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# Provisions of the Issuers-Participants Contract

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## ISSUERS-PARTICIPANTS CONTRACT

entered into between

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**("the first Issuer whose BEE Securities are listed on the BEE Segment")  
(insert full name)**

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**(insert registration number)**

Physical address: \_\_\_\_\_  
\_\_\_\_\_

Postal address: \_\_\_\_\_  
\_\_\_\_\_

Telefax: \_\_\_\_\_  
email: \_\_\_\_\_  
Attention: \_\_\_\_\_

and

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**(insert full name of "Absa")**

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**(insert registration number)**

Physical address: \_\_\_\_\_  
\_\_\_\_\_

Postal address: \_\_\_\_\_  
\_\_\_\_\_

Telefax: \_\_\_\_\_  
email: \_\_\_\_\_  
Attention: \_\_\_\_\_

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(insert full name of "Computershare")

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(insert registration number)

Physical address:

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Postal address:

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Telefax:

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email:

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Attention:

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and

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(insert full name of "FNB")

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(insert registration number)

Physical address:

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Postal address:

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Telefax:

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email:

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Attention:

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and

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(insert full name of "Nedbank")

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(insert registration number)

Physical address:

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Postal address:

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Telefax:

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email:

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Attention:

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(insert full name of "Societe Generale")

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(insert registration number)

Physical address: \_\_\_\_\_  
\_\_\_\_\_  
Postal address: \_\_\_\_\_  
\_\_\_\_\_  
Telefax: \_\_\_\_\_  
email: \_\_\_\_\_  
Attention: \_\_\_\_\_

and

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(insert full name of "Standard Bank")

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(insert registration number)

Physical address: \_\_\_\_\_  
\_\_\_\_\_  
Postal address: \_\_\_\_\_  
\_\_\_\_\_  
Telefax: \_\_\_\_\_  
email: \_\_\_\_\_  
Attention: \_\_\_\_\_

and

**THOSE ISSUERS AND PARTICIPANTS WHO BIND THEMSELVES TO THIS CONTRACT BY SIGNING AN ISSUER DEED OF ADHERENCE OR PARTICIPANT DEED OF ADHERENCE, AS THE CASE MAY BE, in terms of which the parties agree to the terms set forth in this contract.**

## 1. INTERPRETATION

- 1.1 All the words and expressions denoted with an initial capital letter used in this contract and not defined in this contract shall, for the purposes of this contract, have the meanings assigned to such words and expressions in the rules of the CSD.
- 1.2 The following terms shall have the following meanings:
- 1.2.1 **"Additional Terms"** means the terms specific to an Issuer's BEE Securities and which are contained in the Constitution of an Issuer under the heading "Additional Terms of BEE Contract";
- 1.2.2 **"Beneficial Owner"** means, in respect of an Issuer's BEE Securities, a person in whom the benefits of the bundle of rights attaching to an Issuer's BEE Securities vest, which is typically evidenced by one or more of the following:
- 1.2.2.1 the right or entitlement to receive any dividend or interest payable in respect of such Issuer's BEE Securities;
- 1.2.2.2 the right to exercise or cause to be exercised in the ordinary course of events, any or all of the voting, conversion, redemption or other rights attached to that Issuer's BEE Securities;
- 1.2.2.3 the right to dispose or direct the disposition of that Issuer's BEE Securities, or any part of a distribution in respect of that Issuer's BEE Securities and to have the benefit of the proceeds, whose BEE Securities are held in the name of the Registered Shareholder acting as a Nominee for that person and **"Beneficially Own"** and **"Beneficial Ownership"** shall be construed accordingly;
- 1.2.3 **"BEE Segment"** means a segment of the JSE's main board where an Issuer has listed its BEE Securities and where trading in BEE Securities is restricted to BEE Compliant Persons;
- 1.2.4 **"Companies Act"** means the Companies Act, 1973, as amended from time to time, or the Companies Act, 2008, when it comes into operation;
- 1.2.5 **"Constitution"** means the articles of association of an Issuer and when the Companies Act, 2008 comes into force means the Memorandum of Incorporation of an Issuer;
- 1.2.6 **"CSD"** means Strate Limited, registration number 1998/022242/06, or its successor-in-title as a licensed central securities depository in terms of the Act;
- 1.2.7 **"Encumbrance"** means any encumbrance or any other arrangement which has a similar effect as the granting of security;
- 1.2.8 **"Extract"** means in respect of a proposed Beneficial Owner of the Issuer's BEE Securities or an Own Name Client in whose name the Issuer's BEE Securities are registered, who is a natural person, a certified copy (or a copy of a certified copy) of an extract from the identity book of that natural person which is attached as an annexure to the BEE Contract relating to that natural person and which either reflects that that person was born in South Africa or alternatively that the identity book was issued prior to 27 April 1994;
- 1.2.9 **"IH"** means intermediate holder, being an intermediary with which a Beneficial Owner or an Own Name Client holds an account for the purposes of, inter alia, managing that Beneficial Owner's or Own Name Client's BEE Securities, but which is not the Registered Shareholder of those BEE Securities;
- 1.2.10 **"IHRS"** means intermediate holder, which is also the Registered Shareholder, being a Nominee with which a Beneficial Owner holds an account for the purposes of, inter alia, managing that Beneficial Owner's BEE Securities;
- 1.2.11 **"Issuer"** means from time to time any company which intends to list or has listed its BEE Securities on the BEE Segment;
- 1.2.12 **"Issuer Deed of Adherence"** means a deed of adherence to this contract in the form attached as Annexure A, to be signed by any Issuer, which is not a party to this contract, prior to the listing of that Issuer's BEE Securities on the BEE Segment;
- 1.2.13 **"Issuer's BEE Securities"** means the BEE Securities of an Issuer which are listed on the BEE Segment;
- 1.2.14 **"Issuer's Nominee"** means a person nominated by an Issuer to acquire the BEE Securities issued by that Issuer in the following circumstances contemplated in the BEE Contract:
- 1.2.14.1 breaches of the BEE Contract by a Beneficial Owner of the Issuer's BEE Securities or an Own Name Client in whose name the Issuer's BEE Securities are registered; and/or
- 1.2.14.2 death and involuntary insolvency/liquidation in relation to a Beneficial Owner of the Issuer's BEE Securities or an Own Name Client in whose name the Issuer's BEE Securities are registered;
- 1.2.15 **"JSE"** means JSE Limited (registration number 2005/022939/06) (or its successor body);
- 1.2.16 **"Nominee"** means a person which acts as the registered holder of BEE Securities and manages an interest in BEE Securities on behalf of other persons, and which has been approved by:
- 1.2.16.1 an exchange in terms of section 36(1)(a) of the Act;

- 1.2.16.2 the Registrar of Securities Services in terms of section 36(2) of the Act; or
- 1.2.16.3 a central securities depository (as defined in the Act) in terms of section 36(1)(b) of the Act;
- 1.2.17 **"Own Name Client"** means a person whose own name is on the main register of an Issuer kept in terms of the Companies Act and in whom/which the benefits of the bundle of rights attaching to the equity securities so registered in his/her/its name vest, which is typically evidenced by one or more of the following:
  - 1.2.17.1 the right or entitlement to receive any dividend or interest payable in respect of those equity securities;
  - 1.2.17.2 the right to exercise or cause to be exercised in the ordinary course of events, any or all of the voting, conversion, redemption or other rights attached to those equity securities;
  - 1.2.17.3 the right to dispose or direct the disposition of those equity securities, or any part of a distribution in respect of those equity securities and to have the benefit of the proceeds;
- 1.2.18 **"Participants"** means collectively, those persons that hold or will hold in custody and administer BEE Securities or an interest in BEE Securities and that have been accepted in terms of section 34 of the Act by the CSD as a Participant in the CSD;
- 1.2.19 **"Participant Deed of Adherence"** means a deed of adherence to this contract in the form attached as Annexure B, to be signed by any Participant, which is not a party to this contract;
- 1.2.20 **"Registered Shareholder"** means, as the context requires:
  - 1.2.20.1 the person in whose name all or some of a Beneficial Owner's BEE Securities are registered; or
  - 1.2.20.2 an Own Name Client of a Participant in whose name the Issuer's BEE Securities are registered;
- 1.2.21 **"Sell"** means sell or otherwise dispose of or transfer (including, but without limiting the generality of the foregoing, by way of donation or dividend or distribution of assets).
- 1.3 Any reference in this contract to the Participants shall if any of the Participants are liquidated be applicable also to and binding upon that Participant's liquidator.
- 1.4 The rule of construction that a contract shall be interpreted against the party responsible for the drafting or preparation of the contract, shall not apply.
- 1.5 Notwithstanding that more than one Issuer may become a party to this contract by signing an Issuer Deed of Adherence, the parties agree that this contract will be treated as a separate contract between a particular Issuer and each of the Participants to this contract (as if none of such other Issuers were parties to it).

## 2. DURATION

- 2.1 This contract shall remain in force until the end of the last remaining empowerment period of all Issuers; the "empowerment period" being the period specified as such in that Issuer's Additional Terms, during which period that Issuer's BEE Securities are required to be Beneficially Owned by, or registered in the names of Own Name Clients who are, BEE Compliant Persons.
- 2.2 Notwithstanding the provisions of clause 2.1, the expiration or termination of this contract shall not affect such of the provisions of this contract as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.

## 3. UNDERTAKINGS

- 3.1 The relevant Participant undertakes in favour of each Issuer, that the Participant will check the following as regards the Participant's non-controlled client which is an IHRS whose client in turn is the proposed Beneficial Owner of that Issuer's BEE Securities, namely that the IHRS has, unless that proposed Beneficial Owner has previously signed a BEE Contract on which the checks contemplated in clauses 3.1.1 to 3.1.3 have been carried out by the Participant or any other Participant:
  - 3.1.1 performed the applicable checks in Annexure C, depending on whether the proposed Beneficial Owner is a natural person or a person other than a natural person. A Participant does not have to satisfy itself that the proposed Beneficial Owner who is a signatory to a BEE Contract is in fact that person;
  - 3.1.2 signed a BEE Contract in its capacity as Nominee and Registered Shareholder; and
  - 3.1.3 retained the signed original version of the BEE Contract.
- 3.2 Each Participant undertakes not to cause or assist the Beneficial Owner of an Issuer's BEE Securities, or an Own Name Client in whose name an Issuer's BEE Securities are registered, to take any action or omit to take any action which would result in such Beneficial Owner or Own Name Client being in breach of any of its obligations under the relevant BEE Contract to which it is a party.
- 3.3 To the extent that an Issuer becomes entitled in relation to a particular Beneficial Owner's or Own Name Client's holding of that Issuer's BEE Securities under the provisions of the BEE Contract to require such Issuer's BEE

Securities be transferred to the Issuer's Nominee, and that Issuer elects to exercise such right, a Participant shall when so requested by either the relevant Registered Shareholder of those BEE Securities or that Issuer, effect transfer of those BEE Securities out of the account in the name of the Registered Shareholder into an account in the name of that Issuer's Nominee.

#### **4. PLEDGES AND OTHER ENCUMBRANCES**

If an Encumbrance has been recorded against any BEE Securities, the Participant must ensure before transferring those BEE Securities in terms of the Encumbrance, that they are only transferred to a BEE Compliant Person, who binds herself/himself/itself to a BEE Contract prior to taking transfer of those BEE Securities.

#### **5. PROVISIONS APPLICABLE TO OFF MARKET TRANSFERS OF BEE SECURITIES**

In respect of an off-market transfer of BEE Securities, each of the Participants undertakes not to effect an entry in the account of the proposed new Registered Shareholder of the BEE Securities unless:

- 5.1 the proposed new Registered Shareholder either:
  - 5.1.1 as an Own Name Client, is himself/herself/itself a BEE Compliant Person; or
  - 5.1.2 will hold the BEE Securities for and on behalf of a Beneficial Owner who is a BEE Compliant Person; and
- 5.2 the requisite BEE Contract has been signed by the proposed new Registered Shareholder and the Beneficial Owner or an Own Name Client in whose name those BEE Securities are to be registered (unless such new Beneficial Owner or Own Name Client has already signed such a contract) and the other relevant parties thereto.

#### **6. ADDRESS FOR SERVICE**

- 6.1 The parties choose as their addresses for service for all purposes under this contract, whether in respect of court process, notices or other documents or communications of whatsoever nature, the addresses set out in the cover pages of this contract.
- 6.2 Any notice or communication required or permitted to be given in terms of this contract shall be valid and effective only if in writing, whether delivered by hand, by post, by telefax or electronically.
- 6.3 Any party may by notice to the other parties change the physical address chosen as its address for service to another physical address where postal delivery occurs in the Republic of South Africa or its postal address, telefax number or e-mail address provided that the change shall become effective on the 7th (seventh) business day from the deemed receipt of the notice by the other parties.
- 6.4 Any notice to a party:
  - 6.4.1 sent by prepaid registered post (by airmail if appropriate) in a correctly addressed envelope to its chosen address for service shall be deemed to have been received on the 7th (seventh) business day after posting (unless the contrary is proved);
  - 6.4.2 delivered by hand to a responsible person during ordinary business hours at its chosen address for service shall be deemed to have been received on the day of delivery;
  - 6.4.3 sent by telefax to its chosen telefax number shall be deemed to have been received on the date of despatch (unless the contrary is proved); or
  - 6.4.4 sent electronically to its chosen e-mail address, shall be deemed to have been received on the date of despatch (unless the contrary is proved).
- 6.5 Notwithstanding anything to the contrary herein contained a written notice or communication actually received by a party shall be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen address for service.

#### **7. EXTENSION OF TIME, WAIVER OR RELAXATION**

No extension of time or waiver or relaxation of any of the provisions or terms of this contract or any contract, bill of exchange or other document issued or executed pursuant to or in terms of this contract, which is furnished by the Issuer, shall operate as an estoppel against any party in respect of its rights under this contract, nor shall it operate so as to preclude such party (save as to any extension, waiver or relaxation actually given) thereafter from exercising its rights strictly in accordance with this contract.

#### **8. CESSION**

A Participant shall be entitled to assign all of its rights and obligations in terms of this contract as an indivisible whole (provided that includes any liabilities under this contract which may have arisen prior to such assignment) to another Participant, provided that the Participant assigning such rights and obligations ensures that the Participant to which the assignment is made has signed a Participant Deed of Adherence<sup>1</sup>.

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<sup>1</sup> A deed of adherence to this contract in the form attached as Annexure B.

For **(“ISSUER”)**  
Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_  
Place: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Witness: \_\_\_\_\_

For **(“ABSA”)**  
Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_  
Place: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Witness: \_\_\_\_\_

For **(“COMPUTERSHARE”)**  
Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_  
Place: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Witness: \_\_\_\_\_

For **(“FNB”)**  
Signature: \_\_\_\_\_  
who warrants that he/she is duly authorised thereto  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_  
Place: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Witness: \_\_\_\_\_

For **(“NEDBANK”)**  
Signature: \_\_\_\_\_  
who warrants that he / she is duly authorised thereto  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_  
Place: \_\_\_\_\_  
Witness: \_\_\_\_\_  
Witness: \_\_\_\_\_

For

**("SOCIETE GENERALE")**

Signature:

\_\_\_\_\_

who warrants that he/she is duly authorised thereto

Name:

\_\_\_\_\_

Date:

\_\_\_\_\_

Place:

\_\_\_\_\_

Witness:

\_\_\_\_\_

Witness:

\_\_\_\_\_

For

**("STANDARD BANK")**

Signature:

\_\_\_\_\_

who warrants that he/she is duly authorised thereto

Name:

\_\_\_\_\_

Date:

\_\_\_\_\_

Place:

\_\_\_\_\_

Witness:

\_\_\_\_\_

Witness:

\_\_\_\_\_



## Annexure A – Issuer Deed of Adherence

### DEED OF ADHERENCE TO THE ISSUERS-PARTICIPANTS CONTRACT SIGNED ON [•]

entered into by

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***("the New Issuer") (insert full name)***

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***(insert registration number)***

1. Unless a contrary intention clearly appears, all the words and expressions denoted with an initial capital letter used in this deed of adherence and which are defined in the Issuers-Participants Contract shall, for the purposes of this deed of adherence, have the meaning assigned to such words and expressions in the Issuers-Participants Contract.
2. By signing this deed of adherence, New Issuer:
  - 2.1. acknowledges having been given a copy of the Issuers-Participants Contract;
  - 2.2. agrees in favour of each Issuer and the Participants to become a party to and be bound by the provisions of the Issuers-Participants Contract with effect from date of signature hereof.
3. New Issuer chooses as its domicilium citandi et executandi for the purposes of the Issuers-Participants Contract the following:

Physical address \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Physical address \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Telefax: \_\_\_\_\_

email \_\_\_\_\_

Attention \_\_\_\_\_

For \_\_\_\_\_

Signature: \_\_\_\_\_

who warrants that he/she is duly authorised thereto

Name: \_\_\_\_\_

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

Place: \_\_\_\_\_

Witness: \_\_\_\_\_

Witness: \_\_\_\_\_

## Annexure B - Participant Deed of Adherence

### DEED OF ADHERENCE TO THE ISSUERS-PARTICIPANTS CONTRACT SIGNED ON [•]

entered into by

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**(*"the New Participant"*) (insert full name)**

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**(insert registration number)**

1. Unless a contrary intention clearly appears, all the words and expressions denoted with an initial capital letter used in this deed of adherence and which are defined in the Issuers-Participants Contract shall, for the purposes of this deed of adherence, have the meaning assigned to such words and expressions in the Issuers-Participants Contract.
2. By signing this deed of adherence, New Participant:
  - 2.1. acknowledges having been given a copy of the Issuers-Participants Contract;
  - 2.2. agrees in favour of each Issuer and the Participants to become a party to and be bound by the provisions of the Issuers-Participants Contract with effect from date of signature hereof.
3. New Participant chooses as its domicilium citandi et executandi for the purposes of the Issuers-Participants Contract the following:

Physical address

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Physical address

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Telefax:

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email

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Attention

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For

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Signature:

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who warrants that he/she is duly authorised thereto

Name:

---

Date:

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Place:

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Witness:

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Witness:

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## Annexure C – Checks for Beneficial Owners

Checks		✓ (Tickbox)
<b>A.</b>	<b>Natural persons</b>	
1.	BEE Contract signed by:	
1.1	• Beneficial Owner (a Participant does not have to satisfy itself that the signatory is in fact that person)	
1.2	• other relevant persons who should be parties to that BEE Contract	
2.	Beneficial Owner has inserted in BEE Contract under his/her name, his/her identity number	
3.	Beneficial Owner's name and identity number as inserted in BEE Contract is identical to that on the Extract	
4.	Extract (certified copy or copy of certified copy) either reflects that the Beneficial Owner was born in South Africa; or	
	that the identity book was issued prior to 27 April 1994; <b>and if not,</b>	
	that the proposed Beneficial Owner has attested to a Naturalisation Affidavit in which that Beneficial Owner states under oath that he/she became a South African citizen prior to 27 April 1994 or, if he/she did not become a South African citizen prior to 27 April 1994, that proposed Beneficial Owner warrants that he/she would have qualified for South African naturalisation prior to 27 April 1994 in the absence of the laws governing the apartheid regime	
<b>B.</b>	<b>Persons other than natural persons</b>	
1.	BEE Contract signed by:	
1.1	• Beneficial Owner (a Participant does not have to satisfy itself that the signatory is in fact that person)	
1.2	• other relevant persons who should be parties to that BEE Contract	
2.	the person who signs the BEE Contract on behalf of the Beneficial Owner is duly authorised to do so (requested copy of an authorising resolution)	
3.	Beneficial Owner has inserted under its name, its registration number or IT reference number, as the case may be	
4.	Beneficial Owner's name and registration number or IT reference number, as the case may be, is identical to that on the BEE Certificate (original or copy)	
5.	BEE Certificate is unexpired	
6.	BEE Certificate indicates that exercisable voting rights and economic interest in the hands of BEE Compliant Persons is greater than 50% in both cases (using only the flow through principle)	