

### Investec Specialist Bank

These product rules form part of, and are deemed to be incorporated in, the terms and conditions applicable to Investec Cash Investments (“Terms and Conditions”). Words and expressions used in these product rules shall unless indicated otherwise herein, have the meaning ascribed to them in the Terms and Conditions. If there is any conflict between the Terms and Conditions and these product rules, these product rules will apply.

### Product description

The Investec CCM USD Notice Deposit is a 32 day notice foreign currency account denominated in USD currency with a US Federal Funds Rate linked interest rate together with an associated immediate access USD settlement account.

### Definitions

- **“account balance”** means the total capital invested in the account at any given time, and constitutes the balance on which interest is earned;
- **“breakage costs”** means all costs, losses, liabilities, damages, charges or expenses as determined by Investec, together with an amount equal to any VAT (if applicable) and any other applicable taxes thereon which Investec incurs or suffers as a result of any early withdrawal from or closure of the account (including, but not limited to, the unwinding, termination or modification, in whole or in part, of any funding or hedge position in relation thereto);
- **“client”** means a client of the intermediary, who is also a client of Investec through their participation in Investec CCM products;
- **“encumbrance”** means a hold placed on funds that have been reserved or have not yet cleared for whatsoever reason;
- **“EFT”** means Electronic Funds Transfer;
- **“exchange control”** means all applicable SARB regulations that have to be complied with;
- **“FCA”** means the Foreign Currency Account administered by Investec Bank Limited in South Africa and available online on CCM (reflected online as a Notice Plus Deposit)
- **“Federal Funds Rate”** means the interest rate at which depository institutions (banks and credit unions) in the United States lend reserve balances to other depository institutions overnight, on an uncollateralized basis. Reserve balances are amounts held at the Federal Reserve to maintain depository institutions' reserve requirements. Institutions with surplus balances in their accounts lend those balances to institutions in need of larger balances. The federal funds rate is an important benchmark in financial markets. The federal Funds rate has a target range and Investec has elected to align with the upper tier of this range referred to herein as 'upper bound';
- **“intermediary”** means the entity mandated by clients to manage client funds on their behalf through products and services offered by Investec Corporate Cash Manager;
- **“notice maturity date”** means the end of the notice period where after funds are automatically credited to the settlement account



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- **“notice period”** means the agreed/committed term after placing a notice instruction being a minimum period of 32 days from the date of the notice instruction
- **“notice instruction”** means providing Investec with notice of your intention to withdraw all or a portion of the notice funds and/or termination of the account;
- **“SARB”** means the South African Reserve Bank as referred to in section 2 of the South African Reserve Bank Act (Act 90 of 1989);
- **“settlement account”** means the USD currency account simultaneously opened with the FCA account into which all withdrawals will be paid (reflected online as a call account);
- **“United States”** means the United States of America; and
- **“USD”** means the United States Dollar being the lawful currency of the United States.

## General

Upon the opening of an FCA, a settlement account will systematically be opened and linked to the Notice Deposit account

- The settlement account is a non-interest bearing account
- All funds requested for withdrawal under a notice instruction will automatically be transferred into the settlement account

## Financial surveillance requirements

Permissible credits to the FCA and/or the settlement account will be subject to compliance with exchange control requirements and may emanate from (amongst other things) your:

- single discretionary allowance
- foreign capital allowance
- legitimately held offshore funds

Residents and Non-Residents may open foreign currency deposit accounts

## Interest rates

Account balance – United States Dollars (USD)	Interest earned (NACM)*
< \$10 000	0.00%
≥ \$10 000	Federal Funds Rate – Upper Bound less 0.80%

- The interest rate earned is based on a fixed differential to the Federal Funds Rate, being Federal Funds rate less 0,80% and will accordingly change automatically in line with fluctuations in the Federal Funds Rate without prior notice to you
- Investec reserves the right to amend the fixed differential to the Federal Funds Rate on your account with notice to you<sup>1</sup>
- The interest rate takes into account the notice period and is calculated on the account balance
- No interest will be earned on an account balance less than USD10 000

<sup>1</sup> Refer to the Terms and Conditions, available on [www.investec.com](http://www.investec.com) for further details



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Investec Specialist Bank, a division of Investec Bank Limited registration number 1969/004763/06. Investec Specialist Bank is committed to the Code of Banking Practice as regulated by the Ombudsman for Banking Services. Copies of the Code and the Ombudsman's details are available on request or visit [www.investec.com](http://www.investec.com). A registered credit provider registration number NCRCP9.

- Interest accrues daily and is compounded monthly
- When interest is compounded, it is regarded as an additional deposit and will increase the account balance
- USD interest calculation is based on a 360 day count convention

## Deposits

- Only EFT's are accepted (cash and cheques cannot be used)
- Minimum initial deposit in order for the FCA account to attract interest is an amount of USD10 000
- Additional deposits can be made at any time, directly into the FCA or through the settlement account for allocation to the FCA thereafter
- Additional deposits to the FCA will immediately increase the account balance
- Additional deposits to the settlement account will immediately increase the available balance
- Depositors may make use of Investors' annual foreign investment or discretionary allowances in compliance with exchange control
- All deposits are subject to compliance with exchange control and may be subject to related fees

## Withdrawals

Any withdrawal of funds either prior to the notice maturity date and/or in excess of the immediately available balance and/or the termination of the account prior to the notice maturity date, is at Investec's sole discretion.

- All notice instructions shall be subject to the notice period
- Funds requested in accordance with a notice instruction will systematically be paid into to the settlement account on the notice maturity date. Funds may thereafter be paid to alternate Investec or third party accounts upon your request
- The available balance in the settlement account is immediately accessible for payments and transfers
- All withdrawals and transfers from the FCA and/or settlement account is subject to compliance with exchange control.

## International Payments

- USD payments can be made to third parties from the settlement account, subject to a transaction fee. Refer to [www.investec.com/ccm-fees](http://www.investec.com/ccm-fees)
- There may be additional fees over and above the fees as mentioned above associated with international payments made through the SWIFT payment network
- Fees will be debited against the account where the payment is being made from in the currency of the account. Should the client request Investec to pay for offshore bank charges when making an offshore payment out of an FCA an additional fee may be charged. Refer to [www.investec.com/ccm-fees](http://www.investec.com/ccm-fees)
- All fees are inclusive of VAT

## Notice period

- The notice period is a minimum of 32 days from the date of the notice instruction
- You can elect to have the funds transferred at a date later than the notice maturity date, subject to the rules relating to placing notice as set out below



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- If the notice maturity date falls on a non-business day, the transaction will be processed on the next business day thereafter
- If notice is placed on the full account balance and you are not closing the account, the funds transferred on the notice maturity date but, will exclude interest accrued and any deposits made after notice has been placed
- Pending notices placed can be cancelled up to two days prior to the notice maturity date
- Investec will not backdate transactions
- Multiple notices can be placed on the account to mature at different dates, subject to a sufficient account balance being available

## Fees

- No monthly intermediary administration fees can be levied on Investec CCM USD Notice Deposit or settlement account
- Administration/management fees charged by intermediaries are negotiated outside of the CCM online offering and separate to the FCA
- Foreign exchange fees may be charged on deposits into and withdrawals from an Investec FCA account. Refer to [www.investec.com/ccm-fees](http://www.investec.com/ccm-fees) for the applicable transaction fees

## Early withdrawal or termination

Investec reserves the right to charge and recover from you the following in the event of early withdrawals and/or account termination:

- Breakage costs
- A fee in respect of any early withdrawal from and/or termination of the account equal to 0,50% per annum of the amount requested for withdrawal or the account balance in the event of a termination request over the remainder of the notice period, provided that such fee shall not be less than USD50.00 inclusive of VAT
- The early withdrawal of funds and/or the termination of an account is at Investec's sole discretion

## Account closure

- No account can be closed if there is an encumbrance over the account and/or if funds under notice have not yet matured
- No additional deposits can be made into the account once Investec has received an instruction to close the account
- Accrued interest will be capitalised on the notice maturity date and included in the amount transferred when the closing instruction is actioned
- Refer to the Terms and Conditions, available on [www.investec.com](http://www.investec.com) for further details regarding account closure

## Account Administration

The FCA and settlement account are administered by Investec Bank Limited South Africa and are treated as deposits, as defined by and in accordance with The Banks Act, 1990 (Act No. 94 of 1990)



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## Product restrictions

- No debit orders and/or manual scheduled payments are permitted
- The FCA is not intended for use as a transactional banking account and is available to individuals only subject to such guidelines as are provided by the SARB<sup>2</sup> via appropriately FAIS licensed Financial Advisors

## Complaints

Should you have any complaints, contact your intermediary or send an email to [CCM@investec.co.za](mailto:CCM@investec.co.za)

## Disclaimers

- Investec reserves the right to amend these product rules and/or to withdraw the product at any time, in accordance with the Terms and Conditions. All amendments are published on [www.investec.com](http://www.investec.com)
- These product rules (as amended from time to time) apply to any Investec CCM USD Notice Deposit account opened with Investec. It is your responsibility to ensure that you have read and understood the product rules and any amendments to them
- Please refer to [www.investec.com](http://www.investec.com) for additional information on the product or to review the Terms and Conditions

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<sup>2</sup> An individual who is a tax-payer in good standing and over the age of 18 years, can invest up to R10 million in his/her name outside the Common Monetary Area (CMA-Lesotho, Swaziland and Namibia), per calendar year. A Tax Clearance Certificate (in respect of foreign investments) must be obtained for deposits in excess on the single discretionary allowance (R1m). These funds may not be reinvested into the CMA countries thereby creating a loop structure or be re-introduced as a loan to a CMA resident.



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