

COMMITMENT TO INVEST 2020: IIM SECTION 12J STRUCTURES

Introduction

This document is the initiating contract for an investor to participate in the SARS approved Section 12J-related Investment Structure (VCC).

Once the Terms and Qualifying Conditions have been met, the full S12J Contractual Agreements will follow. The Contractual Agreements must then be signed by the investor to receive the tax deduction and SARS S12J Certificate from this SARS approved investment. The Contractual Agreements will include understanding this commitment, signing the Subscription Agreement, Client Agreement, the Record of Advice, Loan Agreement, along with other related FICA documents.

Investment Procedure

1. Complete and Sign this Commitment to Invest Document;
2. Fulfil the Investor Checklist;
3. Confirm that the Qualification Conditions (T&Cs below) are met;
4. Pay over the Securing Deposit before close of business 29.02.2020.
5. Complete and sign the Contractual Agreements that follow.

CUT-OFF for Tax Year 2020 (non-provisional taxpayers): **29.02.2020**

Investment Process and Mechanism

1. Once the Qualification Conditions have been met, the Contractual Agreements will then be signed;
2. All completed agreements will require sign-off by relevant Impact departments
3. The Section 12J Certificate will subsequently be issued;
4. The S12J Certificate then needs to be submitted to SARS for the applicable tax refund;
5. The S12J related tax refund then must be passed on in full to the VCC, as per loan agreement;
6. The VCC investment committee will then select appropriate qualifying investments as per your share class selected;

Costs and Securing Deposit

Unless agreed to, there is a **R20 000.00 Securing Deposit** per investor payable. If the investors form a S12J partnership, unless agreed to, R22 000.00 is payable before close of business 29 February 2020. This amount remains at risk to the investors and will be refunded to you upon exit, if applicable. It is also refundable as per cooling off period below.

Terms and Qualifying Conditions

1. There must be a minimum investment commitment of R1 million through the loan facility, (a S12J partnership may be formed);
2. The investment share class must be elected;
3. The full tax refund must be passed on to the lender (Minimum TAX REFUND per single investor is currently R280 000.00);
4. The investor must have their tax affairs up to date and confirmed;
5. The investor must submit FICA documents as required;
6. The investor must comply with regulations set out by NCR, for entering into loan agreements;
7. The investor must sign all relevant contracts associated with this agreement;
8. The investors are geared within the project and shall have;
 - a. Their S12J share certificate pledged as collateral for the gearing (partial cession);
 - b. Their S12J dividends ceded to service the geared portion of their investment (to pay down the debt);
 - c. The Securing Deposit paid back at exit but will remain at risk throughout the investment term.
9. The only upper limit to an investor's commitment currently is R2.5mn per trust or individual, R5mn per company per year;
10. As per the Loan Agreement, the investor undertakes to submit their tax returns within 3 (three) weeks of their tax season opening;
11. The investor undertakes to transfer their tax refund applicable to their S12J certificate in full within 7 (seven) days of its receipt;
12. The investor understands that non-compliance could disqualify the investor from this investment, resulting in recoupment;
13. All information submitted to Impact will be treated as private and confidential and will comply with the POPI Act. Your information will also only be used for the purposes of this transaction.

Investor Benefits

1. The investor gains an investment asset in their name at the exit of the investment and will attract CGT;
2. The Commitment to Invest allows the investor to select a specific share class and investment sector/project in our authorised S12J VCC. Sectors such as **education, agriculture, tourism, SME, various types of accommodation** and/or any other compliant qualifying investment as considered by the investment committee;
3. Should circumstances arise that the investor's first investment choice of sector is no longer possible, the investor will be given an investment option (share class) as prevailing at the time.

Investor Checklist

1.	Payment of R20 000.00 Securing Deposit. (Initiation and Administration Fee, as per Costs above)
2.	Sufficient Tax Claim as stipulated in the S12J investment choice and agreements
3.	Investor is Tax Compliant
4.	Certified FICA and Related Documents to be submitted:
a	Proof of ID
b	Proof of Residence
c	Proof of Bank Account
d	Tax Registration certificate/proof
5.	Bank statement /AFS (if company)

Investor Confirmation

1. I have read and understand this document in full and have taken note of the Terms and Conditions;
2. My choice of share class in Impact Empowerment Ventures PTY Ltd (S12J VCC - 135) is in the sector of _____
3. I have chosen my investment option and understand this comes into force once I have paid the securing deposit. I understand that this fee is due immediately, but includes a 14-day cooling off period (refundable);
4. I am/the company is SARS compliant on date of this signature.

Investor's Full Name: _____

ID Number: _____

Date: _____

Company Number (if applicable): _____

Investor's Signature: _____

Personal Details

Full Names	
Email	
Mobile Number	
Office Number	
Residential/Company Address	
Unit/Street Number	
Street	
Complex Name	
Suburb	
City	
Postal Address	
Box Number	
Post Office	
Postal Code	
Occupation and Company details	

BANK ACCOUNT DETAILS:**Impact Investment Management**

Bank: ABSA BANK
Account Name: Impact Investment Savings Trust Account
Account Number: 9350711425
Reference: S12]/Investor's Surname and Initials

Please email payment confirmation to accounts@impactinafrica.com

Notes:
