

Form 1



BIPS INVESTMENT PLAN – NEW BUSINESS APPLICATION FORM

Please complete this application form and submit by fax to 011 252 7044 or E-mail bips@aospartner.com. No application form is considered complete without the relevant FICA documentation and proof of payment if you are making a lump sum deposit. **NB: Please note that as per banking legislation, cheque deposits will need to undergo a clearing period of 10 calendar days for all cheques within the Rand Monetary Area, and 15 calendar days outside the Rand Monetary Area (ie: Lesotho, Namibia and Botswana). Therefore the funds will only be available to be invested after the clearing period has lapsed.** Should you have any queries concerning this New Business Application form, please contact our Contact Centre on: 0860 00 2477.

FICA CHECKLIST

Below are the requirements for an individual.

- A clear copy of ID document
- A clear copy of proof of residence document
- Proof of South African banking details (must reflect bank name, acc. holder's full name and bank acc. no.) No Internet or Credit Card statements will be accepted.

Should you wish to invest in the name of a Minor, Company, CC, Partnership etc. please see the attached FICA Documentation Checklist following the Terms and Conditions.

1. INVESTOR DETAILS

Investor Type: Individual Company CC Trust Partnership Other

Title: First Names:

Surname / Registered Name:

Nationality: Resident of South Africa: Yes No

Identity / Passport /Registration No.: Date of birth:

Income Tax No. (if applicable):

Occupation: Gender: Female Male

Vat Registration Number (if applicable):

Residential Address / Trading Address:

Postal Code:

Postal Address:

Postal Code:

Home Tel No.: Office Tel. No.:

Fax No.: Cellular No.:

E-mail Address (compulsory*):

- If you do not have an email address please call our contact centre on 0860 00 2477.

I hereby consent to receive all communications in respect of the Bips Investment Plan at the email address designated above. I hereby agree that I shall be entitled by written notice to Automated Outsourcing Services (Pty) Ltd ("AOS" the 'Administrator') to change my designated email address to another email address where I can receive all communications in respect of the Bips Investment Plan, provided that such change of email address shall only become effective on the 14th business day from the date of the notice to the Administrator. Notwithstanding anything to the contrary contained herein, I further agree that any communication sent to my designated email address shall be deemed to be received by me unless the contrary is proved.

Signature of Investor (or duly authorised person/s for minor investors)

2. THIRD PARTY APPLICANT / LEGAL GUARDIAN / AUTHORISED REPRESENTATIVE OF A LEGAL BODY

(If you are opening an account for a person other than yourself, the name of this person in which the investment is made is filled in under Section 1. The details of the contact person who is responsible for the investment must be filled in under Section 2)

Title: First Names:

Surname: Relationship:

Identity / Passport No.: Gender: Female Male

Home Tel No.: Office Tel. No.:

Fax No.: Cellular No.:

E-mail Address:

3. INVESTOR BANK DETAILS

(This bank account must be in the name of the investor or legal guardian as in the case of a minor as per section 2).

Name of account holder:

Bank:

Account No.: Account Type: Cheque Savings Transmission

Branch Name: Branch Code:

Please include your proof of South African bank account with this application form (copy of cancelled cheque or current bank statement which reflects bank name, acc. holder's full name and bank acc. no.). No Internet or Credit Card statements will be accepted.

NB: Please note that as per banking legislation, cheque deposits will need to undergo a clearing period of 10 calendar days for all cheques within the Rand Monetary Area, and 15 calendar days outside the Rand Monetary Area (ie: Lesotho, Namibia and Botswana). Therefore the funds will only be available to be invested after the clearing period has lapsed.

4. INVESTMENT DETAILS

Source of Funds: Salary Policy Donation Gift Savings Investment Inheritance

Other (Please specify):

4 (a) LUMP SUM INVESTMENT

Please note: you can make once-off (lump sum) investments, regular debit order investments or both.

Total lump sum investment amount (minimum single investment: R1000 per security) R

Split over each security as follows:

Bips Top 40 R

Bips Inflation-X R

Distribution Instruction*: Reinvest Pay out

*NB: All distributions less than R100.00 will automatically be reinvested.

Please use your ID number as the deposit reference. Electronic internet transfers may take up to 2 days to appear in our bank account. Securities will only be traded upon confirmed receipt of documentation and of funds into the relevant bank account. Please include your proof of payment with this application form (deposit slip; electronic payment confirmation). **NB: Please note that as per banking legislation, cheque deposits will need to undergo a clearing period of 10 calendar days for all cheques within the Rand Monetary Area, and 15 calendar days outside the Rand Monetary Area (ie: Lesotho, Namibia and Botswana). Therefore the funds will only be available to be invested after the clearing period has lapsed.**

Lump sum payments should be made to:

IIC-Bips Inflow A/C

Bank: ABSA
Branch: Randburg
Branch Code: 505-705
Account No.: 40-7446-4109

4 (b) DEBIT ORDER INVESTMENT

Total debit order investment amount (minimum investment: R300 per debit order per security) : R

Split over each security as follows:

Bips Top 40
Bips Inflation-X

Debit Order Date: 3rd of the Month 25th of the Month

Investment Intervals: Monthly Quarterly Half yearly Annually

Annual Increase: 0% 5% 10% 15% 20%

Distribution Instruction*: Reinvest Pay out

*NB: All distributions less than R100.00 will automatically be reinvested.

DEBIT ORDER BANK DETAILS

(Please complete this section fully if the bank account from which the debit order deduction must be made is different from the bank account detailed in Section 3).

- Please use BANK DETAILS from SECTION 3 – INVESTOR BANK DETAILS
- Please use bank details below

Name of account holder:

Bank:

Account No.: Account Type: Cheque Savings Transmission

Branch Name: Branch Code:

Please include your proof of South African bank account with this application form (copy of cancelled cheque or current bank statement which reflects bank name, acc. holder's full name and bank acc. no.) No Internet or Credit Card statements will be accepted.

Debit Order Authority

- I/We hereby request, instruct and authorize Automated Outsourcing Services (Pty) Ltd, its successors or its assignees to draw against my/our account with the bank noted above (or any bank or branch to which I/we may transfer my account).
- I/We understand that all such withdrawals from my/our bank account shall be treated as though they had been signed by me/us personally.
- I/We agree to pay any bank charges and costs relating to the debit order authority, including debit order rejection fees.
- I/We acknowledge that I/we may cancel this authority by giving the Administrator not less than 10 calendar days' written notice.
- I/We agree that receipt of this instruction by the Administrator shall be regarded as receipt thereof by my/our bank.
- In order to activate the debit order, the Administrator must receive the application form at least 10 days prior to the first debit order date.
- The debit order will only be actioned on the signing of this Authority.
- There is a 40 day holding period on Bips securities bought with the most recent debit order

Signature of bank account holder

Date (ccyy-mm-dd)

5. INVESTOR DECLARATION

(This declaration must be signed by all investors).

The Investor, or where applicable, his authorized signatory, by appending his signature hereto, states and declares that he/she has read and understood the terms and conditions pertaining to this investment product and the investment media selected; warrants that all statements given by him in the application form are true and correct in every respect and that such statements, together with the Investment Confirmation, shall form the basis of this agreement, which is to be entered into with Automated Outsourcing Services (Pty) Ltd, as well as the contract between the Investor and the Financial Service Provider/ Representative.

The Investor acknowledges that he/she is aware of and understands the fees and commissions applicable to this investment, and the risks associated with the investment choice.

The investor agrees that the responsibility to assure receipt of any instruction by the Administrator via fax or e-mail remains the responsibility of the investor

Signed at

Signature of Investor (or duly authorised person/s for minor investors)

Date (ccyy-mm-dd)

Signature of Contact Person or Legal Guardian (if Section 2 of this application is applicable)

Date (ccyy-mm-dd)

6. FEE SCHEDULE AS FROM 1 APRIL 2010

Annual administration fee: (calculated daily and deducted quarterly)

Total Investment Per Fund	Fee
R0 to R100 000	0,80%
R100 000 to R250 000	0,75%
R250 000 to R1 000 000	0,70%
R1 000 000 to R3 000 000	0,50%
R3 000 000 or more	0,45%

Transaction Fees

Debit order fee: R3.50

Stock brokerage fees: 0.10% (applicable to purchases and sales)

Nominal Strate and Investor Protection levies will also be charged.

Where a financial adviser is used, commissions will be charged (as scheduled in Section 7).

All fees quoted are exclusive of VAT. VAT will be levied where applicable.

7. FINANCIAL SERVICE PROVIDER (If applicable)

(If you are not using a Financial Adviser, this section of the application form does not need to be completed)

Name of Financial Service Provider / Brokerage:

Financial Service Provider / Brokerage Code:

Name of Representative:

Representative Code: Other Reference:

Branch Name: Branch Code:

Trading Address:

Postal Code:

Postal Address:

Postal Code:

Office Tel No.:

E-mail Address:

Fax No.:

Cellular No.:

Financial Service Provider Commission:

Initial Upfront Commission on investment

(Max 3%)

Annual Service Fee

(Max 1% p.a.)

FINANCIAL SERVICE PROVIDER DECLARATION (If applicable)

The Financial Service Provider / Representative, by appending his signature hereto, states and declares that he/she has read and understood the terms and conditions pertaining to this investment product and the investment media selected; warrants that all statements given by him in the application form are true and correct in every respect and that such statements, together with the Investment Confirmation, shall form the basis of the contract, which is to be entered into, between the Investor and Automated Outsourcing Services (Pty) Ltd., as well as the contract between the Investor and the Financial Service Provider / Representative.

The Financial Service Provider / Representative further acknowledges and certifies that he/she has personally explained all the features of the product to the Investor.

The Financial Service Provider / Representative declares and confirms in terms of the Financial Intelligence Centre Act, No 38 of 2001 (FICA) that:

- he/she has taken all reasonable steps to establish the identity of the Investor before entering into a business relationship with him, or concluding a single transaction with him.
- he/she has verified the client information in accordance with the requirements set out in Section 21 of FICA.
- he/she has obtained copies of the Investor's identification document and any other verification documentation required in terms of Section 22 of FICA, and is keeping record of the required documents.

The Financial Service Provider / Representative acknowledges that he/she has personally explained all the fees and commissions including all the risks associated with the investment choice, to the client.

Signed at

Signature of authorised Financial Service Provider / Representative

Date (ccyy-mm-dd)

8. CONTACT DETAILS

Bips Investment Plan

Contact Details	Postal Address	Physical Address
Bips Contact Centre : 0860 00 2477 Fax: +27 (011) 252 7044 Email: bips@aospartner.com Website: www.bipsetf.co.za	PO Box 4769 Randburg 2125	15 Philips Street Randburg

TERMS AND CONDITIONS

1. Definitions

- 1.1 The administrator of the Bips Investment plan is Automated Outsourcing Services (Pty) Ltd ("**AOS**").
- 1.2 "**business day**" is any calendar day which is not a Saturday, Sunday or public holiday within the Republic of South Africa;
- 1.3 "**distributions**", are distributions declared in respect of Bips securities held for the benefit of a participant;
- 1.4 "**investment plan account**" is an account opened by the administrator in favour of a participant in the plan, on acceptance of a completed New Business Application Form from that participant;
- 1.5 "**nominee company**" holds Bips securities on behalf of participants;
- 1.6 "a Bips **participant**" is a person for whom a Bips investment plan account has been opened by the administrator in terms of the rules of the plan;
- 1.7 "**plan**" is the Bips Investment Plan more fully described in 2 below;
- 1.8 "**Bips Investment Managers (Pty) Limited**", is a collective investment scheme management company registered with the Financial Services Board ("**FSB**"). Bips Investment Managers (Pty) Ltd is the collective investment scheme management company for the Bips Top40 and Bips Inflation-X portfolios;
- 1.9 "**Bips securities**" are listed participatory interests in a Collective Investment Scheme issued by Bips Investment Managers (Pty) Limited that track the dividend and price performance of a particular index;
- 1.10 "**type of Bips security**" is a particular class of Bips security including, without being limited to, Bips Top40 and Bips Inflation-X securities;

2. The Plan

- 2.1 Under the plan the nominee company will acquire Bips securities as nominee for and on behalf of participants. Bips securities acquired by the nominee company in terms of the plan will be allocated as between participants (the beneficial owners of Bips securities acquired by the nominee company pursuant to the plan), pro rata according to their contributions to the plan.
- 2.2 Under the plan, a participant can on the terms and conditions set out herein:-
 - 2.2.1 Acquire Bips securities -
 - 2.2.1.1 by contributing a fixed amount to the plan (equal to or exceeding R300 per type of Bips security), every month, quarter, semi-annually or annually by debit order, which amounts will be used for acquiring Bips securities for the benefit of the participant;
 - 2.2.1.2 by contributing a lump sum to the plan (the minimum initial lump sum is an amount of R1,000, per type of Bips security), which amount will be used for acquiring Bips securities for the benefit of the participant;
 - 2.2.1.3 by reinvesting into the plan distributions declared in respect of Bips securities held for the benefit of that participant.
 - 2.2.2 Sell Bips securities held within the plan by giving a written and signed instruction to the administrator to sell Bips securities held for the benefit of that participant.
 - 2.2.3 Transfer Bips securities held within the plan for the benefit of a particular participant to another/other participant/s in the plan; or into or out of the plan.

3. Ways to invest

The plan offers the following ways to invest:

3.1 Regular savings - monthly debit order

- 3.1.1 Should the participant wish to invest a fixed sum regularly in Bips securities (on a regular basis, via debit order) the appropriate sections on the New Business Application Form must be completed and sent to the administrator. That section includes a direct instruction to a bank to transfer a fixed sum to the administrator on a regular basis, by debit order, on either the 3rd or the 25th day of each calendar month. Should the 3rd or the 25th day fall on a non-business day, then the debit order will operate on the next business day. Please note that the debit order instruction will be loaded for the next scheduled debit order run in the month that the application form has been submitted, as long as the timings as per the debit order section of the application form has been adhered to. Should you require your debit order to start in a different month, this should be clearly specified on the application form.
- 3.1.2 The minimum amount the participant may invest is R300 per type of Bips security per debit order. Debit order instructions must be received by the administrator at least 10 business days prior to the desired action date. Instructions received after that period will be processed in the following month.
- 3.1.3 Any Bips securities so acquired will be held by the nominee company and only passed to the benefit of the participant after the debit order has been cleared by the participant's bank. Should such amount not be cleared within 40 days of the debit order having been submitted, any Bips securities so acquired will be sold by the administrator and any loss incurred on such sale will be recovered from the participant by the administrator, together with a rejection charge.
- 3.1.4 Debit orders that are rejected by the participant's bank will attract a rejection charge of R110 per rejection, which charge will be levied by the administrator. Furthermore, when the debit order is re-submitted, the price at which the selected Bips securities are purchased will be the price applicable on the day that the debit order is re-submitted.

3.2 Lump sum investment

- 3.2.1 Should the participant wish to invest a lump sum in Bips securities, the appropriate sections of the New Business Application Form must be completed and sent to the administrator together with a proof of payment of funds to "Automated Outsourcing Services (Pty) Ltd", subject to an initial minimum of R1,000 per type of Bips security. Please note that if all outstanding documentation is not furnished within 21 days, your funds will be refunded and the application cancelled.

3.3 Additional investments

Once an investment plan account has been opened by the administrator in the participant's name, the participant may adjust his/her level of contributions by completing the Additional Investment Form, which is available from the administrator or on the Bips website (<http://www.bipsetf.co.za>). Please note that if all outstanding documentation is not furnished within 21 days, your funds will be refunded and the application cancelled.

3.4 Income reinvestment

The participant may elect to reinvest distributions which accrue to him/her in respect of Bips securities held within the plan for the purchase of additional Bips securities. Distributions of less than R100 will, however, be automatically reinvested. The reinvestment election will apply only to distributions greater than R100. The participant will indicate this election in the initial New Business Application Form. The participant may change his/her election by written instruction to the administrator or on completion of new instructions on an Additional Investment Form. Notwithstanding an election to reinvest distributions, no Bips securities will be purchased unless and until the cash balance in the participant's investment plan account is sufficient to purchase at least one Bips security.

3.5 Interest on new investments and disposals

- 3.5.1 No interest shall be payable to the participant by the administrator in respect of any new investment, unless all completed documents have been received (including the relevant FICA and due diligence) by the administrator prior to the stipulated cut-off on any given day, and the investment has not been processed within the two day turnaround time as stipulated on the application forms. Only after the above requirements have been met, shall interest become payable at the call rate earned by the Nominee from time to time on its bank account.
- 3.5.2 Should the participant effect a disposal of any investment, no interest shall be payable on any funds held by the administrator resulting from the liquidation of the underlying Bips securities, if such funds are paid to the participant within the stipulated period of 7 working days after the instruction has been processed. Thereafter, interest shall become payable at the call rate earned by the Nominee from time to time on its bank account.

4. Acquisition of Bips securities

- 4.1 At the close of business each quarter, all amounts in participants' investment plan accounts with a sufficient balance are aggregated and used to buy the maximum number of Bips securities, after accruing for any fees and costs payable, at a time chosen at the administrator's discretion during the following business day.
- 4.2 The administrator normally procures the acquisition (by the nominee company) of Bips securities through the market at the best offer price available at the time the order is placed.

4.3 If the administrator does not, on any given business day, fully invest all funds available for investment under the plan (i.e. funds held in investment plan accounts and available for investment) then uninvested balances will be carried forward to the following business day. Fractions of a Bips security cannot be acquired. Any balance of uninvested cash will be held and added to future contributions for later investments. The cost per Bips security to each participant is that participant's proportionate share of the total cost of acquiring the Bips securities purchased under the plan on the relevant business day, (including commissions and transaction charges as set out in paragraph 10 below).

5. Client identification

5.1 In terms of the Financial Intelligence Centre Act, 38 of 2001 ("**Financial Intelligence Centre Act**"), the administrator or the intermediary through whom the participant's investment into the investment plan has been made, is required to satisfy themselves of the identity of their clients before entering into a business relationship with such a client, or concluding a single transaction with him. In order to achieve this, the participant will be required to provide certain information of a personal and financial nature, in order for identification and verification process to be carried out.

5.2 The information required will vary depending on the nature of the participant. To facilitate client identification it is necessary that certain additional documentation accompany all application forms in the name of natural persons, clubs, societies, closed corporations, trusts and companies. The administrator requires certified copies of the identity documents for proof of identification of natural persons, founding statements and trust deeds for proof of identification of trusts, trustees and beneficiaries and registration numbers in respect of companies and close corporations. In addition, an acquisition of Bips participatory interests by a South African corporate entity, trust, investment club or stokvel will be regarded by the Exchange Control Department as a foreign investment requiring specific approval by the Exchange Control Department. These entities would therefore need to supply the administrator with approval documents from the South African Reserve Bank. The administrator also requires minutes of the meeting of the relevant entity showing the intention to make an investment in the plan and appointing the signatories. Specimen signatures are also required with full names and contact details together with certified copies of the identity documents of the relevant signatories.

5.3 The Financial Intelligence Centre Act also requires that the client should provide proof of current residential address (e.g. municipal lights, water & rates or telephone account). If this is not available, an affidavit confirming the client's residential address can be provided by a financial services provider/representative or attorney. Proof of South African banking details are also required (cancelled bank current account cheque, or bank statement).

5.4 The participant also acknowledges that the money, which he/she is investing, is not derived from the proceeds of unlawful activities, as defined in the Prevention of Organised Crime Act, 121 of 1998.

5.5 South African corporate entities, trusts investment clubs or stokvels should contact their professional advisors or the Exchange Control Department of the South African Reserve Bank for information on obtaining approval for foreign investments.

6. Sale of Bips securities

6.1 The administrator will procure the sale by the nominee company of all or part of any holding of Bips securities upon receiving a written and signed instruction (Bips Investment Plan - Repurchase Form) to that effect from the participant wishing to sell his or her Bips securities. There is, however, a 40 day holding period on Bips securities bought with the most recent debit order. The Administrator will not procure the sale of Bips securities to the value of less than R1,000. Should the remainder of the securities fall below R1,000, a full repurchase will be processed.

6.2 The administrator must receive from the participant by 11h00 - South African time - on a business day, via post or fax (011 252 7044), a written and signed instruction to sell, in order for a sale to be carried out the following business day.

6.3 If a sale instruction is received for the entire holding of a participant on an existing regular savings account (i.e. an investment plan account receiving regular contributions by way of monthly debit order), the direct debit order will continue unless cancelled at the participant's instruction. Telephone instructions cannot be accepted and the administrator cannot procure the sale of any Bips securities held outside the plan.

6.4 The administrator will procure the sale of all of the Bips securities for which sale instructions have been received from a participant, at its discretion through the market at the best bid price available at the time the order is placed. Prices cannot be guaranteed or determined in advance and no price limits on orders can be accepted..The proceeds of sale due to each participant will be his or her proportionate share of the total proceeds realised from the sale through the plan of Bips securities on that business day, less the transaction charges set out in paragraph 10 below, and will be credited to the participant's bank account on the business day following the normal settlement period, which will be 7 working days after the complete instruction has been received before the required cut-off. **No payment will be made into a third party's bank account or a foreign bank account under any circumstances.**

7. Registration of Bips Securities

7.1 The administrator will advise the participants either by SMS message if mobile contact details are provided or by email if no mobile contact details are provided, that transaction documents have been received, and if any outstanding documentation is

required. Once the transaction has been processed, the administrator will advise the participant, in writing, within 7 days of receiving the completed New Business Application Form, of the client account number and number of securities purchased.

7.2 All Bips securities purchased under the plan are held in the name of the nominee company.

7.3 Quarterly statements are the participant's proof of ownership of the Bips securities acquired under the plan on his/her behalf, and should be retained indefinitely. The transaction advice notes and quarterly statements will also record the price at which Bips securities have been bought and sold by the plan for the participant's benefit and should be retained for tax purposes.

7.4 Normally Bips securities held within the plan will be sold through the administrator. Should the participant wish to sell Bips securities held within the plan through a stockbroker or bank, there will be a delay in transacting the sale. Such sales will necessitate the transfer of the participant's holding of Bips securities out of the nominee company into the participant's nominated broker account. This process will involve the procedure as set out in paragraph 8 below and the charges set out in paragraph 10 below.

8. Transfer of Bips securities

8.1 Bips securities may be transferred out of the plan. This is done by forwarding a written and signed instruction (a CSDP Transfer Form) to the administrator, and paying a transfer fee (details of which appear in paragraph 10) and, if required, UST. Participants transferring Bips securities out of the plan should note that Bips securities held outside the nominee company cannot be sold through the plan and would have to be sold through a bank or stockbroker and their charges paid.

8.2 The participant may transfer Bips securities held for his/her benefit within the plan to another person (who will then in turn become a participant, if he/she is not already a participant), provided that a written and signed instruction (a Transfer Form) has been made to the administrator, stating the beneficiary's existing investment plan account details (if applicable). If the beneficiary is not an existing participant, this instruction should be accompanied by a completed New Business Application Form. In addition, the UST and the transfer charges as set out in paragraph 10 below have to be paid.

9. Rights and benefits of a participant holding Bips securities via the plan

9.1 Distributions

9.1.1 Distributions accrue to the participant as and when they are declared by the trustees of the relevant underlying trust to holders of a particular type of Bips security.

9.1.2. The participant may reinvest his/her distributions in additional Bips securities or, by marking the appropriate box on the New Business Application Form provided, distributions will be paid to the participant. Notwithstanding an election to reinvest a distribution, no purchase will be made until the balance in the investment plan account is sufficient to purchase at least one Bips security.

9.1.3. The administrator will transfer funds electronically to the participant's bank account when paying out distributions to guard against fraud and theft. Please include the bank details on the New Business Application Form to facilitate this process. Distributions of less than R100 will automatically be reinvested. Distribution payments will be made within 7 working days after the dividend payment has been received by the nominee company. **No payment will be made into a third party's bank account or a foreign bank account under any circumstances.** Where investors have elected to have their distribution paid out and payment cannot be made due to incorrect banking details provided etc, the distributions will be reinvested into the investors cash fund until such time that updated banking details have been provided.

9.2 Annual reports and other correspondence with Bips securities holders

These will be sent to the participant, if requested, as if he/she was a registered holder of Bips securities outside of the plan. Participants in the plan have the same rights in respect of Bips securities held for their benefit via the plan as do direct holders of Bips securities.

9.3 Other matters

9.3.1 The participant will be timeously notified by the administrator of any matters or proposals requiring his/her attention as the beneficial owner of Bips securities held via the plan.

9.3.2 If for any reason, the plan is suspended in respect of further investment in Bips securities the administrator will inform the participant of the suspension and his/her contributions will be held in the investment plan account until the suspension is lifted or alternative instructions are received.

9.3.3 Cessions are permitted on the plan. In the case of outright cessions all rights in terms of the securities are transferred to the new owner (cessionary). In the case of collateral security cessions, the securities serve as security for a loan and the cessionary's claim to the investment is limited to the amount of the cedent's liability.

9.3.4 Death of participant – no beneficiaries may be nominated as on death of the participant, the securities will form part of the deceased's estate's assets. The administrators will only act on instructions from the Executor of the estate as appointed by the Master of the High Court.

10. Transaction charges

The following transaction fees are charged by the administrator and other related parties. The fees charged by the administrator may be varied by it, upon three months written notice to the participants beforehand.

10.1 Acquisition of Bips securities

10.1.1 Participants can subscribe directly for Bips securities, in which case no commission will be payable. However, if the participant is introduced to the plan through the plan's distribution network, direct marketing agent and/or an independent Financial Services Provider ("FSP")/Representative, an agreed commission percentage will be payable. Such commission will be paid by the administrator to the distribution network, direct marketing agent and/or the independent financial advisor in question.

10.1.2 VAT will be payable on the commissions contemplated in paragraph 10.1.1 above and will be for the account of the participant.

10.1.3 Stockbroker's commissions, incurred by the administrator, in effecting the acquisition of Bips securities for and on behalf of the participant, are for the account of the participant. The stockbroker's commission currently negotiated by the administrator, amounts to 0.10% (plus VAT) of the relevant transaction value.

10.1.4 The administration fee is R3.50 (excluding VAT) per monthly debit order.

10.1.5 The legislated Investor Protection Levy (0.0002% plus VAT) and a nominal STRATE settlement fee is deducted by the administrator and is for the participant's account

10.2 Sale of Bips securities

On the sale of Bips securities by the administrator on the participant's behalf, no charges will be levied by the administrator other than actual stockbroker's commissions incurred (plus VAT) and the outstanding pro rata service charge being the Investor Protection Levy (0.0002% plus VAT) and a nominal STRATE settlement fee.

10.3 Service charge

10.3.1 A service charge, as per the table in the above application, is calculated per annum excluding VAT of the market value of the holding of Bips securities during that year which is payable to the administrator. The service charge is in addition to the management fees payable to Bips Investment Managers (Pty) Limited, as set out in the relevant Offering Circular. The annual service charge is calculated daily and will be deducted quarterly from the cash balance in the participant's investment plan account. If necessary, the minimum number of Bips securities will be sold to recover this charge. Should the participant wish to withdraw his/her investment from the plan, either through the sale or transfer of Bips securities, it is necessary for the administrator to recover that accrued pro rata portion of the service charge. This will be done before the Bips securities are transferred or before the proceeds are paid out.

10.3.2 The FSP/Representative will charge one of the following initial fee bands per lump sum and recurring investment in agreement with the client: 0% or 0.25% or 0.5% or 1.0% or 1.5% or 2.0% or 2.5% or 3.0%. This commission will only be paid out once the amount owing exceeds R200.

10.4 Transfer of Bips securities

10.4.1 In the event of a participant transferring Bips securities held outside the plan into the plan or vice versa, a transfer fee of R250 (excluding VAT) will be charged per transfer evidencing the Bips securities in question. This fee must be paid to the administrator upon instruction for the transfer.

10.4.2 The administrator reserves the right to pass on or charge the participant with any UST or other duty or tax payable on or in respect of transfers into or out of the plan where there is a change of beneficial ownership.

10.5 Switch of Bips securities

Due to the fact that a switch involves a sale and purchase in the market, stockbrokers commissions, Investor Protection Levy (0.0002% plus VAT) and a nominal STRATE settlement fee will be applicable and passed on by the administrator to the participant in respect of switches.

11. Termination of participation

11.1 Participants may close their investment plan account at any time by giving a written and signed instruction to the administrator. If notice regarding regular savings debit orders is received before the action date of a debit order in a particular month, any uninvested balance will be returned to the participant. If notice is received later than such date, any regular savings contributions received that month will be invested. Participation will automatically terminate on receipt by administrator of a notice of death. Any notice should include an instruction for the Bips securities in question to be sold and paid into the Estate

Late bank account. Any uninvested cash balance will then be returned to the existing participant (or his estate, as the case may be).

11.2 In the event that a participant cancels his or her fixed monthly savings investment (debit order), but wants to retain his or her Bips securities, the investment will continue to be held on his or her behalf in the name of the nominee company.

12. Termination of and alterations to the plan

12.1 Subject to paragraph 11 above, Automated Outsourcing Services (Pty) Ltd may terminate the plan only by giving at least three month's written notice to all participants. At the end of the period of notice the administrator will close all investment plan accounts, and send Bips securities to participants free of charge, and return all cash balances. If payments continue to be made to the administrator after the termination date, the administrator will hold such payments on account until instructions are received from the participant.

12.2 Automated Outsourcing Services (Pty) Ltd may amend the terms and conditions of the plan, including in particular the minimum and maximum amounts accepted for investment and the charges set out in paragraph 10, after giving three month's written notice to participants. Automated Outsourcing Services (Pty) Ltd, in its discretion and without notice to participants, may make available via the plan other types of securities that Bips Investment Managers (Pty) Limited may have in issue from time to time.

12.3 Automated Outsourcing Services (Pty) Ltd may also amend the plan, or appoint another company to act as administrator in its place. Notice of such amendment or appointment will be given to participants.

13. Reporting to participants

13.1 Investment Plan account details will be confirmed to all new participants in writing.

13.2 Statements will be sent to participants quarterly. The participant may request a statement from the administrator at any time, by written, faxed or telephonic request. Statements can also be accessed on the administrator's internet site via the Investor Portal as reflected on the Online Servicing application.

13.3 Should the administrator not receive any notification within 30 days of the statement having been sent out to the participant, that the statement contains errors, or is not a true reflection of the participant's investment, then the administrator shall be entitled to regard the statement as being correct in every way.

14. Expenses of the plan

The administrator collects and distributes the fees and charges described in paragraph 10 above. The operating expenses of the plan are paid by the administrator.

15. Risks and responsibility

The administrator is not in a position to give advice as to whether direct investment in Bips securities or participation in the plan is suitable for any single participant and cannot be held liable for any loss that may be suffered by the participant, except as a result of the administrator's own default or negligence. As with all stock exchange investments, the market price of Bips securities will fluctuate according to market conditions, general sentiment and other factors. The price at which Bips securities trade on the JSE Ltd and the income derived from Bips securities may go up or down and the participant has no guarantee that he will recoup the original amount invested. A participant should consult a professional advisor if he requires assistance or advice.

16. Taxation Consequences

16.1 Investors should seek their own professional taxation advice.

17. Investment Policy

17.1 The objective of each Bips Fund is to achieve a total return that reflects the return on the underlying Index of each Bips Fund, as detailed in the Supplement. Bips Funds will attempt to place investors in the same position, from a capital and income perspective, as if they held the underlying constituents of the applicable Index in their correct weightings.

17.2 Each Bips Fund will be aligned with a specific Index. The Index may be adjusted from time to time according to the Index Ground Rules. The adjustments may require the removal of a constituent security from the Index and the replacement thereof with a new constituent security. Adjustments to the portfolio will be made in such a way that the portfolio will at all times remain substantially aligned with the Index.

17.3 The objective of each Bips Fund is achieved by investing predominately in the underlying securities that constitute the index, although the Funds may have exposure to other instruments, to replicate the performance of the Index. The Securities held will replicate the weighting of the constituents of the Index, and will be adjusted to conform substantially to any changes in the Index.

17.4 The Bips Fund's ability to replicate the price performance of the Index will be affected by the costs and expenses incurred by the Fund. Costs and expenses incurred by the Fund may result in the Index not being replicated perfectly by the Bips Fund.

18. General

- 18.1 The administrator will use its best endeavours to ensure that any instructions received from the participant or his FSP/Representative are carried out within a period reasonable to the nature of the instruction, and in accordance with the administrator's own timing standards, which the administrator may vary within reason when required through business circumstances. Due to the fact that any selected Bips securities are supplied by third party product suppliers, there may be circumstances beyond the administrator's control, which might lead to it not being able to adhere to its timing standards.
- 18.2 The Bips securities will be administered by the administrator on behalf of the participant, but always subject to any terms and conditions that the party offering the investment may require. These terms and conditions may be contained in a prospectus, or any other documentation which might be applicable, copies of which may be obtained from such third parties on request.
- 18.3 Should the participant elect to deal with the administrator through the FSP/Representative whose details may appear on the New Business Application / Additional Investment Form, in respect of an application, it will be assumed that all future dealings will also, until the administrator is advised otherwise, take place through the FSP/Representative. Such FSP/Representative is appointed by the participant to be his authorised agent for the purposes of effecting, maintaining and servicing this investment. The participant acknowledges that the FSP/Representative may be entitled to certain fees, as agreed between them and set out in the application forms, for the services he renders to the participant. The participant authorises the administrator to deduct any such fees from his investment and to pay any such fees to the FSP/Representative once such fees accumulated above R200. If the participant terminates his relationship with the FSP/Representative through whom this application is submitted to the administrator, and intends continuing to deal with the administrator through another FSP/Representative that the administrator has authorised to market its products, the participant shall inform the administrator of this fact in writing, who in turn will notify the terminated FSP/Representative of this fact. The administrator shall thereafter continue to pay any fees to the new FSP/Representative, unless advised to the contrary by the participant.
- 18.4 The participant may elect to deal directly with the administrator and submit an application form, without utilizing a FSP/Representative, in which case all instructions and correspondence for the maintenance and servicing of this investment will take place directly between the administrator and the participant.
- 18.5 The FSP/Representative through whom the application for an investment is being made confirms that it is an authorised FSP licensed (certified copy of FSP license must be supplied) in terms of the Financial Advisory and Intermediary Services ("FAIS") Act, 2002 to provide financial services in respect of the Bips securities to which the application relates. (For the purposes of this application, a reference to an FSP shall include a Representative of such FSP, if the participant is in fact being provided with a financial service through such a Representative, and the FSP confirms further that such Representative is also "Fit and Proper" in terms of the FAIS Act to provide financial services in respect of the Bips securities to which the application relates.)
- 18.6 Should the participant have entered into a discretionary mandate with a discretionary FSP/Representative, in terms of which the mandated party may exercise a discretion on behalf of the participant as to the selection of Bips securities to be invested in, then such mandate together with the certified copy of FSP license, shall accompany the application form, and remain in force until cancelled in writing by the participant, a copy of which cancellation notice shall be supplied to the administrator. If such a mandate is in place, then the administrator shall be entitled to accept instructions from the discretionary FSP/Representative mandated by the participant to so vary the selection of Bips securities.

19. Electronic Transactions

The participant agrees that the administrator is entitled to implement all instructions and applications received via telephone or fax which may appear to emanate from the participant provided that the instructions or applications comply with the necessary FICA and due diligence requirements as detailed on the FICA check list and the various application forms. Automated Outsourcing Services (Pty) Ltd is indemnified against any losses, claims or damages arising from acting on such instructions or applications, notwithstanding that it may later be proved that any such instructions were not provided by the participant. The participant agrees that the electronic records of all instructions and applications processed by/or on behalf of the participant via telephone or fax shall constitute prima facie proof of the contents of such instructions and applications.

DOCUMENTATION CHECKLIST

The following items must accompany the New Business Application Form (refer to FICA Documentation Checklist):

- Certified copy of Identity Document or Passport;
- Certified copy of utility bill, showing investor's current residential address (e.g. municipal lights, water and rates account, telephone account), or proof of investor's residential address (e.g. affidavit by Financial Services Provider/Representative, Attorney, Bank Manager);
- Proof of deposit - **NB: Please note that as per banking legislation, cheque deposits will need to undergo a clearing period of 10 calendar days for all cheques within the Rand Monetary Area, and 15 calendar days outside the Rand Monetary Area (ie: Lesotho, Namibia and Botswana). Therefore the funds will only be available to be invested after**

the clearing period has lapsed.;

- Proof of South African bank details [must reflect bank name, acc.holder's full name and bank acc. No] No internet or Credit Card statements will be accepted.
- Proof of SARB approval (if applicable);
- Proof of approved Discretionary Financial Services Provider/Representative Mandate (if applicable);
- Certified copy of FSP license and proof of VAT Registration Certificate (if applicable).

[THIS LIST OF DOCUMENTATION IS NOT COMPLETE AND DOES NOT INCLUDE ANY DOCUMENTATION REQUIRED IN RESPECT OF COMPANIES, CLOSE CORPORATIONS AND TRUST - PLEASE REFER TO THE FICA DOCUMENTATION CHECKLIST FOR FULL REQUIREMENTS]

TIMING STANDARDS RELATING TO CERTAIN ADMINISTRATIVE PROCEDURES

1. The following cut-off times are applicable to enable such instruction to be processed by Bips Investment Managers (Pty) Limited:
 - 1.1 **New business:** Any New Business Application Form received by AOS, (fully and correctly completed, signed, all required FICA documentation attached and the funds deposited and are reflected in the product bank account) before 11h00 will be captured on the AOS system the same or following day and the investor shall receive the price on such day. **NB: Please note that as per banking legislation, cheque deposits will need to undergo a clearing period of 10 calendar days for all cheques within the Rand Monetary Area, and 15 calendar days outside the Rand Monetary Area (ie: Lesotho, Namibia and Botswana). Therefore the funds will only be available to be invested after the clearing period has lapsed.** Please note that if all outstanding documentation is not furnished within 21 days, your funds will be refunded and the application cancelled.
 - 1.2 **Additional Investment:** Any Additional Investment Application Form received by AOS, (fully and correctly completed, signed, all required due diligence attached and the funds deposited and are reflected in the product bank account) before 11h00 will be captured on the AOS system the same day or the following day and the investor shall receive the price on such day. **NB: Please note that as per banking legislation, cheque deposits will need to undergo a clearing period of 10 calendar days for all cheques within the Rand Monetary Area, and 15 calendar days outside the Rand Monetary Area (ie: Lesotho, Namibia and Botswana). Therefore the funds will only be available to be invested after the clearing period has lapsed.** Please note that if all outstanding documentation is not furnished within 21 days, your funds will be refunded and the application cancelled.
 - 1.3 **Debit Order:** Any debit order instruction (new or additional) received by Bips Investment Managers (Pty) Limited, (fully and correctly completed, and signed) 10 working days before the 3rd of the month or the 25th of the month, shall be loaded before the next scheduled debit order run. Please note that if all outstanding documentation is not furnished within 21 days, your funds will be refunded and the application cancelled.
 - 1.4 **Repurchases:** Any instruction received by the Administrator to repurchase (fully and correctly completed and signed) before 11h00 will be captured the same or following day and the investor shall receive value for the price on such day.
 - 1.4.1 Should the participants banking details provided on the Repurchase Form differ to the banking instructions recorded on the participants account, proof of bank details must be provided before the sale of securities will be executed by the administrator on the market.
 - 1.4.2 Payment of the proceeds of the said repurchase shall then take place into the investor's bank account 7 (seven) business days later. Payment of the proceeds of a repurchase instruction within the first 21 (twenty one) days of the commencement of the investment will only be made after the 21 (twenty one) days have elapsed.

FICA Documentation Checklist

Due Diligence Requirements – New Applicants must send the following applicable FICA documents Together with a fully completed New Business Application form. Additional or updated documentation may be requested in certain circumstances. Please ensure that the information provided on the FICA documentation is clear and certified if a copy. All FICA documents must be less than 3 months old except for income tax forms / property insurance policy schedules. If a Financial Service Provider (FSP) / Representative is utilised, a certified copy of the FSP license is required.

Individual	Trust
Identification <u>Clear copy of one of the following:</u> <ul style="list-style-type: none"> • Current valid passport • National identity card or document • Armed Forces identity card Confirmation of address <u>Clear copy of one of the following, confirming</u>	<ul style="list-style-type: none"> • Proof of South African Reserve Bank approval Identification <ul style="list-style-type: none"> • Trustees – as per individual requirements, or company requirements for corporate trustees • Extract of Trust Deed pages showing name of Trust, parties to the Trust and signature pages • Letter of Authority from Master (SA Trust) or Foreign Regulator (Foreign Trusts) to Trustees Confirmation of address

<p>Name and Address:</p> <ul style="list-style-type: none"> • A utility bill • A council tax bill / assessment • An income tax form / extract [NB: a print out off e-filing is not acceptable proof of residence] • A property insurance policy schedule • A most recent lease / rental agreement • Affidavit (NB: must be declared by the investor and not a third party). <p style="text-align: center;">Related due diligence</p> <ul style="list-style-type: none"> • Proof of Banking details – either: <ul style="list-style-type: none"> - Cancelled Cheque or Bank Statement - A letter from Bank confirming banking details • Proof of Income Tax Number 	<ul style="list-style-type: none"> • Trust – as per individual requirements • Trustees – as per individual requirements <p style="text-align: center;">Related due diligence</p> <ul style="list-style-type: none"> • Authorised signatory list including specimen signatures • Proof of Trust Banking details – as per individual requirements • Proof of VAT registration (if applicable) • Proof of Income Tax Number
Investing in Name of Minor	Investor Clubs and Stokvels
<ul style="list-style-type: none"> • Minor – Certified copy of birth certificate • Legal Guardian – as per individual requirements • 	<ul style="list-style-type: none"> • Proof of South African Reserve Bank approval • Copy of constitution / founding document • Copy of register of participants • Letter electing and authorising person to act on behalf of the club / stokvels • Representative – as per individual requirements • Administrator reserves the right to request FICA documents for all participants <p style="text-align: center;">Related due diligence</p> <ul style="list-style-type: none"> • Authorised signatory list including specimen signatures • Proof of Club and Stokvel Banking details – as per individual requirements
Company	Partnership
<ul style="list-style-type: none"> • Proof of South African Reserve Bank approval <p style="text-align: center;">Identification</p> <ul style="list-style-type: none"> • Certificate of Incorporation (CM1, CM22 and CM29) • Board resolution authorising the investment (and / or approval to act as trustee if a corporate trustee) • Directors – as per individual requirements • All shareholders holding 25% or more of voting rights at a general meeting – as per individual requirements <p style="text-align: center;">Confirmation of address</p> <ul style="list-style-type: none"> • Company – CM1, CM22 and CM29 • Directors – as per individual requirements • Name(s) and address(es) of all directors • All shareholders holding 25% or more of voting rights at a general meeting – as per individual requirements <p style="text-align: center;">Related due diligence</p> <ul style="list-style-type: none"> • Authorised signatory list including specimen signatures • Proof of Banking details – as per individual requirements • Proof of VAT registration (if applicable) • Proof of Income Tax Number 	<ul style="list-style-type: none"> • Proof of South African Reserve Bank approval <p style="text-align: center;">Identification</p> <ul style="list-style-type: none"> • Latest Annual Reports and Accounts • Resolution of the partners to invest • All Partners – as per individual requirements <p style="text-align: center;">Confirmation of address</p> <ul style="list-style-type: none"> • All Partners – as per individual requirements <p style="text-align: center;">Related due diligence</p> <ul style="list-style-type: none"> • Authorised signatory list including specimen signatures • Proof of Banking details – as per individual requirements • Proof of VAT registration (if applicable) • Proof of Income Tax Number
Company	Closed Corporations
<ul style="list-style-type: none"> • Authorised signatory list including specimen signatures • Proof of Banking details – as per individual requirements • Proof of VAT registration (if applicable) • Proof of Income Tax Number 	<ul style="list-style-type: none"> • Proof of South African Reserve Bank approval <p style="text-align: center;">Identification</p> <ul style="list-style-type: none"> • Founding Statement and Certificate of Incorporation • Resolution of the members to invest • Members – as per individual requirements <p style="text-align: center;">Confirmation of address</p> <ul style="list-style-type: none"> • Close Corporation – CK1 and CK2 • Members – as per individual requirements <p style="text-align: center;">Related due diligence</p> <ul style="list-style-type: none"> • Proof of Banking details – as per individual requirements • Proof of VAT registration (if applicable)

- Proof of Income Tax Number

Source of funds (the proceeds to be invested need to have been accumulated and invested legitimately):

- Declaration on the application advising how the funds have legitimately arisen (from which legitimate activity, event or circumstances)