Findata

Associate of finsolnet

Findata Financial Services (Pty) Ltd. Reg no. 1988/001896/07
Authorised Financial Services Provider (FSP no. 4771)

Letter of Introduction | FAIS Disclosure|Service Level Agreement

The Financial Advisory and Intermediary Services Act (FAIS) require full disclosure to clients of the financial intermediaries' particulars, qualifications, products, and services for which they are licensed, and other prescribed information. This document attempts to meet Findata's obligations in this regard.

PLANNING FOR FINANCIAL SECURITY

1. Who we are

Findata is a registered financial services provider (FSP No: 4771) that operates with the requirements of the Financial Advisory and Intermediary Services (FAIS) Act, 2002. Findata Financial Services (Pty) Ltd was incorporated in 1984 to provide financial services (advice and intermediary services) to South African clients.

2. What we do

We help secure clients financially for:

The unknown future: events over which clients have no control - death, disability, trauma and ill-health.

The known future: future events and needs that are known and can be planned for - retirement, asset accumulation and investments.

Findata provides integrated planning solutions that ensure sustainable financial provision in real terms (illustrating values after inflation), incorporating individual and corporate solutions that are optimized for income tax, estate duty and capital gain liabilities.

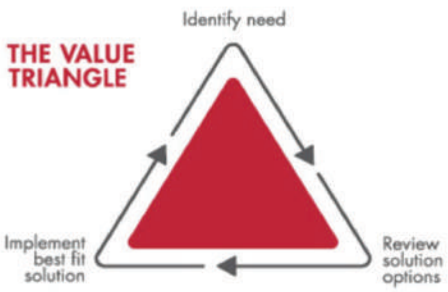
Findata is an independent and objective advisory practice that aims to build a long-term relationship with clients and their families. Our key product is the planning and management of our clients' financial lives. To meet long-term promises, we are committed to a service model business. We therefore prefer to accept the role as client advocate and representative with product providers, rather than a sales model business where relationships are short term and focused on product solutions, sales, and low advice.

Our services include:
- Investments and retirement planning
- Risk management (death, disability, severe illness, income protection)
- Health benefits – medical aid and gap cover
- Estate planning
- Tax planning
- Wills and Trusts

3. How we do it

Effective financial planning requires a multi-disciplined approach.

3.1. The Findata financial planning process is best illustrated by 3 concepts encapsulated in our logo:



All financial planning has three cardinal elements:

1. Quantifying the identified specific needs of the client.
2. Evaluating all the solution variables for the identified need.
3. Implementing the best fit solution.

No single solution can be seen in isolation. It is essential to ensure that none of the related and interlinked disciplines are compromised. Every financial planning action will impact on a variety of related disciplines. Finding the best mix and fit will ultimately determine the success of the overall financial structure. It is essential to combine the value triangles of all the related facets to ensure that the planning is a strong, integrated holistic solution.

The quality circle ensures that all solutions conform to the requirements of the FAIS Act, the FSCA and our own compliance requirements. The circle ensures that clients make an informed decision on solutions, which must be reasonable and equitable, with full disclosure of all costs and the latest fund facts.

The ongoing research and development of Findata's and Finsolnet's planning strategies ensure that clients can make informed decisions on accurate and qualified data.

3.2 The planning process

All our planning, whether for death, disability, or retirement, models the real value of the provision or investments over time, taking into account present value of available capital, additional contributions and withdrawals. Our planning is process driven and based on impartial best practise research. It utilises the very best solutions available without any favour or obligation to any one provider.

Findata aims to:

- Ensure that planning is integrated, comprehensive and sustainable.
- Incorporate all aspects that have a financial impact on planning for death, disability and retirement.
- Develop a comprehensive needs analysis with active solution comparisons that are regularly reviewed.

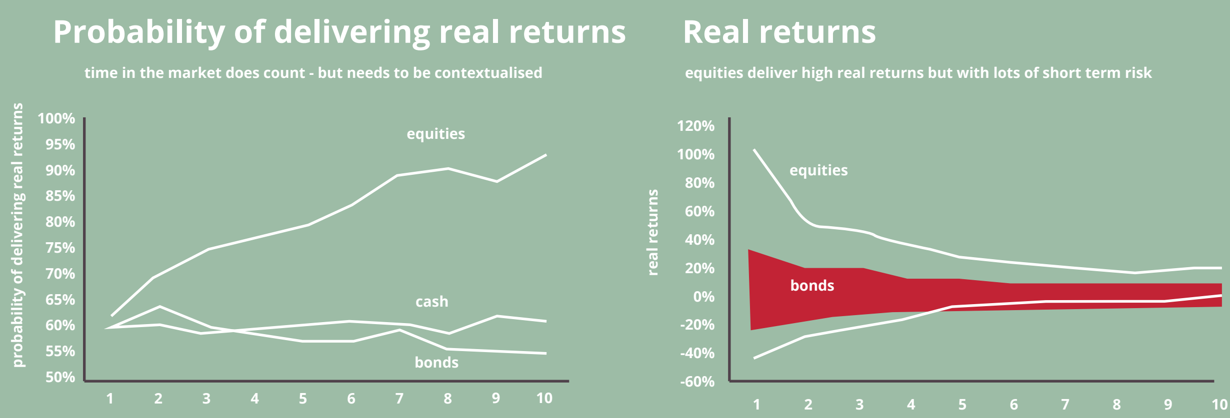
3.3. Planning models for sustainability

The interactive planning models involve clients in calculating the sustainability in real terms of the capital and income objectives in the case of death, disability, and retirement:

- It illustrates the financial results achieved if the capital is invested, assuming a real return of 2%, 4% and 6% as well as the total return expectation of the actual asset allocation.
- Any income withdrawal can be adjusted to illustrate the influence of bigger or smaller withdrawals on sustainability. The planning accepts that income withdrawals from the investment grows with inflation.
- Other variables, such as contributions and retirement age can also be adjusted to analyse the influence on sustainability.
- Medical aid contributions that rise above inflation are projected separately.

3.4. Managing risk and return

The use of equities as growth assets is fundamental in Findata's planning. Real returns are virtually impossible without exposure to equities.



As illustrated, equities offer the highest probability of real returns in comparison with cash and bonds. However, equities are volatile. This volatility is reduced over time. The higher the return expectation, the greater the required equity exposure and the longer the investment term to reduce the consequential volatility risk. Equity risk is not the risk of losing capital, but rather volatility.

Time is thus the key component required to manage volatility risk.

3.5. Finsolnet Strategies manage return, risk and time

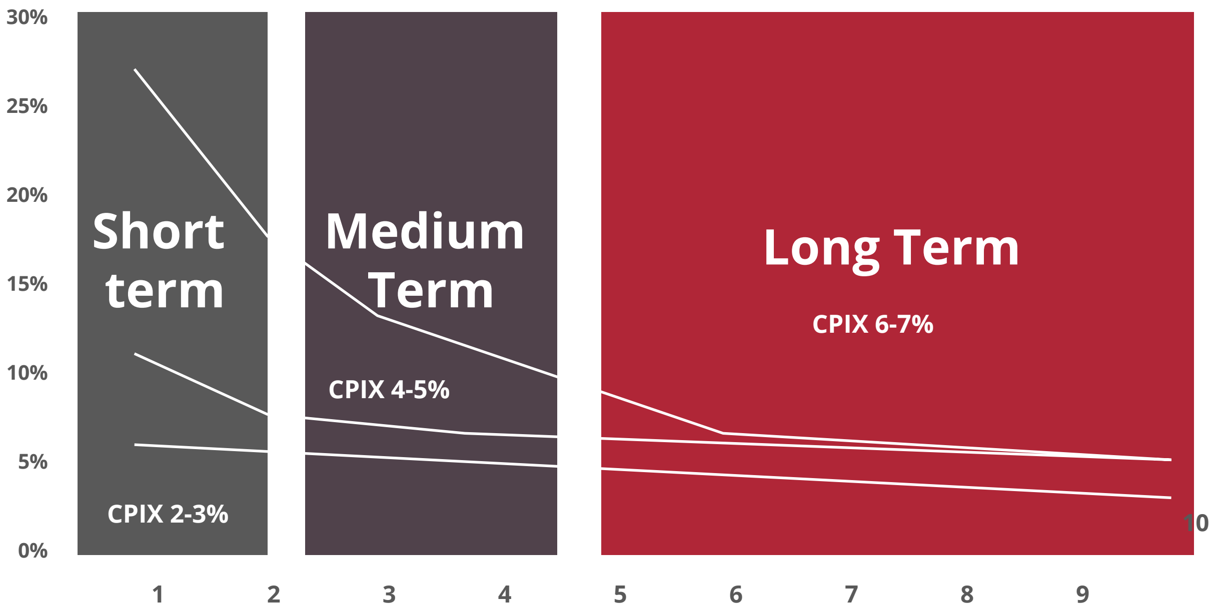
Findata uses the real investment return strategies of Finsolnet to manage the benefit and risk of equities over the short, medium, and long term. These strategies have a proven record of more than 20 years. The Finsolnet strategies differentiate return, risk and time.

- CPI Plus 2% over 12-24 months, ~ 20% equities
- CPI Plus 4% over 36-48 months, ~ 50% equities
- CPI Plus 6% over 60 months, ~ 75% equities

Findata will also, where necessary, supplement the long term domestic and international equity exposure of Finsolnet with:

- International equities via Asset Swop Funds and/or direct offshore investments in hard currency
- Selected single manager unit trust funds from reputable South African fund managers
- Finsolnet Portfolio Management (Pty) Ltd model portfolio's

Investors must, however, understand the investment philosophy of Findata. Clients must understand and accept the use of equities as growth assets. The client is actively involved in determining his risk profile and investment horizon and the optimal asset allocation between long, medium and short-term strategies.



Illustrative risk profile for FINSOLNET strategies

4. Findata and Finsolnet – Our association

To enhance service delivery, reduce costs and improve the quality of benefits and products offered, Findata started Finsolnet in 2004. Finsolnet is a network of independent financial professionals who remain independent but combine their resources and work together.

As an associate of Finsolnet we participate and benefit from the combined resources and knowledge of this select group of specialists to:

- Develop, benchmark and standardize best practice solutions.
- Establish economies of scale to reduce cost.
- Manage on-going due diligence, product and performance reviews of products and product providers.
- Inform and fully disclose all costs related to financial and other solutions.

Findata is an Associate Member of Finsolnet (Pty) Ltd ("Finsolnet"), a financial advisory network, comprising of independent wealth management professionals, working together to secure market-leading investment solutions for clients. We confirm that we hold a minority equity interest in Finsolnet of less than 10%. Furthermore, Finsolnet Portfolio Management (Pty) Ltd ("FPM") a wholly owned subsidiary of Finsolnet, is an authorised and licensed discretionary investment manager providing investment management services to Findata's clients. The fees earned by Findata as a result of this service offering are disclosed in the FPM Client Mandate. Through our interests in Finsolnet, we are entitled to receive additional income based on the performance and profitability of Finsolnet.

5. Sygnia as investment manager of Finsolnet strategies

The strategies are managed by Sygnia, one of South Africa's largest institutional investment managers. The real return investment strategies have distinct real return, risk and term mandates that are applied in accordance with the client's risk profile and needs. The Finsolnet strategies and Sygnia's involvement ensure that client investment expectations can be managed better. Sygnia's appointment assures customers that:

- Investment performance is not dependent on any single individual or institution.
- Strategic and tactical investment decisions are done in a timely matter.
- The continuous management of asset allocation which ensures optimum performance in accordance with the respective mandates.
- Economies of scale and cost-effective management is achieved by institutional fees and segregates investment mandates.
- Adjustments to the investment strategies happen seamlessly with little exposure to Capital Gains Tax.

6. Managing potential conflict of interest

Finsolnet associates regularly review the offering of all service providers. We are confident that the Finsolnet solutions currently offer the best value for investors. Consequently, we use Finsolnet as preferred provider of our investment solutions. It should also be noted that Findata is independent and we may also, where appro-

priate, offer clients a range of solutions and products from other service providers such as insurance companies, unit trusts, asset managers and investment houses. See 10. for a complete list of product houses that Findata is contracted with.

7. Specialist associates

Financial planning requires a multi-disciplinary approach to ensure integrated best practise solutions. In support of our extensive in-house qualifications and experience, Findata uses carefully selected specialist associates to support their planning services where necessary. Our clients are under no obligation to make use of our associates. We merely facilitate the relationship. We do not give advice and do not assume responsibility for the advice from specialist associates. We may receive a referral fee from the specialist provider and will declare all such fees to clients.

Where clients have existing relationships with specialist providers (e.g. accountant, tax practitioner, lawyer) Findata will engage with them in order to provide clients with integrated advice.

8. Continuity, service and security

To ensure continuity of service delivery, Findata continually recruits and trains suitably qualified staff and advisors. Findata's services are process driven to ensure that no one individual can adversely affect planning solutions. Individual advisors and staff give advice within the constraints of the Findata, Finsolnet and FSCA advisory and compliance guidelines.

No client's funds may at any time be invested in any account of Findata or be exposed to creditors of any investment product provider. Investments may only be transferred to the collective investment trust accounts of our participating investment associates.

9. Meet our people

9.1. Key Individual and financial planner: Stephan van der Walt

Contact details: stephan@findata.co.za **Mobile: 082 606 0143**

Stephan van der Walt is employed as a representative and financial planning associate of Findata. As a graduate of Stellenbosch University, he holds a BA LLB degree and was admitted to practice as an attorney in 1995. However, he chose to further his career in the financial services industry and gained financial planning and management experience with Sanlam, Momentum and Discovery since 1996.

He also obtained the ILPA (Institute for Life and Pension Advisers) qualification in 2000 (University of Free State). Stephan is also a member of the Financial Planning Institute (FPI) as a Certified Financial Planner (FPI No. 100706).
He passed his regulatory examinations for representatives and key individuals in 2012. He joined Findata in July 2015 and is licensed with the FSCA.

9.2 Financial planner: Kenneth Graham

Contact details: kenneth@findata.co.za **Mobile: 083 288 9691**

Kenneth Graham joined Findata in 2019 as a financial planner, but has been in the financial industry since 2006. After completing his studies at the University of Stellenbosch, he joined PwC where he obtained the CA (SA) designation (SAICA No. 09011628). He also gained valuable experience as a Financial Manager while working for a group of companies in Cape Town before embarking on gaining the CFP qualification (FPI No. 106485). He passed his regulatory examinations for representatives and gained experience at PPS as a Senior Lifestyle Financial Planner.

9.3 Financial planner: Esté Graham

Contact details: este@findata.co.za **Mobile: 082 561 8635**

Este Graham joined in 2015. She has been in the financial services industry since 2011 and is a CFP® professional (FPI No. 100706). She completed her BCom Financial Analysis degree at Stellenbosch University, did an Honours degree in Financial Management at UNISA and completed a Postgraduate Diploma in Financial Planning at Stellenbosch University. She also passed her regulatory examinations for representatives in 2015.

9.4. Financial planner: Iaan van Heerden

Contact details: iaan@findata.co.za **Mobile: 082 450 7088**

Iaan van Heerden has been in the financial service industry for more than 30 years and is ideally qualified and experienced to give financial advice. Iaan started Findata Financial Services (Pty) Ltd in 1984.

After obtaining a BMil (Com) at the Military Academy, he completed his MBA while working as an investment analyst for Old Mutual. During his ten years with Old Mutual he also gained experience in developing individual insurance, investment products and employee benefits.

He obtained both original qualifications from the Institute of Life and Pension Advisors (ILPA Life and ILPA Employee Benefits) and he is a Certified Financial Planner (FPI No. 100099). He passed his Regulatory examinations for representatives and key individuals in 2011.

He has a mandatory agreement with Findata to provide advice and intermediary services. Findata accepts responsibility for the activities performed within the scope of such mandate.

The advisors at Findata are licensed in terms of FAIS to provide advice and intermediary services under category 1 with regards to the following:

Sub Category	Category Description	Stephan	Kenneth	Este	Iaan
1	Long-Term Insurance subcategory A	X	X	X	X
2	Short-Term Insurance Personal Lines	X	X	X	X
3	Long-Term Insurance subcategory B1	X	X	X	X
20	Long-Term Insurance subcategory B2	X	X	X	X
21	Long-Term Insurance subcategory B2-A	X	X	X	X
22	Long-Term Insurance subcategory B1-A	X	X	X	X
23	Short-Term Insurance Personal Lines A1	X	X	X	X
24	Structured Deposits	X	X	X	X
26	Participatory interest in a hedge fund	X	X	X	X
4	Long-Term Insurance subcategory C	X	X	X	X
5	Retail Pension Benefits	X	X	X	X
6	Short-Term Insurance Commercial Lines		X		X
7	Pension Funds Benefits	X	X	X	X
8	Shares	X	X	X	X
9	Money market instruments	X	X	X	X
10	Debentures and securitised debt	X	X	X	X
11	Warrants, certificates and other instruments	X	X	X	X
12	Bonds	X	X	X	X
13	Derivative instruments	X	X	X	X
14	Participatory interests in a collective investment scheme	X	X	X	X
16	Health Service Benefits	X	X	X	X
17	Long-term Deposits	X	X	X	X
18	Short-term Deposits	X	X	X	X
19	Friendly Society Benefits	X	X	X	X

9.5. Administration support staff

Findata has full-time staff members to provide administrative support to the business.
Office number: 021 948 6025.

Candice Lee D'Aguiar (Administration)

admin@findata.co.za

Derek Bell (Administration)

admin1@findata.co.za

Loretta Hyman (Administration)

info@findata.co.za

10. Findata product providers

Findata Financial Services (Pty) Ltd is registered with the following product providers:

- AIMS
- Allan Gray
- Bidvest Life
- Bonitas Medical Scheme
- Discovery - Life, Health, Invest, Insure & Vitality
- Finsolnet / Finsolnet Portfolio Management
- Glacier
- Hollard Group Life
- Investec
- Liberty
- Medihelp
- Momentum Life & Health
- Morningstar
- Ninety One
- Old Mutual & Wealth
- PPS – Life, Invest & Insure
- Profmed
- Sanlam
- Stanlib
- Stratum
- Sygnia
- TSA
- Zestlife

11. Complaints register

We are obliged in terms of the FAIS Act to keep a complaint register in which all written complaints received from clients must be recorded. We also have a Complaints Policy which sets out detailed processes for dealing with complaints. Our Complaints Policy is available for inspection at our offices. Clients can also request the policy in electronic format.

12. Confidentiality

In the course of rendering services to you, we will possess information of a confidential nature. We will not at any time use or disclose, or allow third parties to use or disclose, any of the confidential information except to the extent permitted by the client, or in circumstances in which it may be required by law.

13. Conflict of interest

Findata is an independent financial planning company. It is not an associated company, nor does it have a shareholding in any registered insurer of any other financial institution. In addition, it does not have any relationship with any organisation or product supplier which may give rise to an actual or potential conflict of interest. Findata also does not have any additional interest in the financial services rendered other than those which are transparently disclosed. A comprehensive conflict of interest policy is in place, and it is available for clients to view at our offices.

14. Compliance officer

Alene Boonzaier
Contact details: aboonzaier@masthead.co.za; Office 021 555 4121
Physical address: Masthead, Unit 6 Canal Edge 4, Tyger Waterfront, Carl Cronje Drive, Bellville

15. Remuneration

We are paid for our services through regulated commission on life/risk policies and medical aid or gap cover products, and with fees negotiated between us and our clients for investment solutions. We do not charge upfront fees. Ongoing or annual fees are negotiated on investment solutions.
During the past 12 months, Findata has received more than 30% of its total remuneration from the LISP (Linked Investment Service Provider), Sygnia and Ninety-One.

16. Indemnity insurance

Findata has professional indemnity insurance.

17. Findata undertakes to:

17.1 Act honestly and fairly, and with due skill, care and diligence, in the interest of the Client.
17.2 Have and employ effective resources, procedures and appropriate technological systems for the proper performance of the agreed financial services.
17.3 Seek from the Client appropriate and available information regarding his financial situation, product experience and objectives about the Services required at date of advice.
17.4 Treat the Client fairly in a situation of conflicting interests.
17.5 Make adequate disclosures of relevant material information, including disclosures of costs and fees associated with the services rendered or products sold to the client and actual or potential own interests, in relation to dealings with the Client.
17.6 Be responsible for adequate and appropriate record-keeping.
17.7 Avoid fraudulent and misleading advertising, canvassing, and marketing.
17.8 Comply with all relevant regulatory and statutory requirements, codes of conduct and common law requirements that impact on the FSP, including but not limited to, FAIS and FICA.

Findata shall have no authority to:
17.9 Enter contractual obligations on behalf of the Client.
17.10 Incur any liability on behalf of the Client.
17.11 Settle or waive any claim against or by the Client.
17.12 Effect portfolio restructuring or switches without the Clients prior written consent.

Client's obligations – The Client agrees to:
17.13 Furnish Findata with all information required to perform the agreed Services, within a reasonable period of time.
17.14 Furnish Findata with written consent and/or completed application forms and/or transaction documentation where required.
17.15 Inform Findata of any changes in the Client's circumstances, which information might effect a change in the Client's financial plan or portfolio;
17.16 Inform Findata in writing if he/ she wishes to discontinue the relationship.

Disclaimer

17.17 The Client hereby acknowledges and understands that, with regard to the completion or submission of any transaction requirement, all material facts must be accurately and properly disclosed, and that the accuracy and completeness of all answers, statements or other information provided by or on behalf of the Client, are the Client's own responsibility.

17.18 Where the Client has not provided all information requested by the FSP or where the FSP has been unable to conduct an analysis because, in the light of the circumstances surrounding the case, there was not reasonably sufficient time to do so:

17.18.1 A full analysis in respect of the Client cannot be undertaken.

17.18.2 There may be limitations on the appropriateness of the advice provided.

17.19 It shall be the responsibility of the Client to take particular care to consider on his own whether the advice is appropriate considering the Client's objectives, financial situation and particular needs.

17.20 Where the Client elects to conclude a transaction that differs from that recommended by the FSP, or otherwise elects not to follow the advice furnished, or elects to receive more limited information or advice than the FSP is able to provide, it shall be the responsibility of the Client to take particular care to consider whether any product selected is appropriate to the Client's needs, objectives, and circumstances.

18. Protection of Personal Information (POPI)

The Protection of Personal Information (POPI) Act requires us to inform you how we use and disclose personal information we obtain from you. We are committed to protecting your privacy and will ensure that your personal information is used appropriately, transparently, and according to applicable law.

18.1 What information we collect:

We collect and process your personal information mainly to provide you with access to the services and products of the providers with whom we have contractual agreements in place and to help us improve our services to you.

The type of information we collect will depend on the need for which it is collected and will be processed for that specific purpose only. Where possible, we will inform you what information you are required to provide to us and what information is optional.

With your consent, we may also supplement the information that you provide to us with information we receive from other providers in order to offer you a more consistent and personalized experience in your interactions with us.

When you elect to take up offerings from our contracted providers, they may also require additional information from you, and they will be subject to the same privacy regulations as we are subject to.

18.2 How we use your information:

We will use your personal information only for the purposes for which it was collected and agreed to with you. This may include:

- Providing products or services to you and to carry out the transaction you requested.
- For underwriting purposes.
- Assessing and processing claims.
- Conducting credit reference searches or verification.
- Confirming and verifying your identity.
- For credit assessment and credit management.
- For purposes of claims history.
- For the detection and prevention of fraud, crime, money laundering or other malpractice.
- Conducting market or customer satisfaction research.

- For audit and record keeping purposes.
- In connection with legal proceedings.
- Providing our services to you, to carry out the services you requested and to maintain and constantly improve our relationship with you.
- Providing you with communications in respect of Findata and regulatory matters that may affect you.
- In connection with and to comply with legal and regulatory requirements or when it is otherwise allowed by law.

18.3 Disclosure of your information:

We may disclose your personal information to our providers whose services or products you elect to use.

We may also share your personal information with and obtain information about you from third parties for the purposes listed in 2 above.

We may also disclosure your information where we have a duty or a right to disclose in terms of applicable legislation, the law or where it may be necessary to protect our rights.

18.4 Safeguarding your information:

The POPI Act requires us to adequately protect the personal information we hold and to avoid unauthorised access and use of your personal information. We will continuously review our security controls and processes to ensure that your personal information is secure.

18.5 Your rights to access and correction of your personal information:

You have the right to access the personal information we hold about you. You also have the right to ask us to update, correct or delete your personal information. We will take all reasonable steps to confirm your identity before providing details of your personal information or making changes to your personal information.

You can contact us at the numbers or addresses listed below and request the information you would like:

Information officer: Stephan van der Walt
Telephone number: 021 948 6025
Postal address: PostNet Suite #0026, Private Bag X 21, Tygervalley, 7536
Physical address: 1st floor Tygervalley Chambers Two, Willie van Schoor Avenue, Bellville
Email address: info@findata.co.za
Website: www.findata.co.za

Confirmation of receipt of Letter of Introduction, Disclosure and Service Level Agreement

I, (1)..,

I, (2)..,

ID / Passport

ID / Passport

in my/our personal capacity or, where applicable, in a representative capacity for and on behalf of

....

(Name of Trust / Company / Institution. & Registration No)

in my/our personal capacity or, where applicable, in a representative capacity for and on behalf of

....

hereby confirm that I have received and agreed with the terms of the introduction letter, intermediary disclosure and service level agreement of FINDATA FINANCIAL SERVICES (PTY) LTD.
I also confirm that Findata's Investment philosophy with respect to the risk of equity investments was disclosed to me.

I accept that:

- Equity exposure in my portfolio is essential for real growth.
- Variability (Volatility) forms part of equity investments.
- Investments and performance have no guarantees.
- Equity-risk is time-bound and requires a long-term investment strategy.

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Signature of client 1. Date

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Signature of client 2. Date