

CCM USD Call Deposit Product Rules



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 Call Deposit is a call deposit USD denominated foreign currency account with an interest rate linked to the secured overnight financing rate (SOFR), which provides immediate access to funds.

Definitions

“**account balance**” means the total capital invested in the account at any given time, and constitutes the balance on which interest is earned

“**available balance**” means the funds that are available immediately in the account subject to encumbrances

“**client**” means a client of the intermediary, who is also a client of Investec through their participation in Investec Corporate Cash Manager products

“**encumbrance**” means a hold placed on funds that have been reserved or have not yet cleared

“**EFT**” means Electronic Funds Transfer

“**exchange control**” means all applicable SARB regulations that must 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 CCM Call Account)

“**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

“**intermediary**” means the entity mandated by clients to manage client funds on their behalf through products and services offered by Investec Corporate Cash Manager

“**SARB**” means the South African Reserve Bank as referred to in section 2 of the South African Reserve Bank Act (Act 90 of 1989)

“**secured overnight financing rate (SOFR)**” means the overnight interest rate for US dollar-denominated loans and derivatives, and reference rate established as an alternative to LIBOR. SOFR is published daily by the Federal Reserve Bank of New York, as the administrator of the benchmark

“**United States**” means the United States of America; and

“**USD**” means the United States Dollar being the lawful currency of the United States

“**volatility event**” means an event where SOFR on any given day is 0.10% above or below the previous day’s rate, except where there has been commensurate interest rate change in the Federal Funds Rate as announced by the Federal Reserve

General

The Investec CCM USD Call Deposit is only available to natural persons and is intended as a savings account.

Financial surveillance requirements

Permissible credits to the FCA Call Deposit 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

The interest rate earned on the FCA Call Deposit is based on a spread to SOFR, and will accordingly change automatically in line with fluctuations in SOFR without prior notice to you.

ACCOUNT BALANCE CCM USD CALL DEPOSIT	INTEREST EARNED (NACM)*
< USD10 000	No interest accrued
< USD10 000	SOFR + An Investec determined spread

* All rates are quoted on a nominal annual compounded monthly basis

Investec reserves the right to amend the spread to SOFR on your account with notice to you¹. Please refer to the deposit rates published daily on Investec Intermediaries Online

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

Where a volatility event has deemed to have occurred, the interest rate will be replaced with the previous day's rate. Investec at its sole discretion may choose not to apply this provision, where there is a movement in the US Federal Funds Rate or the US Dollar interest rate market

Deposits

Only EFTs in USD are accepted (cash and cheques cannot be used)

Additional deposits can be made at any time, directly into the FCA

Additional deposits to the FCA will immediately increase the account 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. Refer to the **Financial Surveillance FCA guidelines**

Withdrawals

The available balance is immediately accessible for payments and transfers

All withdrawals and transfers from the FCA are subject to compliance with exchange control

International Payments

USD payments can be made to third parties from the FCA Call Deposit account, subject to a transaction fee. Refer to **www.investec.com/ccm-fees** and to the **Financial Surveillance FCA guidelines**

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**

All fees are inclusive of VAT

Fees

Intermediary administration fees can be levied on Investec CCM USD Call Deposit up to a maximum of 35bps

The intermediary administration fee will be limited to the monthly interest accrued such that the administration fee does not erode the account capital balance

Administration fees levied by intermediaries are negotiated directly with underlying clients and must be aligned with the client mandate. Investec merely facilitates the payment of the fee in line with the contractual arrangement between the parties

Foreign exchange fees may be charged on deposits into and withdrawals from an Investec FCA account

Refer to **www.investec.com/ccm-fees** for the applicable transaction fees

Account closure

No account can be closed if there is an encumbrance over the account

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 closure date and included in the amount transferred when the closing instruction is actioned

Investec shall be entitled in its discretion, to define and implement a dormant and zero balance account policy

Investec shall give effect to this policy on not less than 20 business days' written notice to the intermediary whereby Investec may close affected accounts as defined in the policy

Refer to the Terms and Conditions, available on **www.investec.com**, for further details regarding account closure

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 SARB² via appropriately FAIS licensed Financial Advisors

¹Refer to the Terms and Conditions, available on **www.investec.com** for further details

²An individual who is a taxpayer 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 more than the single discretionary allowance (R1m). These funds may not be reinvested into the CMA countries thereby creating a loop structure or be reintroduced as a loan to a CMA resident.

Complaints

Should you have any complaints, contact your Investec for Intermediaries consultant, or send an email to CCM@investec.co.za

Disclaimers

FCA related Currency Conversions by Intermediaries without SARB approval:

Unless otherwise agreed between the Intermediary and Investec, where currency conversions are facilitated directly with Investec by non-SARB approved and regulated Intermediaries to or from foreign currency accounts, the exchange rate at which such conversions are concluded will be a market related Investec Bank rate, determined at the time of execution, subject to all requirements being met. There will be no exchange rate confirmation prior to execution

Without limitation, Investec do not accept any liability due to any delay or change in market conditions before any particular transaction is affected, and the client will be responsible for all transactions entered by the client or on the client's behalf by the Intermediary, and the client will be fully liable to Investec for the settlement of any transaction arising from any aforementioned currency conversion

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

These product rules (as amended from time to time) apply to any Investec CCM USD Call 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 for additional information on the product or to review the Terms and Conditions

Account Administration

The FCA Call Deposit accounts 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)

