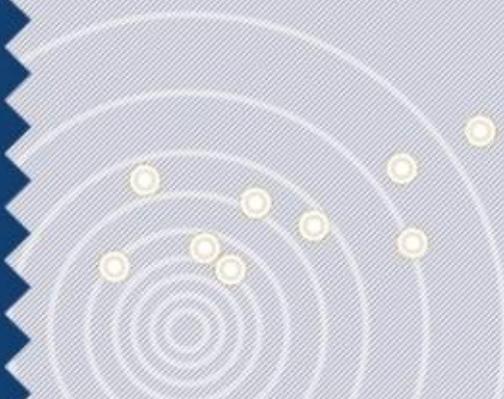


## **Corporation for Public Deposits**

### **Terms and conditions for opening a call deposit account**

Date of issue: 1 September 2011



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## **Corporation for Public Deposits**

### **Terms and conditions for opening a call account**

#### **Definitions**

- 1.1 “The CPD” means the Corporation for Public Deposits, a juristic person established under, and acting in terms of, the provisions of the Corporation for Public Deposits Act, 1984 (Act No. 46 of 1984) of the Republic of South Africa.
- 1.2 “The client” means a deposit holder of a call account held with the CPD.
- 1.3 “FICA” means the Financial Intelligence Centre Act, 2001 (Act No. 38 of 2001) as amended from time to time.
- 1.4 “The parties” means the CPD and the client.
- 1.5 “Category A Signatory” means any person other than a Category B Signatory, duly authorised and/or conferred with the power and right to sign documents with a binding effect on the client.
- 1.6 “Category B Signatory” means any person other than a Category A Signatory, duly authorised and/or conferred with the power and right to counter-sign with a Category A Signatory, any documents with a binding effect on the client.

#### **Basis and scope**

Whereas the client has appointed the CPD to invest funds deposited by the client with the CPD on a call account basis

and whereas the parties have decided to set out the terms and conditions of such activity in writing,

now, therefore, the parties agree as follows:

### **General terms**

1. The client hereby appoints the CPD to perform the activities as stated herein.

It is hereby expressly agreed between the parties that the responsibility of the CPD in respect of the activities emanating from these terms and conditions will be limited to the handling of debits or credits and that the client indemnifies the CPD against any possible damage and/or loss that may be sustained by the client or the CPD, unless the damage and/or loss was wholly or partly caused by wilful conduct or gross negligence on the part of the CPD.

2. The account must be conducted on a strictly credit basis. In order for any debit payment instructions received by the CPD from the client to be executed, the client undertakes to ensure that there shall at all times be sufficient funds in its account. Payment instructions will not be executed if there are insufficient funds in the account.
3. The interest payable to the client is based on a rate of 10 basis points less than the yield on 91-day Treasury bills. The yield on the 91-day Treasury bills changes weekly. **The CPD reserves the right to change the interest rate applicable without notice to the clients.**
4. Investment with the CPD does not attract any bank charges.

5. Any correspondence with the CPD other than payment instructions, subsequent to opening an account, shall be signed by two authorised signatories, of which one must be a Category A Signatory.

## **Deposits**

6. Deposits by the client shall be received via SWIFT from the paying commercial bank and straight through processed to the client's call account in the CPD.
7. The client has the duty to provide the correct call account number when instructing the relevant commercial bank to transfer funds to the CPD call account on behalf of the client.
8. The CPD relies solely on the account number provided by, or on behalf of, the client when receiving deposit instructions from the client.

## **Payment instructions/Transfer of funds**

9. All payment instructions to the CPD must be sent via **a form MP400 (blue form)** that is provided by the CPD, in the manner set out herein.
10. Payment instructions must reach **the CPD before 12:00 noon** on a South African business day, in order to be executed on the same day.
11. Fax or e-mail copies of payment instructions will be accepted provided that they shall at all times bear a 'test number' based on the 'payment instruction test keys' provided by the CPD in accordance with the terms thereof.
12. All e-mail and fax payment instructions shall be sent to the CPD in such form and

manner, as well as to such address and/or number prescribed or designated (as the case may be) by the CPD from time to time.

13. Original payment instructions of all payment instructions sent by e-mail or fax shall be submitted within 48 hours of processing the relevant faxed or e-mailed payment instruction.
14. All payment instructions from the client shall be approved by any two of the authorised signatories of the client before they are processed by the CPD.
15. Payment instructions may **only** be made to the duly nominated commercial bank account held in the name of the client. The bank account details or any update thereof shall be communicated in the manner, form and frequency prescribed by the CPD but in any event and notwithstanding any contrary provision herein contained, subject to the requirements of clauses 6 and 26 of these terms and conditions.
16. The client has no right of recall of a payment instruction, once issued, and the client acknowledges that the CPD will be unable, at any later stage, to undo, recall, fix or demand repayment on request of the client, after acting on a payment instruction received.

### **Payment instruction test keys**

17. The CPD shall provide the client with payment instruction test keys (test keys) in the manner, frequency and form determined by the CPD from time to time.

Notwithstanding the foregoing, the client may, subject to concurrence by the CPD, require a different manner, frequency and/or form of delivery or collection of the test keys.

18. It shall at all times be the responsibility of the client to collect the test keys from the CPD. The test keys shall be collected from the CPD at the sole risk and cost of the client.
19. The fact that the CPD may at own volition and at anytime deliver test keys to the client will not by any means divert or be construed as a diversion of responsibility for collection, cost or risk from the client to the CPD.
20. The client shall at all times assume responsibility for the security and integrity of all test keys delivered to and/or collected on behalf of the client.

### **Responsible person**

21. The client shall, subject to clause 6 of these terms and conditions, appoint a responsible person and his or her alternate who shall be the official duly authorised to convey payment instructions to the CPD, on behalf of the client.
22. The CPD shall not be obliged to execute any payment instructions received from the client other than those received via the responsible person or his or her alternate, in accordance with the terms hereof.

### **Communication tools**

23. The client shall set up dedicated e-mail and fax addresses from which the responsible person referred to above (and his or her alternate) shall send payment instructions. The said e-mail address and/or fax number shall be relayed to the CPD subject to clause 6 of these terms and conditions, in such manner and/or form as may be determined by the CPD from time to time.

24. The CPD shall not be obliged to execute a payment instruction emanating from a fax or e-mail address not designated in terms hereof.

#### **Amendment of details of client**

25. Subject to clause 6 of these terms and conditions, any amendment or change of the following shall be approved by at least 2 (two) duly authorised signatories of the client, of which one must be a Category A Signatory:
- a. Authorised signatories
  - b. The e-mail address or fax number designated in terms hereof
  - c. The responsible person and his or her alternate designated in terms hereof
  - d. Banking details.
26. The client shall communicate to the CPD all amendments to client details via the responsible person or his or her alternate and the dedicated fax or e-mail address contemplated herein, provided that under exceptional circumstances and if it is not practicable to do so, the communication shall be done in an alternative manner proposed by the client with the concurrence of the CPD, at the sole risk of the client.
27. Any amendments of client details will only take effect 5 (five) business days after the CPD has been duly advised of the amendments, in terms of clauses 26 and 27 of these terms and conditions.

## **Statements**

28. The CPD shall, on a regular basis, provide the client with a statement reflecting all the debit and credit entries, as well as the debit or credit balance, as the case may be.
29. The client should check statements for accuracy as soon as they are received. The client shall report any discrepancies to the CPD within 30 (thirty) days of receipt of the statement.
30. If there is a dispute with regard to the items appearing on the statement, the CPD records shall be prima facie proof of the content thereof.

## **Liability and disclaimer**

31. The CPD shall not be liable to the client for any damage or loss that the client suffers as a result of the following:
  - a. Persons gaining unauthorised access to any information or data
  - b. Incorrect information being given to any person.
32. If the CPD for any just reason suspends the client's account, the CPD shall not be responsible for any loss resulting from any act or omission by the CPD, including but not limited to claims arising in contract, delict or statute for direct, indirect, consequential or special damages.

## **Warranties and representations**

33. In concluding these terms and conditions with the client, the CPD relied on material representation made by the client below. The client indemnifies the CPD against any loss or damage resulting from a breach of any warranty to the CPD and hereby warrants and represents to the CPD that it
- a. has lawful control of the funds deposited or to be deposited, with the CPD;
  - b. is entitled to deposit funds with the CPD;
  - c. is duly authorised to deposit funds with the CPD; and
  - d. will not, by depositing funds with the CPD, be in breach of any law;

## **FICA**

34. The CPD may from time to time be required by FICA to furnish certain information about the client or persons associated with the client, and to verify such information with documents which the CPD requests from the client when the CPD deems it necessary.
35. If the client fails to comply with requests from the CPD or if the client does not furnish the information or documents, the CPD may refuse any application for an account and/or immediately cancel any existing account of the client.
36. If at any time the CPD suspects that a client's account no longer complies with FICA, the CPD may prevent any activity on a client account until the client account is fully compliant with FICA.

## **Confidentiality and disclosure of information**

37. The client's personal information shall be treated as confidential and shall not be disclosed, except in the following circumstances:
- a. When the CPD is legally compelled to do so
  - b. Where it is in the public interest to do so
  - c. Where such disclosure will further the necessary and legitimate interests of the CPD
  - d. Where disclosure is made at the client's request or with its written consent.

## **Amendment of terms and conditions**

38. The CPD shall be entitled to change these terms and conditions at any time. The CPD shall give written notice of material changes by means of notices. A change in these terms and conditions will, unless the same is intended and clearly apparent from the amending document, not cancel these terms and conditions.
39. Any change to the terms and conditions shall not constitute a novation of the agreements recorded herein or any previous obligations of the client to the CPD or a waiver of the CPD's rights.
40. The client may not under any circumstances change any of the provisions of these terms and conditions.

## General

41. South African law governs these terms and conditions.
42. The client shall not be entitled to cede, transfer, assign, make over and/or delegate any of its rights, benefits and/or obligations under this agreement without the prior written consent of the CPD, which consent shall not be unreasonably withheld.
43. Any favour or concession the CPD may allow the client will not affect or substitute any of the rights of the CPD against the client.
44. The client must write to the CPD immediately if the circumstances of the client change or could create any risk to the CPD.
45. The invalidity, illegality or unenforceability of any of the clauses of these terms and conditions shall not affect the validity, legality and enforceability of the remaining clauses of these terms and conditions.
46. These terms and conditions supersede and replace all previous terms and conditions applicable between the parties for the purposes contemplated herein.

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