



# Mandla Money Risk Disclosure

**Effective Date:** 10 March 2026

This Risk Disclosure outlines the key risks associated with using Mandla Money. By using our services, you acknowledge and accept these risks.

Mandla Money (Pty) Ltd (Registration Number: 2019/470624/07) is an authorised Financial Services Provider (FSP 55523).

## 1. Nature of the Service

Mandla Money provides access to a digital wallet that enables users to send, receive, and hold digital assets, including stablecoins.

Mandla Money is not a bank. Funds and digital assets may be held with or processed through third-party financial institutions, payment providers, or digital asset service providers.

## 2. Digital assets are not legal tender

Digital assets, including stablecoins:

- Are not issued or guaranteed by a central bank
- Are not legal tender
- Are not covered by deposit insurance schemes

This means your funds do not have the same protections as money held in a traditional bank account.

### **3. Stablecoin risk**

Stablecoins are designed to maintain a stable value, but they are not risk-free.

Risks include:

- Loss of peg to the underlying currency (e.g. USD or ZAR)
- Failure of the issuer or underlying reserves
- Liquidity constraints in stressed market conditions

If a stablecoin fails to maintain its intended value, you may lose some or all of your funds.

### **4. Third-party and counterparty risk**

Mandla Money relies on third-party providers, including:

- Banks
- Payment processors
- Digital asset exchanges
- Custodians

These providers may experience:

- Operational failures or downtime
- Delays in processing transactions
- Security breaches or insolvency

While we take care in selecting and working with these providers, Mandla Money does not control their operations and is not responsible for losses arising from their failure or actions.

### **5. Blockchain and transaction risk**

Transactions involving digital assets may be recorded on blockchain networks.

Key risks include:

- Transactions may be irreversible once confirmed
- Sending funds to the wrong recipient (e.g. incorrect phone number or wallet address) may result in permanent loss
- Network congestion may cause delays or increased fees

Always verify recipient details carefully before sending funds.

## **6. Conversion and liquidity risk**

When converting between local currency (e.g. ZAR) and digital assets:

- Prices may fluctuate
- Exchange rates and spreads may apply
- Liquidity may vary depending on market conditions

You may receive less than expected due to market movements, pricing, or fees.

## **7. Regulatory risk**

The regulatory environment for digital assets is evolving.

Changes in laws or regulations may:

- Affect how Mandla Money operates
- Restrict or suspend certain services
- Impact your ability to access or use the service

This may occur with little or no prior notice.

## **8. Technology and security risk**

Using digital financial services involves technology risks, including:

- System outages or service interruptions
- Cybersecurity threats such as hacking or phishing
- Loss of access due to device compromise

You are responsible for keeping your device, PIN, and verification codes secure.

## **9. No guarantee of value or availability**

Mandla Money does not guarantee:

- The value or stability of any digital asset
- Continuous or uninterrupted access to the service
- The ability to convert digital assets at a specific price or time

## **10. Limitation of responsibility**

Mandla Money provides access to financial infrastructure but does not control all components of the system.

By using the service, you acknowledge that:

- You understand the risks associated with digital assets
- You are responsible for your transaction decisions
- Losses may occur, including the loss of your entire balance

## **11. Appropriate use**

Mandla Money is designed for payments, transfers, and everyday financial use.

You should carefully consider the risks before using the service to store significant amounts of value for extended periods.

## **12. Seek independent advice**

If you are unsure about using digital assets, you should seek independent financial or professional advice before using the service.

## **13. Acceptance of risk**

By using Mandla Money, you confirm that you have read, understood, and accepted this Risk Disclosure.