



**CLIENT ENGAGEMENT LETTER**

25 October 2023

Dear Client

## **ENGAGEMENT LETTER FOR THE PROVISION OF NON-ASSURANCE SERVICES**

We hereby accept the appointment to provide the provision of non-assurance services as listed below to you our client and appreciate the opportunity to be of service to you and the future companies that you will have ownership in. We are committed to providing you with high quality professional services in an efficient and timely manner.

This engagement letter, including the Standard Terms and Conditions for Non-Assurance Services outlined under Scope of Work paragraph. The paragraph contains the terms and conditions upon which **MADUNA CHARTERED ACCOUNTANT** (“the firm”) have been engaged by you (“our client”) to provide the services as stated.

You have approved the provision of the services set out in the scope of work below, under the terms and conditions of this engagement letter. The limits on the extent of our non-audit services are as set out in the standard terms and conditions.

Where specific work is undertaken under this letter, the nature and result of the service will be recorded in the final deliverable arising from such work, be it a report, specific documentation, accounting records, return or verbal feedback.

This engagement letter sets out the entire agreement and understanding between us in connection with the services. Any modifications or variations to the services contract must be in writing and signed by an authorised representative of each of us. No variation of the terms and conditions of the engagement will be of any force or effect unless reduced to writing and signed by all of the signatories thereto. In the event of any inconsistency between the engagement letter and any other elements of the services contract entered into between the firm and the private companies to be registered, the engagement letter will prevail. In the event of any inconsistency between these standard terms and conditions and additional terms that may apply, the additional terms shall prevail.

### **SCOPE OF WORK**

We will perform the following services for you as our client based on the selections you have made on our firm’s platform for purposes of registering as a shareholder in various business models we presented to you:

#### **1. Secretarial services**

- a. Maintenance of registers and minute books as required by the Companies Act, 2008 for the various companies where you are listed as a shareholder:
  - i.) Record of directors (s 24(3)(b) and 24(5))
  - ii.) Securities registers/members’ register (S 24(4) and S 50)
  - iii.) Record of Company Secretary and Auditors (S 50)

- iv.) Record of Company Secretaries and Auditors (S 85(1))
- v.) Notice and minutes of all shareholder's meetings including resolutions adopted and any document that was made available by the company to the holders of securities in relation to each such resolution (S 24(3)(d))
- vi.) Notice and minutes of all director's meetings including resolutions adopted by written consent of the majority of directors, given in person, or by electronic communication and any document that was made available by the company to the directors in relation to each such resolution (S 73(6) and (7) and 74(1))

Please note that these documents will be kept at the offices of the firm at **28 Beacon Avenue, Linbro Park AH, Sandton, Johannesburg** and will be sent to you via official email that you have provided for filing purposes at your premises as required by the Companies Act.

b. Submissions of documents with CIPC/monitoring deadlines

- i.) Registration of the company
- ii.) Memorandum of Incorporation
- iii.) Change in particulars (Directors, name, MOI, etc.)
- iv.) Annual return
- v.) Financial statements in XBRL to the CIPC
- vi.) Financial accountability supplement
- vii.) Compliance checklist

c. On an annual basis, and if required, we will draft the following documents in connection with the adoption of the annual financial statements:

- i.) Minutes of a board meeting in order to formally approve the annual financial statements for presentation to the shareholders or members, as may be applicable as determined by the Memorandum of Incorporation ("MOI") of the company.
- ii.) Notice (and, where appropriate, waiver of notice) of the annual general meeting
- iii.) Letters of proxy (where necessary)
- iv.) Minutes of annual general meeting

d. Application for alternative dispute resolution procedures at the Companies Tribunal

**2. Accounting services**

- a.) Monthly accounting of transactions
  - b.) Preparation of monthly management accounts
  - c.) Review of accounting records
  - d.) Preparation of final trial balance
  - e.) Drafting of financial statements (NOT an independent compilation)
  - f.) Submitting the financial statements to either the auditors or independent reviewer of the financial statements
  - g.) Ensuring safe keeping of accounting records
  - h.) Maintain a shareholder register
  - i.) Responding to requests by members for inspecting records of any of the companies.
-

### **3. Tax services**

- a. Registration for the following taxes:
  - i.) Provisional tax
  - ii.) Income tax
  - iii.) VAT
  - iv.) Pay As You Earn (“PAYE”)
- b. Creation of e-filing profile on SARS platforms.
- c. Calculating the following taxes:
  - i.) Provisional tax
  - ii.) Personal income tax
  - iii.) Corporate Income tax
  - iv.) Trust Income Tax (if applicable)
  - v.) VAT payable/receivable
  - vi.) PAYE payable
- d. Submitting relevant tax returns with SARS
  - i.) Provisional tax
  - ii.) Personal income tax
  - iii.) Corporate Income tax
  - iv.) Trust Income Tax (where applicable)
  - v.) VAT payable/receivable
  - vi.) PAYE payable
  - vii.) Employees tax reconciliations
- e. Initiating, monitoring and finalising all queries and dispute resolutions with SARS, including request for reasons, objections, appeals and other alternative dispute resolution procedures.
- f. General tax advisory services in connection with actual or expected business transactions, including the tax consequences and assistance with implementation thereof

### **4. Employment related services**

- a.) UIF, SDL and Workmen’s compensation registrations
- b.) Processing payroll and distributing payslips.
- c.) Calculating, paying and submitting returns with regards to UIF and SDL to the Department of Labour

### **5. Financial advisory and planning services**

Responsibility for the provision of subject matter and other necessary information:

Please note that as part of our responsibility to the investors during the provision of the above stated services, all information necessary will be provided to auditors or independent reviewers of the financial statements in order to accurately, completely and timeously perform the required services as required by the Companies Act.

By accepting this engagement letter, you confirm that you agree that we provide auditors or independent reviewers with such information as and when requested by them in rendering their

responsibility in compliance with Companies Act. This may include financial and nonfinancial records and related information, as well as any significant changes that may affect the outcome of the service or report.

With regards to tax services, please take note that all tax returns are prepared on the information as generated from the affairs of the company and should this information be incorrect or incomplete, we will not take responsibility for the resulting action taken by SARS. Any consultations provided on tax planning matters are provided based on our understanding and interpretation of relevant tax legislation and the circumstances and information provided by the office of the SARS.

Where a deadline cannot be met due to the late receipts of documents, the firm will not be liable for any penalties or interest on the part of the client entity.

## **6. Status of reports issued in terms of any of the stated non-assurance services**

Please take note that any and all of the listed services provided in terms of this engagement are non-assurance services. This means that any report issued under these services will not constitute an audit report, a review report or any other report that provides a measure of assurance, whether reasonable or limited assurance.

## **7. Reporting to clients on significant matters**

We expect to issue quarterly reports setting out those matters which come to our attention during our engagement and which we consider to be significant. We will endeavour to make practical recommendations in respect of each of these items.

## **8. Regulatory obligations**

Under the Companies Act, we have a statutory obligation to report to the CIPC. Circumstances may arise where we are required to report certain matters to that body. Where permissible we shall bring such circumstances to your attention before doing so.

Under our profession's Code of Conduct, we are required to report certain identified non-compliance to a relevant regulatory or authoritative body. Where permissible we shall bring such circumstances to your attention before doing so.

We confirm that neither the individual nor the firm is a registered financial advisor and does not provide financial advice in accordance with the provisions of the Financial Advisory and Intermediary Services Act 37 of 2002 (the FAIS Act). Should any financial advice be provided, that would be coincidental and informal and not financial advice as per the FAIS Act. The individual or the firm does not intend that any such advice be acted upon and therefore the individual or the firm shall not be responsible for any loss, damage and/or expenses incurred by

---

the client for acting on such advice. If financial advice is required, we can refer you to a registered financial advisor.

Our firm has entered into various agreements with financial service providers that are registered in line with the FAIS Act and their information is available on request from the providers.

## **9. Financial Intelligence Centre Act, No 38 of 2001**

In terms of Section 29 of the Financial Intelligence Centre Act we are required by law to report to the Financial Intelligence Centre certain suspicious or unusual transactions, such as those which may involve money laundering, which have no apparent business or lawful purpose, or which may be relevant to an investigation of evasion or attempted evasion of tax.

This statutory requirement, which applies to both prospective clients and existing clients, overrides the professional ethics rules of confidentiality, which we observe.

## **10. Representations by management**

As part of our reporting process, we will request management to provide us with written confirmation concerning representations made to us or that we require in connection with the engagement. This includes any experts that will be contracted to perform services on the respective companies.

## **11. Fees**

Our fees and disbursements, plus VAT, will be billed as agreed from time to time and are payable on presentation of our invoice as per the approved annual fee guide published by our firm at the beginning of each financial year. Fees will be payable within 30 days of receipt of invoice. Any such invoice will not necessarily be our final invoice; we therefore reserve the right to issue additional invoices for services rendered. These will be billed to the respective companies and paid by the companies on presentation.

Our fees are based on the time spent on your affairs by our partners and staff, and on the levels of skill and responsibility involved, the nature and complexity of the services and the resources required to complete the engagement.

Disbursements in respect of travelling expenses, photocopies, stationery, revenue stamps, postage, e mails, and telephone calls will be recoverable at our predetermined rates. Our fee estimate is based on the assumption that the information we require is made available to us in accordance with the agreed timetables, and that key executives and personnel are available during the course of our work. If delay or any other problems beyond our control occurs, this may result in additional fees for which invoices will be raised on the above basis.

Where fees are not paid in the stated time period, we reserve the right to keep all reports and documentation as a lien against the outstanding amount. Should you require us to resign and there are outstanding fees, we will return to you all your original documentation, but reserve the right to keep any and all reports and accounts generated by us.

The fees for crowdfunding will be billed to the companies once the shareholding has been finalized and all shareholders have signed the shareholder agreement and received their share certificates.

## **12. Our Fees and Retainer**

The client entity will be billed the firm's retainer fee for the services performed under this agreement as per the published annual fee guide.

The fee is payable in advance and will directly transferred from the client entity in which you are a shareholder.

## **13. Staff**

Our staff members undergo periodic training and this, together with the taking of annual leave, may lead to staff turnover and lack of continuity. We will use our best endeavors to avoid any disruption to our services.

We have the discretion to plan the necessary individuals to perform these services dependent on availability and skills required for each client entity. We will ensure that all staff possess the proper skills, experience, and knowledge necessary to perform the service with the required quality.

## **14. Agreement of terms**

Please sign the client engagement letter as indication that you accept the terms and conditions contained herein and forward the signed letter to our offices as soon as possible. In the absence of a signed engagement letter, further instructions received from you in your capacity as the client will constitute acceptance of the terms and conditions contained in this letter.

We are available to discuss the contents of this letter should you so wish. Once agreed however, the terms and conditions of this agreement will remain in force until the engagement is completed or the agreement is terminated.

We look forward to the full cooperation from you with enabling us to render our services as outlined in our letter as you have expressed interested in our alternative investments products listed on our onboarding platform and we trust that they will make available to us all records, documentation and other information requested in connection with our non-assurance service(s).

---

Yours sincerely,

---

**Luthando Maduna CA(SA)**  
**Chief Executive Officer**  
**Maduna Chartered Accountants**  
**SAICA Practice Number: 20055210**

**Signed by the client**

Name and Surname: \_\_\_\_\_

Date: \_\_\_\_\_

ID Number: \_\_\_\_\_