

FundsAtWork Provident Preservation Fund
Reg. no. 12/8/22744
FundsAtWork Pension Preservation Fund
Reg. no. 12/8/22745
Registered address: 268 West Avenue, Centurion, 0157
Telephone: 0860 65 75 85
E-mail address: fawcenturionadmin@momentum.co.za

INVESTMENT ADVISER APPOINTMENT BY MEMBER

Introduction

1. The FundsAtWork Pension Preservation Fund and the FundsAtWork Provident Preservation Fund provide for member level investment choice.
2. All assets of the fund will be invested in the trustee choice portfolio under the Provider option unless the member instructs the fund otherwise.
3. A member, whose transfer amount was transferred from the FundsAtWork Umbrella Provident Fund and / or the FundsAtWork Umbrella Provident Fund, will retain the investment allocation applicable to them immediately prior to their transfer into the fund.
4. Members belonging to the Provider and Entrepreneur options may on giving written notice to the fund and the administrator, choose to opt out of the trustee choice portfolio (point 2) or the transfer investment allocation (point 3) and direct that the assets held by the fund be invested according to their choice, in the other portfolio/s offered by the fund.
5. A member that belongs to the Provider or Entrepreneur option has the right to nominate a suitably qualified investment adviser to provide them with assistance (which includes advice) in exercising their investment choice, in respect of their assets in the fund. The member may also nominate such investment adviser to exercise their investment choice on their behalf.
6. The trustees will specify from time to time the criteria that must be met for a investment adviser to be regarded as suitably qualified to provide the necessary assistance to the members. The trustees will, in their sole discretion, determine whether a investment adviser nominated by a member is suitably qualified and meets the criteria determined by them. A member will not be entitled to nominate an investment adviser who does not meet the criteria. If the trustees at any time do not regard the investment adviser as suitably qualified, based on the stipulated criteria or any other criteria that may be relevant under the circumstances, their appointment will be terminated with immediate effect and the member will be notified accordingly.
7. The member will be required to submit the details of the nomination to the trustees for consideration. Thereafter the trustees will within a reasonable time consider the nomination and, if they in their sole discretion consider that the investment adviser is suitably qualified and meets the criteria as set by them, appoint the investment adviser. The member may at any time request the trustees to terminate the appointment. In this event, the member must immediately notify the fund of such a request and neither the fund nor the trustees shall be liable to the member where fees are paid subsequent to a termination because the member failed to inform the fund timeously.

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Trustees: HA Lambrechts (Chairperson & Independent Trustee) J Mokorosi (Independent Trustee) E Taylor (Trustee) R Budler (Trustee) RE Hall (Alternate Trustee) P Naidoo (Alternate Trustee) CT Subban (Alternate Trustee) T Bakker (Principal Officer)

8. The criteria for appointment as an Investment Adviser are:

(i) The financial services provider must have a Category I Financial Advisory and Intermediary Services (FAIS) licence and must specifically be licensed to provide advice on the following “financial products” as defined in the FAIS Act:

- Category (b) as defined in “financial product” i.e. “a participatory interest in one or more collective investment schemes”

Or

- Category (c) as defined in “financial product” i.e. “a long-term or a short-term insurance contract or policy, referred to in the Long-term Insurance Act, 1998 (Act No. 52 of 1998), and the Short-term Insurance Act, 1998 (Act No. 53 of 1998) respectively.

(ii) The adviser must be registered as a key individual and / or a representative of the authorised financial services provider.

(iii) The adviser must have a CFA or CFP qualification or must have at least 10 years experience in providing investment advice.

Nomination of investment adviser

9. The member hereby nominates _____ (name of key individual or representative, i.e. the investment adviser) of _____ (name of financial services provider)

* to provide them with assistance in exercising their investment choice

* to exercise their investment choice on their behalf

in respect of the member’s assets in the fund.

* Please indicate the function that the investment adviser is to fulfill.

10. The member agrees that upon nomination of the investment adviser to select the investment portfolios or to exercise the member’s investment choice on their behalf or both, the member will no longer be able to select the investment portfolios or exercise their investment choice directly or both, unless the appointment of the investment adviser is terminated. Neither the fund nor the trustees will become liable to the member as a result of the member not being able to select the investment portfolios or to exercise their investment choice or both.

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11. The member has agreed that in the event of the successful appointment of the investment adviser, the rate at which fees will be payable to the investment adviser will be:

% (max 1%) per annum of the assets held by the fund on behalf of the member

Fees are exclusive of VAT and payable monthly in arrears.

If –

- (a) a decrease of the member's assets, due to negative investment returns, results in an over payment of fees, no further fees will be payable to the investment adviser until the fee calculation in conjunction with the respective maxima indicates that a payment is due;
 - (b) upon termination of the scheme or termination of the investment adviser's appointment the overpayment has not been recovered from the investment adviser, the investment adviser will repay the overpaid amount to the fund. If the investment adviser fails to do so, the fund will be entitled to institute legal proceedings for payment of the outstanding amount. The investment adviser agrees to the jurisdiction of the Magistrate's Court in such proceedings and accepts liability for the payment of all legal costs, on an attorney-and-own-client scale, incurred in the recovery of the outstanding amount.
12. The member agrees that all the fees payable to the investment adviser in terms of this agreement will be charged against the assets held by the fund in respect of the member and shall be paid over by the fund to the investment adviser in terms of this agreement.
13. Fees paid will accrue on a daily basis at a rate equal to the annual fee divided by 365 (three hundred and sixty five) and the fund will pay amounts owed to the investment adviser monthly in arrear at the end of each month.
14. The investment adviser will provide a written report to the trustees as and when requested by them. The report will include all information that the trustees deem necessary.
15. If the investment adviser does not provide the communication or the written report to the trustees within the time frame specified, the trustees shall have the right to terminate this agreement.

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Appointment

16. The trustees of the fund hereby appoint the investment adviser

* to provide the member with assistance in exercising their investment choice

* to exercise the member's investment choice on their behalf

in respect of the member's assets in the fund.

* Please indicate what function the investment adviser is to fulfill.

17. In consideration for the services rendered to the fund in assisting the member in selecting the investment portfolios or exercising their investment choice or both, the fund will pay the investment adviser the fees at the rate agreed to between the member and the investment adviser in writing, but subject to such maxima as the trustees may from time to time determine. In the event of the member and the investment adviser agreeing on the fees being revised, a new agreement to that effect will be entered into between the member, the investment adviser and the fund.

18. The fund and the trustees will under no circumstances become liable to the member in respect of advice provided to the member by virtue of this agreement or if any anticipated investment, returns do not materialise.

19. Notwithstanding the appointment of the investment adviser by the trustees, all risk and responsibility regarding the choice of investments remains, at all times, that of the member. Advice provided by the investment adviser will not be attributable to the fund or the trustees in any way. The investment adviser undertakes in favour of the fund, the trustees and the member that he will ensure that the member is made aware of the risks pertaining to the investments concerned.

20. The member indemnifies and holds the fund and the trustees not responsible against any losses or damages of whatsoever nature they may suffer as a result of the appointment of the investment adviser and consequential actions taken by the member and / or the investment adviser.

21. The investment adviser confirms that they do not receive any financial reward from the investment manager or any other party for choosing a specific portfolio.

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Member details

Name

RSA ID: Yes No ID number

Signed at

Date - - 2 0

Signature

Investment adviser details

Name

RSA ID: Yes No ID number

Signed at

Date - - 2 0

Signature

The investment adviser must submit the following documents to the principal officer together with this form, unless the investment adviser has already been approved by the trustees in terms of the adviser criteria stated in paragraph 8:

- (i) Copy of the authorised financial services provider’s FAIS licence and the Annexure;
- (ii) Copy of adviser’s CFA and / or CFP qualification or if no qualification;
 - (a) an affidavit by the adviser declaring their years of experience in providing investment advice to individuals; and
 - (b) client reference in writing.

Trustees’ details

Signed at Centurion

Date - - 2 0

Signature

Date - - 2 0

Signature