

Dave Connon & Associates cc

CK1991/006614/23

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trading as



(The reading, understanding and signing of this letter is a legal requirement)

As From: 04.11.2008

Dear Client/Prospective Client,

Re: **Disclosure by Broker to Client**

Thank you for agreeing to see me today to discuss your financial planning. This letter serves as an introduction to our practice, and informs you of our relationship for the future, particularly with regard to how I am remunerated.

I am an independent broker operating as a financial planner within the business known as "Dave Connon & Associates CC (CK 91/06614/23) Trading as Money Matters". The business has been in operation since April 1991, although prior to that I have been a practising member of the financial services industry since February 1975. Our offices are situated at 1st Floor, Lifetime House, 32 Kelly Road, Jet Park, Boksburg. Our postal address, telephone and fax numbers and e-mail address appear above.

My main function is consulting with clients and companies regarding financial planning matters and I am responsible for the quality and applicability of the advice offered. We have valid contracts with the following companies:-

Liberty Life; Momentum Life; Momentum Wealth; Metropolitan Odyssey; Metropolitan Life; Old Mutual; Ovation; Marriot; FMI; Sanlam; Stanlib.

I do not hold shares in any of the above companies. (We can also deal with and obtain information from most other financial sector companies, including unit trusts, on your behalf, with your signed permission.) We also have agencies with most of the major unit trust companies. From time to time we may receive non monetary incentives and a register of these is available at our offices for your perusal.

I am paid for my services to you in two formats. I receive commissions from the various financial institutions and/or I charge fees to you for certain services rendered. These services are at a set fee e.g.:

Financial Needs Analysis (F.N.A.)	R 750
New client Financial Needs Analysis (F.N.A.)	R 1000
Policy Loans/Surrenders	R 150
Endowment Policy Maturities	R 150 per company
Lost policy affidavits/duplicate policy issue	R 150
Change of Bank Debit Order details	R 75
Provision of Portfolio Print-out	R 150
Change of Investment Portfolio	R 100
Pension/Provident/Retirement Annuity maturity	R 350 per company
Taking instructions for Wills	R 250
(Attorney's fee separate)	
Setting up an Inter Vivos Trust	R3 750
(Includes Attorney's fees)	

These are just a few examples of our set fee charges. These charges are presently valid but will obviously change in the future as costs increase. Other fees are charged on a "time spent" basis at R1 000.00 per hour including travel time. I would normally provide you with an estimate of cost before taking on a "time spent" matter for you. From time to time I may receive non-cash incentives from the companies I deal with although this does not effect my impartiality.

We are FSB Licensed under number 13562 (copies available and original can be inspected at our offices. I am qualified and licensed to operate as a Certified Financial Planner®. This means that I have passed examinations, which equate under NQF to a post-graduate diploma, in Retirement Planning, Estate Planning, Business Assurance and Investments. My membership of the financial Planning Institute (FPI) and my qualifications require adherence to a strict code of ethics and an Ongoing Education Programme. This programme requires that I study, attend courses and seminars to attain a certain minimum number of points per year to ensure my knowledge remains current. I am also a member of the Life Underwriters' Association of South Africa (L.U.A.S.A.) and the worldwide organisation known as "Million Dollar Round Table" (M.D.R.T.). Copies of the Codes and Ethics and the Generally Accepted Planning Practice are available at our offices for inspection should you so wish.

We have Professional Indemnity Insurance for R3 million underwritten by Marsh.

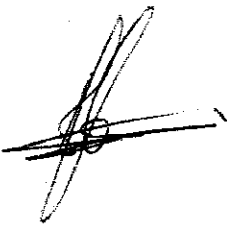
Our practice endeavours to give the most appropriate advice to clients, backed up by a service level, which exceeds the norm.

The FAIS Act also requires us to set up a comprehensive complaints management procedure for the business. A document has been drawn up to this effect giving detailed description of your rights and duties when you lodge a complaint if you feel we did not give you appropriate advice or that we were negligent in the service we provided to you. We invite you to view this document the next time you visit our offices or if you request it we will provide you with a copy for your information.

Celestis (Pty) Ltd is the businesses compliance officer and is represented by Patricia Janse Van Vuuren, she can be contacted on 083 276 0636.

I look forward to a long, harmonious and mutually beneficial relationship in the future.

Yours sincerely,



DAVE CONNON, CERTIFIED FINANCIAL PLANNER®

Please sign both copies of this letter (one for your reference and one for my file) to acknowledge that you have read this letter of "Disclosure by Broker to Client", and agree with its contents. Many thanks.

Signature

Date

Print Name

Date of Birth

FSP and Client Service Level Agreement

Agreement between

Dave Connon & Associates CC

Registration Number CK1991/006614/23

FAIS Licence number 13562

(Financial Service Provider, 'FSP')

And

Client name

Identity number

('the client')

1. Appointment of FSP

The client hereby appoints the FSP as a financial advisor to render financial advice and or intermediary services as listed hereunder. This appointment is effective as of the date of signature of this agreement.

2. Disclosures

The Client acknowledges that a Contact Stage Disclosure letter, setting out the FSP’s particulars as required by FAIS has been made available to him or her.

3. Scope of Services

The Client instructs the FSP to provide financial advice and /or intermediary services regarding:

- Risk cover (eg. Life disability , dread disease)
- Retirement savings
- Post retirement investment
- Savings
- Voluntary investments
- Offshore investments
- Estate planning
- Business assurance
- Group Schemes
- Employee Benefits
- Other
- Other
- Other
- Other
- Other

The FSP does not and will not render advices or services to the client in the following areas, either due to the FSP not being licensed to provide such advice or services, or because it is not the usual business conducted by such FSP:

- Trading in listed and unlisted shares
- Income tax returns/queries
- Financial Accounting
- Medical Aid/Schemes
- Banking / Banking products
- Trading in foreign exchange
- Short Term Insurance
- Debt Consolidation
- Other
- Other
- Other
- Other

Should the client require advice and /or services not provided by the FSP, the FSP will endeavourer to refer e.g. accountant; lawyer.

4. Authorisation to access information

The client consents that the FSP may access any of the client's financial information from third parties to enable the FSP to assess the client's financial affairs and to adequately and professionally render a financial planning service.

5. Client Confidentiality

The FSP acknowledges that in the course of rendering services to the Client in terms of this authority, it shall come into possession of information of a confidential nature. The FSP shall not, whether during the course of this agreement or at any time thereafter, use or disclose or allow third parties to use or disclose any of the confidential information except to the extent permitted by the Client in writing or as required by law.

6. Representative

The Client acknowledges that different Representatives may be required to deal with the Client on behalf of the FSP from time to time and agrees that the Representative/s, which may be appointed by the FSP from time to time to deal with the Client ('allocated representative/s') shall render the Service to the client on behalf of the FSP.

In the event that the Client does not wish to have further dealings with the allocated Representative/s, the FSP shall, in consultation with the Client, allocate another / other Representative/s to render the Services to the Client on behalf of the FSP.

Where an allocated Representative ceases to operate as a representative of the FSP, the FSP shall immediately take reasonable steps to notify the Client accordingly and ensure that, in consultation with the Client; any outstanding business is completed or transferred to another Representatives of the FSP.

7. FSP's obligations

The FSP undertakes to:

- 7.1 Act honestly and fairly, and with due skill, care and diligence, in the interest of the Client;
- 7.2 have and employ effective resources, procedures and appropriate technological systems for the proper performance of the agreed financial services;
- 7.3 seek from the Client appropriate and available information regarding his financial situation, product experience and objectives in connection with the Services requires;
- 7.4 treat the Client fairly in a situation of conflicting interests;
- 7.5 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 dealing with the Client;
- 7.6 be responsible for adequate and appropriate record-keeping;
- 7.7 avoid fraudulent and misleading advertising, canvassing and marketing.
- 7.8 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.
- 7.9 Will base advice on the client's current circumstances as revealed to the Financial Advisor

The FSP shall have no authority to;

- 7.9 Enter into contractual obligation on behalf of the Client;
- 7.10 Incur any liability on behalf of the Client;
- 7.11 Settle or waive any claim against or by the Client;
- 7.12 Effect portfolio restructuring or switches;

Without the Clients prior written consent

8. Client's obligations:

The Client agrees to:

- 8.1 furnish the FSP with all information required by the FSP to perform the agreed Services, within a reasonable period of time;
- 8.2 furnish the FSP with written consent and /or completed application forms and/or transaction documentation where required;
- 8.3 inform the FSP of any changes in the Client's circumstances, which information might effect a change in the Client's financial plan or portfolio;
- 8.4 Inform the FSP if he / she wishes to discontinue the relationship
- 8.5 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 Clients own responsibility.
- 8.6 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:
 - 8.6.1 a full analysis in respect of the Client can not be undertaken;
 - 8.6.2 there may be limitations on the appropriateness of the advice provided;
 - 8.6.3 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;
- 8.7 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.

9. Remuneration

The parties agree that the FSP shall be remunerated for the financial services rendered in the following manner:

9.1 Commission

The FSP shall only receive payment from the product provider as compensation for the introduction of the Client to purchase a financial product. Such commission will be payable in accordance with product rule of the particular product provider. Any commission agreed will be recorded in the quotation and application which shall be signed for by the client.

AND / OR

9.2 Asset based fee

The fee shall be based on the size of the investment, which shall comprise of an initial fee and an ongoing fee, expressed as a percentage of the assets invested or as a percentage of the contribution. The obligations of the FSP in this regard are contained in a mandate by the client, which is attached hereto.

AND /OR

9.3 Time based fee

The fee shall be charged by way of invoice in respect of the services and /or advice rendered. The fee shall be based on the amount of time spent by the FSP in providing the services and/or advice. This may be either expressed as an hourly rate, or a fixed fee per service rendered. The schedule of rates and fees is attached hereto. Should the client decide not to implement any recommendation made by the FSP, the fee/s payable for the preparation of the advice, financial plan or other financial services already provided to the Client shall be payable in full.

The FSP shall be entitled to revise the fees on an annual basis, whether up or down, ("the revised fee") on written notice to the Client, provided that the FSP shall give the Client at least 1 months written notice of the revised fees. The FSP records that the revised fee shall take account of increases in the consumer price index and the cost of providing the Service

10. Termination

The FSP's appointment shall remain in force until terminated by either Party on giving the other Party 30 day's written notice of termination. It shall not be required of such Party to furnish reasons for the termination.

11. Review

The parties agree that the financial planning for the client shall be reviewed annually, unless specifically requested by the client.

Signed at..... on2010

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Client

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Broker