certificate (IT3B) as at the end of February, a copy of which will be sent to South African Revenue Services.
- 10.6 The Client's domicilium citandi et executandi for all notices and processes to be given and served in terms hereof is the physical address detailed on the application form or as notified to African Bank.
- 10.7 African Bank shall not be liable for any consequential damages suffered by the Client, as a result of his failure to comply with his obligations in accordance with these Terms and Conditions and African Bank's total liability shall not exceed the actual amount of the transaction or transactions in dispute.
- 10.8 If any provision of these Terms and Conditions is or becomes invalid, illegal or unenforceable under any Applicable Law, the validity, legality and enforceability of the remaining provisions shall not be effected or impaired in any way.
- 10.9 Where the Client is more than one person, the Clients' liabilities under or in connection with these Terms and Conditions are joint and several and on the death of any one of Client, African Bank may treat the survivor as the only person entitled to the Investment Product, subject to any Applicable Law.
- 10.10 The Client consents to African Bank furnishing information about the Client, the Investment Product and the Client's compliance or otherwise with the terms and conditions thereof to other banks or otherwise as required by any Applicable Law.
- 10.11 Should the Client disclose any false, misleading and/or dishonest information in his/her application or should the Client make use of a facility subsequently, for the purposes of avoiding liability through deception, the Client gives African Bank permission to file such information to the South African Fraud Prevention Service ("SAFPS") and/or any crime prevention database, for the sharing of this information amongst members of the SAFP.
- 10.12 The Client has the right to access his personal information held by African Bank. African Bank shall grant the Client access during office hours within a reasonable time after receiving a written request for access.
- 10.13 African Bank may, subject to any Applicable Law, in its sole discretion and without prior notice, set off any amount which the Client owes to it from whatsoever cause, against any funds standing to the credit of any of the Client's Investment Product accounts with African Bank.

11. COMPLAINTS PROCESS

- 11.1 Any complaints should first be directed to the nearest African Bank branch or the Client Service Contact Centre on 0861 111 011. If the client is not satisfied with the response, the matter can be escalated to African Bank Consumer Advocate's Office on 011 256 9284 or consumeradvocate@africanbank.co.za. If there is still no resolution on the matter, escalation can be done to the Ombudsman for Banking Services on 0860 800 900.

These Terms and Conditions comprise the Agreement between African Bank and the Client in connection with African Bank Investment Products. They explain African Bank's obligations to the Client and the Client's obligations to African Bank. Version 2013.1 African Bank is an authorised Financial Services & registered Credit Provider. NCRCP7638. Reg No: 2014/176899/06.