



Terms and Conditions

1. Your shareholding at FOLPIC Investment Group (FoLPIC) starts once your application has been received and accepted, including all the supporting documents and your first contribution amount.
2. Individuals or Companies can be shareholders at FoLPIC.
3. Upon acceptance of your application to be a shareholder of the company, we will send you an "Investor Confirmation Letter" and the letter contain your unique **Investor Account number** – it must be used as a "reference" when depositing money to FoLPIC's bank account.
4. All contributions must be made to FoLPIC's bank account details that are shown in the Investor Confirmation Letter on or before the 7th of each month.
5. Contributions must be made via electronic deposits (EFT), where cash deposit is done over the counter or in an ATM, such deposit must be the normal contribution plus R30.00 for Bank Charges.
6. Where the cash or ATM deposit is done without the bank charges fee, the shareholder's contribution will realise a further R30.00 bank fee charge, such deduction will be done as a mandatory deduction by the company administration in *lieu* of bank charges for cash deposit.
7. Shareholder contribution shall continue for a period of five (5) years, thereafter a review will be undertaken by the board of the company, however:
 - 7.1. **Involuntary** circumstances like death, disability or job retrenchment have a negative impact on member contributions

7.1.1. In case of death, a beneficiary listed on the Investor Confirmation Letter can choose to cash out the funds, continue with the contribution or keep the existing historically accumulated funds within FoLPIC

7.1.2. In case of permanent disability, after proving the disability through South African sanction legally accepted documents, the shareholder can choose to cash out the funds, continue with the contribution or keep the existing accumulated funds within FoLPIC

7.1.3. In case of a retrenched shareholder, the following must be adhere to:

7.1.3.1. Inform FoLPIC in writing regarding retrenchment with a proof (notice letter of retrenchment from the employer)

7.1.3.2. Once vetting has been done regarding the eligibility of retrenchment, the shareholder can decide to cash out the funds (no penalties) or keep the accumulated funds with FoLPIC for a maximum period of 6 months, after which, an automatic pay-out is done by the company.

7.2. **Voluntary exits:** *Definition;* - Investor/share holder file a notice of termination of contributions for any other reason other than the reasons defined in clause 7.1 of the rules.

7.3. In Voluntary exit from the company; such action will attract a mandatory penalty of 25% on the accumulated funds resulting to the company deducting the penalty fee percentage and paying out difference to the shareholders nominated bank account as stated in the application form in FOLPIC administration records.

7.3.1. Shareholders exiting the company as defined in 7.2 must submit a notice of intention to exit the company and cease being a shareholder within Three (3) calendar months prior exiting date.

7.3.2. Shareholder will not stop monthly contributions until notice for exiting is completed as per clause 7.3.1 on the rules.

8. A small portion of the company funds will be used to cover operational costs i.e. bank charges, printing material etc

9. A shareholder will be charged and be liable for 5% of monthly contribution if funds are received after the 7th day of the month – *cycle of contributions start from the 15th of the existing month to the 7th of the next month*

10. Fund balance statement will be sent to shareholders on a quarterly basis.

11. Your shareholding in the company does not have a fixed term (it is open-ended), and ends when:
 - 11.1. You withdraw the total contributed amount available under the fund or
 - 11.2. Shareholder has not contributed for three (3) consecutive months
 - 11.2.1. A penalty of 30% will be applied on the accumulated contribution and the difference will be paid to the investor
12. Ownership percentage is equal to shareholder's accumulated contribution over FoLPIC total asset base, for example: R10 000 (shareholder accumulated contribution) / R1000 000 (FoLPIC total assets), this means that the shareholder own 1% of the company
13. New members will be allowed by the company at a point in time based on necessity
14. In a case where shares become available on grounds of one or more members exiting the company and/or ceasing to be members, the rule of First Right of Refusal will apply to existing shareholders. The offer will automatically be available and shall remain open for no more than 30 calendar days after which, stage two of share sale will apply.
15. A portion of the monthly contribution shall be utilised to defray administrative costs
16. The FoLPIC company board representation will consist of 30% founding members as Non Executive Directors for the life of the company.
17. Dividends for the first 5 years will be declared and may be reinvested after declaration to shareholders.