

Republic of South Africa

Companies Act, No. 71 of 2008, as amended

MEMORANDUM OF INCORPORATION FOR A PUBLIC COMPANY

Name of company: **SANTAM LIMITED**

Registration No.: 1918/001680/06

Date of registration: 28 March 1918

This MOI was adopted by Special Resolution passed on 1 June 2016 in substitution for the existing memorandum and articles of association of the Company.

INTERPRETATION

In this MOI, -

- 1.1. words that are defined in the Companies Act but not defined in this MOI will bear the same meaning in this MOI as in the Companies Act, read where necessary with definitions in the Listings Requirements of the JSE. For ease of reading, such terms have been capitalised in this MOI;
- 1.2. unless the context otherwise requires –
 - 1.2.1. **"Charter Document"** means any charter document approved by the Board relating to the powers, duties, functions and operation of any Board committee, including but not limited to the charter documents relating to the remuneration committee, risk committee, audit committee, nominations committee and social and ethics committee of the Company, respectively;
 - 1.2.2. **"Companies Act"** means the Companies Act, No. 71 of 2008, as amended or any legislation which replaces it;
 - 1.2.3. **"Companies Act Effective Date"** means the date on which the Companies Act came into operation, being 1 May 2011;
 - 1.2.4. **"Company"** means Santam Limited (Registration Number 1918/001680/06) or by whatever other name it may be known from time to time;
 - 1.2.5. **"Deliver"** means deliver in the manner in which the Company is entitled to give notice or deliver documents in accordance with clause 38 and the Companies Act;
 - 1.2.6. **"Electronic Address"** means in regard to Electronic Communication, any email address furnished to the Company by the Holder;
 - 1.2.7. **"Holders"** means:
 - 1.2.7.1. the registered holders of Shares issued by the Company from time to time and who are entered as such in the Securities Register of the Company; and
 - 1.2.7.2. if applicable, the holders of any Securities (other than Shares), issued by the Company from time to time, but only to the extent that such Securities confer Voting Rights on the holders thereof in

respect of any matter to be considered by the holders of Shares contemplated in clause 1.2.7.1;

- 1.2.8. **"Ineligible or Disqualified"** means ineligible or disqualified as contemplated in the Companies Act, which shall apply not only to Directors but also to members of Board committees and statutory committees and Prescribed Officers and the Company secretary of the Company;
- 1.2.9. **"JSE"** means the exchange operated by JSE Limited, (Registration No. 2005/022939/06) (or any other name by which it may be known in the future) or its successor body;
- 1.2.10. **"Listings Requirements"** means the listings requirements issued by JSE Limited in respect of securities listed on the JSE, as amended from time to time;
- 1.2.11. **"MOI"** means this Memorandum of Incorporation;
- 1.2.12. **"Participant"** means a depository institution accepted by a Central Securities Depository as a participant in terms of the Securities Services Act;
- 1.2.13. **"Present"** means, in relation to any Holder entitled to exercise any Voting Rights at Shareholders Meetings, that such Holder is:
 - 1.2.13.1. present in person; or
 - 1.2.13.2. represented:
 - 1.2.13.2.1. by proxy; or
 - 1.2.13.2.2. in terms of a letter of representation (in respect of a Holder which is a juristic person); or
 - 1.2.13.2.3. by an agent appointed under a general or special power of attorney (in respect of any individual);
- 1.2.14. **"Registrar"** means the Registrar or the Deputy Registrar of Short-term Insurance referred to in section 2 of the Short-term Insurance Act;
- 1.2.15. **"Regulations"** means regulations published pursuant to the Companies Act from time to time;

- 1.2.16. **"Securities Services Act"** means the Securities Services Act, No. 36 of 2004, as amended or any legislation which replaces it;
- 1.2.17. **"SENS"** means the Securities Exchange News Service of the JSE, or its successor;
- 1.2.18. **"Short-term Insurance Act"** means the Short-term Insurance Act, No 53 of 1998, as amended or any legislation which replaces it;
- 1.2.19. **"Uncertificated Securities"** means securities as defined in the Securities Services Act which are by virtue of the Companies Act transferable without a written instrument and are not evidenced by a certificate;
- 1.2.20. **"Writing"** includes Electronic Communication but as regards any Holder entitled to vote, only to the extent that such Holder has notified the Company of an Electronic Address;
- 1.3. all references to "section/s" in this MOI refer to the sections of the Companies Act unless the context indicates otherwise, and shall include any amendment, alteration or modification of any such section and/or any new section of the Companies Act which substitutes an existing section in whole or in part;
- 1.4. all references to any statutory provision is to such statutory provision as at date of adoption of this MOI and as amended and/or re-enacted and/or consolidated and/or replaced from time to time, and includes all statutory instruments or orders made pursuant to any such statutory provision (as amended and/or re-enacted and/or consolidated and/or replaced).
- 1.5. the headings are for reference purposes only and shall not affect the interpretation of this MOI;
- 1.6. words in the singular number shall include the plural, and words in the plural number shall include the singular, words importing the masculine gender shall include the female gender, and words importing persons shall include created entities (corporate or not);
- 1.7. if any term is defined within the context of any particular clause in this MOI, the term so defined, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, shall bear the meaning ascribed to it for all purposes in terms of this MOI, notwithstanding that that term has not been defined in this interpretation provision;

- 1.8. the Unalterable Provisions of the Companies Act shall prevail, save to the extent that this MOI imposes on the Company a higher standard, greater restriction, longer period of time or any similarly more onerous requirement, and this MOI shall be read in all respects subject to the Companies Act; and
- 1.9. 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 to this MOI.

2. CALCULATION OF BUSINESS DAYS

When a particular number of Business Days is provided for between the happening of one event and another, the number of days must be calculated by —

- 2.1. excluding the day on which the first such event occurs;
- 2.2. including the day on or by which the second event is to occur; and
- 2.3. excluding any public holiday, Saturday or Sunday that falls on or between the days contemplated in clauses 2.1 and 2.2 respectively.

3. PUBLIC COMPANY

The Company is a Public Company as it is not a Private Company or a State-Owned Company or a Personal Liability Company.

4. OBJECT

To main object of the Company is to carry on all classes of short-term insurance business as defined in the Short-term Insurance Act.

5. POWERS AND CAPACITY OF THE COMPANY

- 5.1. The Company has the powers and capacity of an Individual, except to the extent that a Juristic Person is incapable of exercising any such power or having any such capacity. Notwithstanding the omission from this MOI of any provision to that effect, but subject to paragraph 10.3 of Schedule 10 of the Listings Requirements, the Company may do anything which the Companies Act empowers a company to do, if authorised by such Company's memorandum of incorporation.
- 5.2. Save to the extent otherwise permitted by the Companies Act and/or the Listings Requirements, the Holders may not ratify any action by the Company or the Board that is inconsistent with any limit, restriction or qualification applicable to such action.

6. AMENDMENTS TO THE MOI

- 6.1. Save for correcting errors substantiated as such from objective evidence or which are self-evident errors (including, but without limitation *eiusdem generis*, spelling, punctuation, reference, grammar or similar defects and references to sections in the Companies Act, the Regulations and/or the Listings Requirements) in the MOI, which the Board is empowered to do, and subject to the provisions of clause 6.2, all other amendments of the MOI (including, but not limited to, the change of the name of the Company) shall be effected in accordance with section 16(1) and a Special Resolution passed by the Holders. The Board shall publish a copy of any such correction effected by the Board on the Company's web site.
- 6.2. No alterations or amendments may be made to the provisions of this clause 6.2 and clauses 4, 8.2, 8.6, 9.4, 10.1, 13, 18.2, 22.1, 22.2, 22.6, 25.1, 26.1.4, 29.7, 40.2 and 41.1 without the prior written consent of the Registrar.
- 6.3. For the avoidance of doubt, an amendment to the MOI shall be deemed to include, but not be limited to, the actions listed in Schedule 10.5(d) of the Listings Requirements.

7. THE MAKING OF RULES

The Board shall not make, amend or repeal Rules.

8. AUTHORISED SHARES AND ALLOTMENT AND ISSUE

- 8.1. The Company is authorised to issue the following numbers and classes of Shares (which includes Shares already issued at any time) -
 - 8.1.1. 150,000,000 (one hundred and fifty million) ordinary no par value Shares ranking *pari passu*, which shall have 1 (one) vote per Share in respect of every matter that may be decided by voting and which shall rank after all other classes of Shares in the Company which do not rank *pari passu* with the ordinary Shares as regards Distributions and returns of capital, but save as aforesaid shall be entitled to receive the net assets of the Company upon its liquidation; and
 - 8.1.2. 12,000,000 (twelve million) non-redeemable non-participating, non-cumulative no par value preference Shares, having the rights, terms and conditions set forth in clause 42.

- 8.2. Notwithstanding anything to the contrary contained in this MOI, only ordinary Shares may be issued by the Company, except in those cases where in terms of the Short-term Insurance Act, prior written approval has been granted by the Registrar for the issuing of other Shares.
- 8.3. The Board shall not have the power to amend the authorisation (including increasing or decreasing the number) and classification of Shares (including determining rights, limitations, preferences and other terms) as contemplated in section 36(2)(b) or 36(3).
- 8.4. No rights, privileges or conditions for the time being attached to any class of Securities of the Company nor any interests of that class of Securities may (unless otherwise provided by the terms of issue of the Securities of that class) whether or not the Company is being wound up, be varied in any manner adverse to the Holders of that class of Securities, nor may any variations be made to the rights, privileges or conditions of any class of Securities, such that the interest of another class of Securities is adversely affected, unless the consent in Writing of the Holders of not less than 75% (seventy five per cent) of the issued Securities of that adversely affected class has been obtained, or a Special Resolution has been passed by the Holders of that adversely affected class of Securities with the support of more than 75% (seventy five per cent) of the Voting Rights exercised on the Special Resolution at a separate meeting of the Holders of that class of Securities. The provisions of this MOI relating to Shareholders Meetings shall *mutatis mutandis* apply to any such separate meeting, except that –
- 8.4.1. the necessary quorum shall be a Holder or Holders of the class Present and holding at least 51% (fifty one percent) of the issued Securities of that class;
- 8.4.2. if at any adjourned meeting of such Holders, the required quorum contemplated in clause 8.4.1 is not Present, those Persons entitled to vote who are Present shall be a quorum.
- 8.5. Subject to the approval of the JSE, no new Shares may be authorised in respect of which the preferences, rights, limitations or any other terms of any class of Shares may be varied in response to any objectively ascertainable external fact or facts as provided for in sections 37(6) and 37(7).
- 8.6. Notwithstanding any implication in this MOI to the contrary, the Board may not authorise any financial assistance by the Company for purposes of or in connection with the subscription for or purchase of its Securities or those of a Related or Inter-related company without complying with section 44(3) and the prior written approval of the Registrar as provided for in the Short-term Insurance Act.

9. **AUTHORITY TO ISSUE SHARES**

- 9.1. The Board shall not have the power to issue authorised Shares (other than as contemplated in clause 9.4) without the prior approval contemplated in clause 9.2 and the approval of the JSE (to the extent legally necessary).
- 9.2. As regards the issue of Shares –
 - 9.2.1. the Board shall not have the power to allot or issue Shares as contemplated in sections 41(1) and (3) or as contemplated in section 5.50 of the Listings Requirements without the prior approval of a Special Resolution;
 - 9.2.2. the Board shall not have the power to allot or issue Shares and/or to grant options to subscribe for unissued Shares, other than those contemplated in clause 9.2.1, without the prior approval of an Ordinary Resolution of the Holders and (to the extent necessary) the approval of the JSE.
- 9.3. Any approval contemplated in clause 9.2 may be in the form of a general authority to the Board, whether conditional or unconditional, to allot or issue any Shares contemplated in clause 9.2 in their discretion, or in the form of a specific authority in respect of any particular allotment or issue of such Shares. Such authority shall endure for the period provided in the Ordinary or Special Resolution in question but may be revoked by Ordinary Resolution or Special Resolution, as the case may be, at any time.
- 9.4. The Board may, subject to the prior written approval of the Registrar in terms of the Short-term Insurance Act, authorise the Company to issue secured or unsecured debt instruments as set out in section 43(2). No special privileges may be granted to secured and unsecured debt instruments as contemplated in section 43(3).
- 9.5. Subject to the provisions of section 47, the Board may issue capitalisation Shares or offer a cash payment in lieu of awarding a capitalisation Share.
- 9.6. No Shares of a class which is listed on the JSE may be issued other than as fully paid up.

10. **ALTERATION OF CAPITAL**

- 10.1. The Company may, from time to time by special resolution –
 - 10.1.1. reduce or consolidate the number of its issued Shares without par value;
 - 10.1.2. increase the number of its issued Shares without par value without increasing its stated capital;

- 10.1.3. cancel Shares not taken up by anyone on the date of passing the resolution or not undertaken to be taken up;
 - 10.1.4. subject to compliance with any other statutory or other legal requirements decrease its share capital, stated capital or capital redemption reserve in any manner, subject to the prior written approval of the Registrar in accordance with the Short-term Insurance Act;
 - 10.1.5. convert any of its Shares, whether issued or not, into Shares of another class, subject to the prior written approval of the Registrar in accordance with the Short-term Insurance Act;
 - 10.1.6. amend any rights, preferences, limitations and terms in respect of any Shares, whether issued or not, subject (in the case of Shares already issued) to the consent required from the holders of that class of Shares;
 - 10.1.7. convert ordinary Shares into redeemable preference Shares, subject to the prior written approval of the Registrar in accordance with the Short-term Insurance Act;
 - 10.1.8. convert any of its Shares, including preference Shares, into debentures, subject to the prior written approval of the Registrar in accordance with the Short-term Insurance Act.
- 10.2. Any action in terms of the preceding clause shall be executed subject to –
- 10.2.1. the provisions of the Companies Act; and/or
 - 10.2.2. the provisions of the Short-term Insurance Act; and/or
 - 10.2.3. the requirements contained in the Listings Requirements; and/or
 - 10.2.4. the provisions of the special resolution whereby it is authorized; or
 - 10.2.5. as far as clauses 10.2.1 or 10.2.4 are not applicable, in the manner prescribed by the Board.
- 10.3. Subject to the provisions of the Listings Requirements, if a fraction of a Share comes into being as a result of any action contemplated in clause 10.1, the Board shall round all allocations of Shares down to the nearest whole number, resulting in allocations of whole Shares and a cash payment for the fraction.

11. PRE-EMPTION ON ISSUE OF SECURITIES

11.1. Subject to clause 11.2, Securities of a particular class in the Company which are authorised but unissued and which are intended to be issued for cash, shall be offered to the existing Holders of that class of Securities by way of a rights offer *pro rata* to their holding in that class of Securities immediately before the offer was made, with a reasonable time (as determined by the Board) allowed to subscribe for such Securities. If any fraction of a Security will have to be issued, that fraction may be sold for the benefit of the Shareholder in question in such manner as the Board may determine. After the expiration of the time within which an offer may be accepted, or on the receipt of an intimation from the Person to whom the offer is made that he declines to accept the Securities offered, the Board may issue such Securities in such manner as they think most beneficial to the Company.

11.2. The provisions of clause 11.1 shall not apply to:

11.2.1. Securities which are to be issued to or in terms of an approved share incentive scheme,

11.2.2. any issue of Securities approved in accordance with clause 9.1;

11.2.3. a capitalisation issue, an issue for an acquisition of assets (including another company) or an issue for the purposes of an Amalgamation or Merger; or

11.2.4. Securities which are to be issued in terms of option or Conversion rights.

12. CERTIFICATES EVIDENCING ISSUED SECURITIES, UNCERTIFICATED SECURITIES AND SECURITIES REGISTER

12.1. The Securities issued by the Company may either be certificated (that is evidenced by a certificate) or uncertificated, in which case the Company must not issue certificates evidencing or purporting to evidence title to those Securities.

12.2. Any Securities issued by the Company after the date of adoption of this MOI shall be Uncertificated, save for Shares to be issued to existing holders of certificated Shares. Should a Holder become entitled, in accordance with section 54, to a certificate in respect of any Uncertificated Securities held by it, the original certificate shall be issued to the Holder. For every subsequent certificate issued in respect of the same Securities to the same Holder, the Board shall be entitled, as it may deem fit, to require a charge in settlement of the reasonable costs incurred in such issue.

- 12.3. The Company shall convert its share register into a Securities Register with effect from the Companies Act Effective Date, which shall reflect all such information in relation to certificated or Uncertificated Securities, as the case may be, as may be required in terms of section 49.
- 12.4. The Company shall, in relation to the issue, re-acquisition, surrender or transfer of any of its uncertificated Securities, enter or cause to be entered the information prescribed in terms of the Companies Act in its Securities Register.
- 12.5. Securities certificates shall be issued in such manner and form as the Board shall from time to time prescribe, save that they must -
 - 12.5.1. state on the face –
 - 12.5.1.1. the name of the Company;
 - 12.5.1.2. the name of the Person to whom the Securities were issued;
 - 12.5.1.3. the number and class of Securities and the designation of the series, if any, evidenced by that certificate; and
 - 12.5.1.4. any restriction on the transfer of the Securities (which are not listed on the JSE) evidenced by that certificate;
 - 12.5.2. be signed by two Persons authorised by the Board by autographic, mechanical or electronic means.
- 12.6. Each class of Shares, and any other Securities, must be distinguished by an appropriate numbering system.
- 12.7. Each Holder shall be entitled to 1 (one) certificate for all the Securities of a particular class registered in his name, or to several certificates, each for a part of such Securities.
- 12.8. A certificate for Securities registered in the names of 2 (two) or more Persons shall be Delivered to the Person first named in the Securities Register and Delivery of a certificate for Securities to that Person shall be a sufficient Delivery to all joint Holders.
- 12.9. If a certificate for Securities or share warrant to bearer is defaced, lost or destroyed, it may be replaced, on such terms, as to evidence and indemnity and payment of such fee as the Board thinks fit, and (in case of defacement) on delivery of the old certificate or share warrant to bearer to the Company.
- 12.10. A Person –

- 12.10.1. acquires the rights associated with any particular Securities of the Company when that Person's name is entered in the Securities Register as a Person to whom those Securities have been issued or transferred; and
 - 12.10.2. ceases to have the rights associated with any particular Securities of the Company when the transfer to another Person, re-acquisition by the Company, or surrender to the Company of those Securities has been entered in the Securities Register.
- 12.11. After receiving a notice from a Central Securities Depository or Participant that a Holder who wishes to withdraw all or part of the Uncertificated Securities held by that Person in an Uncertificated Securities Register, and obtain a certificate in respect of those withdrawn Securities, the Company must –
- 12.11.1. immediately enter the relevant Person's name and details of that Person's holding of Securities in the Securities Register and indicate on the Securities Register that the Securities so withdrawn are no longer held in uncertificated form;
 - 12.11.2. within 10 (ten) Business Days, or 20 (twenty) Business Days in the case of a Holder who is not resident within South Africa –
 - 12.11.2.1. prepare and Deliver to the relevant Person a certificate in respect of the Securities; and
 - 12.11.2.2. notify the Central Securities Depository that the Securities are no longer held in uncertificated form,
 and may charge the Holder a reasonable fee to cover the actual costs of issuing a certificate.
- 12.12. If the Company issues Securities which are not listed on the JSE but which are of the same class as Securities which are so listed, the share certificates for those Securities must be stamped "unlisted securities" and may only be released by the Company with the written permission of the JSE.
13. **BENEFICIAL INTERESTS IN SECURITIES**
- Subject to the provisions of the Short-term Insurance Act, the Company's issued Securities may be held by, and registered in the name of, one person for the beneficial interest of another person as set out in section 56(1).

14. REGISTER OF DISCLOSURES AND NOTIFICATION

14.1 The Company must –

- 14.1.1 establish and maintain a register of the disclosures of all Beneficial Interests made in terms of section 56(7), which register shall comply with the requirements of the Companies Act;
- 14.1.2 publish in its Annual Financial Statements a list of the Persons who hold Beneficial Interests equal to or in excess of 5% (five per cent) of the total number of Securities of that class issued by the Company, together with the extent of those Beneficial Interests;
- 14.1.3 file a copy of a notification in respect of the acquisition of any Beneficial Interest constituting 5% (five per cent) or a multiple thereof of the issued Securities of that class or disposal so that the Person no longer holds a multiple of 5% (five per cent) of the issued Securities of that class, with the Panel;
- 14.1.4 report the information to the Holders of the relevant class of Securities in respect of which the Company has received a notification of the type referred to in clause 14.1.3 by means of publishing same on SENS within 48 (forty eight) hours of receiving such notification, unless it relates to the disposal of any Beneficial Interest of less than 1% (one per cent) of the class.

14.2 If any Securities are registered in the name of a Person who is not the holder of the Beneficial Interest in all of those Securities, that registered Holder of Security must disclose –

- 14.1.1 the identity of the person on whose behalf that Security is held;
- 14.1.2 the identity of each Person with a Beneficial Interest in the Securities so held, the number and class of Securities held for each such Person with a Beneficial Interest, and the extent of each such Beneficial Interest,

in accordance with the time periods as stipulated in section 56(4).

15 PROHIBITION AGAINST THE COMPANY TAKING A LIEN

The Company shall not be entitled to take any lien over any Securities issued by it.

16 LISTINGS ON OTHER STOCK EXCHANGES

- 16.1 The Company may seek listings on such other stock exchanges as the Board may consider appropriate from time to time, it being recorded that as at the Companies Act Effective Date, the Shares of the Company are also listed on the Namibian Stock Exchange.
- 16.2 For so long as the Securities of the Company are listed on any stock exchange in addition to the JSE, if the listing on the JSE is the primary listing and if the Company is obliged to obtain the approval of the JSE in regard to any matter, it shall, to the extent legally necessary, be obliged also to obtain the consent at the same time of any other stock exchanges on which its Securities are listed and failing receipt of such consent, the Company shall not be permitted to undertake the act for which the consent was required.

17 COMMISSION

The Company may pay commission not exceeding 10% (ten per cent) of the subscription price at which Securities of the Company are issued to any Person, in consideration of him subscribing or agreeing to subscribe, whether absolutely or conditionally, for any securities or of him procuring or agreeing to procure subscriptions, whether absolute or conditional, for any Securities.

18 ACQUISITION AND TRANSFER OF SECURITIES

- 18.1 There is, subject to clause 18.2, no restriction on the transfer of Securities.
- 18.2 No person shall be entitled to acquire or hold Shares or any other interest in the Company which results in that person, directly or indirectly, alone or with a related party, exercising control over the Company, without the approval of the Registrar in accordance with the Short-term Insurance Act.
- 18.3 The transfer of any Securities which are certificated shall be implemented using the then common form of transfer. Every instrument of transfer shall be left at the transfer office of the Company at which it is presented for registration, accompanied by the certificate of the Securities to be transferred, and/or such other evidence as the Company may require to prove the title of the transferor or his rights to transfer the Securities.
- 18.4 All authorities to sign transfer deeds granted by Holders for the purpose of transferring Securities that may be lodged, produced or exhibited with or to the Company at any of its transfer offices shall as between the Company and the grantor of such authorities, be taken and deemed to continue and remain in full force and effect, and the Company may allow the same to be acted upon until such time as express notice in writing of the revocation of the same shall have been given and lodged at the Company's transfer offices at which the authority was lodged, produced

or exhibited. Even after the giving and lodging of such notices the Company shall be entitled to give effect to any instruments signed under the authority to sign, and certified by any officer of the Company, as being in order before the giving and lodging of such notice.

18.5 The Company must enter in its Securities Register regarding every transfer of any Securities the information contemplated in section 51, provided that such entry may be made only if the transfer is evidenced by a proper instrument of transfer that has been delivered to the Company or was effected by operation of law.

18.6 The Securities Register may, upon receipt of the JSE's approval and after notice has been given by advertisement in the South African Government Gazette and a newspaper circulating in the district in which the office of the Company is situated, and, in the case of any branch register, be closed during such time as the Board thinks fit, not exceeding in aggregate 60 (sixty) days in each year.

19 TRANSMISSION OF SECURITIES BY OPERATION OF LAW

Subject to the laws relating to securities transfer tax upon or in respect of the estates of deceased Persons and the administration of the estates of insolvent and deceased Persons and Persons under disability -

19.1 the parent or guardian or curator of any Holder who is a minor;

19.2 the trustee of an insolvent Holder;

19.3 the liquidator of a body corporate Holder;

19.4 the tutor or curator of a Holder under disability;

19.5 the executor or administrator of the estate of a deceased Holder; or

19.6 any other Person becoming entitled to any Securities held by a Holder by any lawful means other than transfer in terms of this MOI,

shall, upon production of such evidence as may be required by the Board, have the right either -

19.7 to exercise the same rights and to receive the same Distributions and other advantages to which he would be entitled if he were the Holder of the Securities registered in the name of the Holder concerned; or

19.8 himself to be registered as the Holder in respect of those Securities and to make such transfer of those Securities as the Holder concerned could have made, but the Board shall have the same

right to decline or suspend registration as it would have had in the case of a transfer of the Securities by the Holder.

20 ACCOUNTING RECORDS AND FINANCIAL STATEMENTS

20.1 The Company shall keep accurate and complete Accounting Records in one of the official languages of the Republic of South Africa to enable the Company to satisfy its obligations in terms of the Companies Act or any other applicable law.

20.2 The Company shall prepare its Financial Statements in accordance with the International Financial Reporting Standards and shall have its annual Financial Statements audited. In addition the annual Financial Statements shall reflect the -

20.2.1 Beneficial Interests of the Directors and material Shareholders (as contemplated in the Listings Requirements);

20.2.2 number and status of any Securities issued by the Company which are not listed on the JSE.

20.3 The Board shall from time to time determine at what times and places (save in the case of Accounting Records which shall be accessible from the Registered Office) and under what conditions, subject to the requirements of the Regulations, the Holders and holders of Beneficial Interests are entitled to inspect and take copies of –

20.3.1 the MOI;

20.3.2 amendments to the MOI;

20.3.3 records in respect of Directors;

20.3.4 reports to Annual General Meetings;

20.3.5 annual Financial Statements;

20.3.6 notices and minutes of Shareholders Meetings;

20.3.7 communications generally to Holders; and

20.3.8 the Securities Register.

20.4 Apart from the Holders and holders of Beneficial Interests, no other Person shall be entitled to inspect any of the documents of the Company (other than the Securities Register and the register of Directors) unless expressly authorised by the Board or by Ordinary Resolution.

- 20.5 The Company shall notify the Holders and the holders of Beneficial Interests of the publication of any annual Financial Statements of the Company, setting out the steps required to obtain a copy of those Financial Statements. If a Holder or holder of Beneficial Interests demands a copy of the annual Financial Statements, the Company shall make same available to such Holder / holder of Beneficial Interests free of charge.
- 20.6 A copy of the Financial Statements or a summarised form thereof as contemplated in section 62(3)(d)(i) of the Companies Act must be delivered to Shareholders at least 15 (fifteen) Business Days before the date of the Annual General Meeting of the Company at which such Financial Statements will be considered.

21 AUDIT COMMITTEE

- 21.1 At each Annual General Meeting, the Company must elect an audit committee comprising at least 3 (three) members, unless –
- 21.1.1 the Company is a Subsidiary of another company that has an audit committee; and
- 21.1.2 the audit committee of that other company will perform the functions required in terms of the Companies Act on behalf of the Company.
- 21.2 Each member of the audit committee must comply with the requirements set out in section 94(4) of the Companies Act, the requirements set out in the Short-term Insurance Act and the requirements of the Board (as set out in the Charter Document of the audit committee) and shall be nominated by the Board for election at the relevant Annual General Meeting.
- 21.3 The duties and functions of the audit committee shall be those set out in section 94(7) of the Companies Act, the Short-term Insurance Act and such additional duties and functions as may be set out in its Charter Document.
- 21.4 The Company must pay all expenses reasonably incurred by its audit committee, including, if the audit committee considers it appropriate, the fees of any consultant or specialist engaged by the audit committee to assist it in the performance of its functions.
- 21.5 No Person shall be elected as a member of the audit committee, if he is Ineligible or Disqualified and any such election shall be a nullity. A Person who is Ineligible or Disqualified must not consent to be elected as a member of the audit committee nor act as a member of the audit committee. A Person placed under probation by a court must not serve as a member of the audit committee unless the order of court so permits.

- 21.6 A member of the audit committee shall cease to hold office as such immediately he becomes Ineligible or Disqualified.

22 APPOINTMENT OF AUDITOR

- 22.1 The Company shall appoint an audit firm registered with the Independent Regulatory Board for Auditors (and accredited as such on the JSE's list of auditors) at its Annual General Meeting, provided that such audit firm shall comply with the provisions of section 90(2) and subject further to the prior written approval of the Registrar in accordance with the provisions of the Short-term Insurance Act.
- 22.2 Nothing precludes the election by the Company at its Annual General Meeting of an Auditor other than one nominated by the audit committee, but if such an Auditor is elected, the appointment is valid only if the audit committee is satisfied that the proposed auditor is independent of the Company and provided further that the appointment has been approved by the Registrar in writing in accordance with the provisions of the Short-term Insurance Act.
- 22.3 If an Annual General Meeting does not appoint or reappoint an Auditor, the Board must fill the vacancy in the office in accordance with section 91. A retiring Auditor may be automatically re-appointed at an Annual General Meeting without any resolution being passed, unless any of the circumstances contemplated in section 90(6) are present.
- 22.4 Any firm of auditors appointed by the Company as the Auditor shall ensure that the Individual Auditor responsible for performing the Audit must comply with the requirements of section 90(2), provided that the provisions of section 92 shall apply at all times.
- 22.5 The Auditor's rights, functions and duties shall be regulated in accordance with section 93 of the Companies Act and furthermore in accordance with the provisions of the Short-term Insurance Act.
- 22.6 If a vacancy arises in the office of Auditor (including in the circumstances contemplated in section 91(5)), the Board shall comply with the provisions of sections 91(2) and 91(3) of the Companies Act, and the appointment of any new Auditor by the Board shall further be subject to the prior written approval of the Registrar in accordance with the provisions of the Short-term Insurance Act.
- 22.7 The provisions of clauses 35.4 and 35.5 apply *mutatis mutandis* to the Auditor.

23 SHAREHOLDERS MEETINGS

23.1 The Company shall convene an Annual General Meeting once in every calendar year, but no more than 15 (fifteen) months after the date of the previous Annual General Meeting, or within an extended time allowed by the Companies Tribunal, on good cause shown, which must, at a minimum, provide for the following business to be transacted –

23.1.1 presentation of –

23.1.1.1 the Directors' report;

23.1.1.2 Audited Financial Statements for the immediately preceding financial year;

23.1.1.3 an audit committee report;

23.1.2 election of Directors, to the extent required by the Companies Act or the MOI;

23.1.3 appointment of –

23.1.3.1 an Auditor for the ensuing year;

23.1.3.2 an audit committee;

23.1.4 the sanctioning or declaration of dividends;

23.1.5 any matters (other than proposed resolutions) raised by Holders for discussion, with or without advance notice to the Company.

23.2 Subject to the provisions of the Companies Act, the Company may permit resolution/s that could be voted on at a Shareholders Meeting to be dealt with by round robin resolutions of those Persons entitled to vote, provided that all Shareholders Meetings convened in terms of the Listings Requirements must be held in person and may not be held by means of a written resolution as contemplated in section 60.

23.3 The Company must hold a Shareholders Meeting –

23.3.1 at any time that the Board is required by the Companies Act or the MOI to refer a matter to Holders entitled to vote for decision;

23.3.2 whenever required in terms of section 70(3) to fill a vacancy on the Board, where such vacancy gives rise to the number of Directors falling below the minimum number of directors stipulated in clause 25.1.

23.4 Each resolution shall be expressed with sufficient clarity and specificity and accompanied by sufficient information / explanatory material to enable a Person who is entitled to vote on the

resolution to determine whether to participate in the Shareholders Meeting, if applicable, and to seek to influence the outcome of the vote on the resolution. Once a resolution has been approved, it may not be challenged or impugned on the ground that it did not comply with the foregoing.

23.5 The Board or the Company secretary, if there are no Directors, may convene a Shareholders Meeting whenever it deems fit.

23.6 A Shareholders Meeting must be convened by the Board if one or more Written and signed demands for such a Shareholders Meeting is/are delivered to the Company, and –

23.6.1 each such demand describes the specific purpose for which the Shareholders Meeting is proposed; and

23.6.2 in aggregate, demands for substantially the same purpose are made and signed by the Holders at the earliest time specified in any of those demands, of at least 10% (ten per cent) of the Voting Rights entitled to be exercised in relation to the matter proposed to be considered at the Shareholders Meeting.

23.7 Every Shareholders Meeting shall be held where the Board determines from time to time. A Shareholders Meeting may be held entirely by Electronic Communication, or the Company may provide for participation in a Shareholders Meeting by Electronic Communication so long as the Electronic Communication employed ordinarily enables all Persons participating in that Shareholders Meeting to communicate concurrently with each other without an intermediary, and to participate reasonably effectively in the Shareholders Meeting, as set out in section 63(2).

23.8 The Holder of any Securities, which are in certificated form, and thus not subject to the rules of State as the Central Securities Depository, in which any Person has a Beneficial Interest must deliver to each such Person –

23.8.1 a notice of any Shareholders Meeting of the Company at which those Securities may be voted within 2 (two) Business Days after receiving such a notice from the Company; and

23.8.2 a proxy appointment to the extent of that Person's Beneficial Interest, if the Person so demands in compliance with section 56(11).

23.9 A Shareholders Meeting shall be called by at least 15 (fifteen) Business Days' notice delivered by the Company to all Holders entitled to vote or otherwise entitled to receive notice and to the JSE. An announcement shall also be made on SENS.

23.10 A Holder entitled to vote, who is Present at a Shareholders Meeting –

23.10.1 is regarded as having received or waived notice of the Shareholders Meeting if at least the required minimum notice was given;

23.10.2 has a right to –

23.10.2.1 allege a Material defect in the form of notice for a particular item on the agenda for the Shareholders Meeting; and

23.10.2.2 participate in the determination whether to waive the requirements for notice, if less than the required minimum notice was given, or to ratify a defective notice; and

23.10.3 except to the extent set out in clause 23.10.2 is regarded to have waived any right based on an actual or alleged Material defect in the notice of the Shareholders Meeting.

23.11 The chairperson of the Shareholders Meeting shall be entitled, in his sole and absolute discretion, to determine the materiality of any alleged defect contemplated in clause 23.10.2.1. Should the chairperson deem the alleged defect to be immaterial, the item on the agenda for the Shareholders Meeting shall be discussed and voted on in the normal course.

23.12 A notice of a Shareholders Meeting must be in writing and must include –

23.12.1 the date, time and place for the Shareholders Meeting, and the Record Date for the Shareholders Meeting;

23.12.2 the general purpose of the Shareholders Meeting, and any purpose contemplated in clause 23.1, if applicable;

23.12.3 in the case of the Annual General Meeting a summary of the annual financial statements of the Company, together with directions for obtaining of the complete annual financial statements of the Company;

23.12.4 a copy of any proposed resolution of which the Company has received notice, and which is to be considered at the Shareholders Meeting, and a notice of the percentage of Voting Rights that will be required for that resolution to be adopted;

23.12.5 a reasonably prominent statement that –

23.12.5.1 a Holder entitled to attend and vote at the Shareholders Meeting shall be entitled to appoint a proxy to attend, participate in, speak and vote at the Shareholders Meeting in the place of the Holder entitled to vote;

23.12.5.2 a proxy need not be a Holder;

23.12.5.3 the proxy may not delegate the authority granted to him as proxy;

23.12.5.4 participants in a Shareholders Meeting are required to furnish satisfactory identification in terms of section 63(1) in order to reasonably satisfy the Person presiding at the Shareholders Meeting;

23.12.5.5 except to the extent that the Company determines otherwise, participation in the Shareholders Meeting by Electronic Communication is available, and provide any necessary information to enable Holders entitled to vote or their proxies to access the available medium or means of Electronic Communication and advise that access to the medium or means of Electronic Communication is at the expense of the Holder entitled to vote or proxy.

23.13 A Shareholders Meeting may proceed notwithstanding a Material defect in the giving of the notice, subject to clause 23.14, only if every Person who is entitled to exercise Voting Rights in respect of each item on the agenda of the Shareholders Meeting is Present at the Shareholders Meeting and votes to approve the ratification of the defective notice.

23.14 If a Material defect in the form or manner of giving notice of a Shareholders Meeting relates only to one or more particular matters on the agenda for the Shareholders Meeting –

23.14.1 any such matter may be severed from the agenda, and the notice remains valid with respect to any remaining matters on the agenda; and

23.14.2 the Shareholders Meeting may proceed to consider a severed matter, if the defective notice in respect of that matter has been ratified in terms of clause 23.13.

23.15 An immaterial defect in the form or manner of Delivering notice of a Shareholders Meeting, or an accidental or inadvertent failure in the Delivery of the notice to any particular Holder to whom it was addressed if the Company elects to do so, does not invalidate any action taken at the Shareholders Meeting.

23.16 A Person who holds a Beneficial Interest in any Securities may vote in a matter at a Shareholders Meeting if:

23.16.1 the Beneficial Interest includes the right to vote on the matter and the Person's name is on the Company's register of disclosures as the holder of a Beneficial Interest; or

23.16.2 the Person holds a proxy from the Holder in respect of such Securities.

23.17 Business may be transacted at any Shareholders Meeting only while a quorum is Present.

23.18 The quorum necessary for the commencement of a Shareholders Meeting shall be sufficient Persons Present at the Shareholders Meeting to exercise, in aggregate, at least 51% (fifty one per cent) of all of the Voting Rights that are entitled to be exercised in respect of at least one matter to be decided at the Shareholders Meeting but the Shareholders Meeting may not begin unless, in addition, at least 3 (three) Persons entitled to vote are Present.

23.19 A matter to be decided at the Shareholders Meeting may not begin to be considered unless those who fulfilled the quorum requirements of clauses 23.16 and 23.18, continue to be Present. If a resolution is proposed to meet the Listings Requirements, notwithstanding that the Holders of Securities not listed on the JSE shall be entitled to be counted in the quorum as a matter of law, they shall not be taken into account for the purposes of determining whether or not the quorum requirements of the JSE have been attained.

23.20 If a quorum is not Present within 30 (thirty) minutes from the time appointed for the Shareholders Meeting to commence, or if the quorum requirements in clause 23.19 cannot be achieved for any one or more matters, the Shareholders Meeting shall be postponed, without motion, vote or further notice, subject to clause 23.23, for 1 (one) week to the same time on the same day in the next week or, if that day be a public holiday, to the next succeeding day which is not a public holiday. If a quorum is not Present at such adjourned Shareholders Meeting within 30 (thirty) minutes from the time appointed for the Shareholders Meeting, the Person/s entitled to vote and Present shall be deemed to be the requisite quorum.

23.21 A Shareholders Meeting, or the consideration of any matter being debated at the Shareholders Meeting, may be adjourned from time to time without further notice on a motion supported by Persons entitled to exercise, in aggregate, a majority of the Voting Rights –

23.21.1 held by all of the Persons who are Present at the Shareholders Meeting at the time; and

23.21.2 that are entitled to be exercised on at least one matter remaining on the agenda of the Shareholders Meeting, or on the matter under debate, as the case may be.

Such adjournment may be either to a fixed time and place or until further notice (in which latter case a further notice shall be Delivered to Holders), as agreed at the Shareholders Meeting.

23.22 A Shareholders Meeting may not be adjourned beyond the earlier of –

23.22.1 the date that is 120 (one hundred and twenty) Business Days after the Record Date; or

23.22.2 the date that is 60 (sixty) Business Days after the date on which the adjournment occurred.

23.23 No further notice is required to be Delivered by the Company of a Shareholders Meeting that is postponed or adjourned as contemplated in clause 23.20, unless the location or time for the Shareholders Meeting is different from –

23.23.1 the location or time of the postponed or adjourned Shareholders Meeting; or

23.23.2 a location or time announced at the time of adjournment, in the case of an adjourned Shareholders Meeting.

23.24 After a quorum has been established for a Shareholders Meeting, or for a matter to be considered at a Shareholders Meeting, the Shareholders Meeting may continue, or the matter may be considered, so long as at least 1 (one) Person with Voting Rights entitled to be exercised at the Shareholders Meeting, or on that matter, is Present at the Shareholders Meeting.

23.25 The chairperson, if any, of the Board shall preside as chairperson at every Shareholders Meeting. If there is no such chairperson, or if at any Shareholders Meeting he is not present within 15 (fifteen) minutes after the time appointed for holding the Shareholders Meeting or is unwilling to act as chairperson, the Persons entitled to vote who are Present shall select a Director present at the Shareholders Meeting, or if no Director be present at the Shareholders Meeting, or if all the Directors present decline to take the chair, the Persons entitled to vote shall select one of their number which is Present to be chairperson of the Shareholders Meeting.

23.26 At any Shareholders Meeting a resolution put to the vote shall be decided on a poll.

23.27 A poll shall be taken in such manner as the chairperson directs, which may include electronic voting, and the result of the poll shall be deemed to be the resolution of the Shareholders Meeting at which the poll was demanded. Scrutineers may be appointed by the chairperson to declare the result of the poll, and if appointed their decision, which shall be given by the chairperson of the Shareholders Meeting, shall be deemed to be the resolution of the Shareholders Meeting at which the poll is demanded.

23.28 In the case of an equality of votes the chairperson of the Shareholders Meeting shall be entitled to a second or casting vote.

23.29 Any person entitled to a Share in terms of clause 19 may vote at any Shareholders Meeting in respect thereof in the same manner as if he were the Holder of that Security, provided that (except where the Board has previously accepted his right to vote in respect of that Security) at least 24 (twenty four) hours before the time of holding the Shareholders Meeting at which he proposes to vote, he shall have satisfied the Board that he is entitled to exercise the right referred to in clause 19.

- 23.30 Every resolution of Shareholders is either an Ordinary Resolution or a Special Resolution. An Ordinary Resolution, save to the extent expressly provided in respect of a particular matter contemplated in this MOI, shall require to be adopted with the support of at least 50% (fifty per cent) plus one of the Voting Rights exercised on the resolution. A Special Resolution shall require to be adopted with the support of at least 75% (seventy five per cent) of the Voting Rights exercised on the resolution.
- 23.31 Every Person entitled to vote who is Present at the Shareholders Meeting shall have the number of votes determined in accordance with the Voting Rights associated with the Securities in question. Where the Holders of Securities other than ordinary Shares and any special or deferred Shares created for the purposes of Black Economic Empowerment are entitled to vote on any resolution in accordance with this MOI, the total voting rights of such Holders shall not exceed 24,99% (twenty four comma ninety nine percent) of the total Voting Rights of all Persons entitled to vote in respect of such resolution. If a resolution is proposed to meet the requirements of the JSE, the votes of Holders of Securities not listed on the JSE shall not be taken into account for the purposes of determining whether or not the requirements of the JSE have been attained.
- 23.32 In the event that any Shareholder abstains from voting in respect of any resolution, such Shareholder will, for the purposes of determining the number of votes exercised in respect of that resolution, be deemed not to have exercised a vote in respect thereof.
- 23.33 In the case of joint Holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Holders; and for this purpose seniority shall be determined by the order in which the names stand in the Securities Register.
- 23.34 No form appointing a proxy shall be valid after the expiration of 1 (one) year from the date when it was signed unless the proxy itself provides for a longer or shorter duration, but it may be revoked at any time. The appointment is revocable unless the proxy appointment expressly states otherwise, and may be revoked by cancelling it in writing, or making a later inconsistent appointment of a proxy, and delivering a copy of the revocation instrument to the proxy, and to the Company. The appointment is suspended at any time and to the extent that the Holder entitled to vote chooses to act directly and in person in the exercise of any rights as a Holder entitled to vote.
- 23.35 The form appointing a proxy and the power of attorney, if any, under which it is signed shall be delivered to the Company or any Person which it has identified in the notice of meeting as being a Person to whom proxies may be delivered on behalf of the Company, no later than

48 (forty eight) hours prior to the time scheduled for the commencement of the Shareholders Meeting, provided that the Board or the chairperson of the Shareholders Meeting shall be entitled, in its sole and absolute discretion, to accept or reject any proxies delivered to the Company (or the Person authorised to receive the proxies as aforesaid) less than 48 (forty eight) hours prior to the time scheduled for the commencement of the Shareholders Meeting.

23.36 A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the death or mental disorder of the principal or revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the Securities in respect of which the proxy is given, unless the Company is informed in writing of such death, insanity, revocation or transfer at its Registered Office before the commencement of the Shareholders Meeting or adjourned Shareholders Meeting at which the proxy is used.

23.37 Subject to the provisions of the Companies Act, a form appointing a proxy may be in any usual or common form, and may also be provided by means of Electronic Communication if approved by the Board. The Company shall supply a generally standard form of proxy upon request by a Holder entitled to vote.

23.38 If a proxy is received duly signed but with no indication as to how the Person named therein should vote on any issue, the proxy may vote or abstain from voting as he sees fit unless the proxy indicates otherwise.

23.39 The Company must keep minutes of the meetings of the Shareholders, and include in such minutes every resolution adopted by the Shareholders.

23.40 Resolutions adopted by the Shareholders-

23.40.1 must be dated and sequentially numbered; and

23.40.2 are effective as of the date of the resolution, unless the resolution or any regulatory requirement states otherwise.

23.41 Any minutes of a meeting, or a resolution, signed by the chairperson of the Shareholders Meeting, or by the chairperson of the next Shareholders Meeting, are/is evidence of the proceedings of that meeting, or adoption of that resolution, as the case may be.

23.42 Any extract from such minutes or extract from any resolution in writing, if signed by any Shareholder or by the Company secretary, or by any duly authorised person acting in the place of the Company secretary, shall be receivable as evidence of the matters stated in such minutes or resolution.

24 RECORD DATES

24.1 The Board shall determine each Record Date in accordance with the applicable rules of the Central Securities Depository and the Listings Requirements.

24.2 If, at any time, the Board fails to determine a Record Date, the Record Date for the relevant matter shall be the Record Date as prescribed for the relevant matter by the Listings Requirements, provided that if the Listings Requirements do not prescribe a Record Date for the relevant matter, the Record Date for the relevant matter is –

24.2.1 in the case of a Shareholders Meeting, the latest date by which the Company is required to Deliver to Holders entitled to vote, notice of that Shareholders Meeting;

24.2.2 in the case of dividends, the day immediately following the declaration date or the date of confirmation of the dividend, whichever is the later.

24.2.3 in any other case, the date of the action or event.

24.3 The Company must publish a notice of a Record Date for any matter in accordance with the rules of the relevant Central Securities Depository, or alternatively by –

24.3.1 delivering a copy to each Holder; and

24.3.2 posting a conspicuous copy of the notice –

24.3.2.1 at its principal office;

24.3.2.2 on its web-site, if it has one; and

24.3.2.3 on any automated system of disseminating information maintained by the JSE.

25 ELECTION OF DIRECTORS AND VACANCIES

25.1 The minimum number of Directors shall be 6 (six) and the maximum 15 (fifteen) and the composition of the board of Directors shall be subject to the provisions of the Short-term Insurance Act. Subject to any provisions of the Listings Requirements to the contrary, any failure by the Company at any time to have the minimum number of Directors does not limit or negate the authority of the Board, or invalidate anything done by the Board or the Company.

25.2 Life directorships and directorships for an indefinite period are not permissible.

25.3 At the Annual General Meeting held in each year 1/3 (one third) of the non-executive Directors, or if their number is not a multiple of 3 (three), then the number nearest to, but not less than 1/3 (one

third) shall retire from office. The Directors so to retire at each Annual General Meeting shall be those who have been longest in office since their last election. As between Directors of equal seniority, the Directors to retire shall, in the absence of agreement, be selected from among them by lot. Notwithstanding anything contained herein, if, at the date of any Annual General Meeting any Director will have held office for a period of 3 (three) years since his last election or appointment he shall retire at such Annual General Meeting, either as one of the Directors to retire in pursuance of the foregoing or additionally thereto. A retiring Director shall act as a Director throughout the Annual General Meeting at which he retires. The length of time a Director has been in office shall be computed from the date of his last election. Retiring Directors shall be eligible for re-election.

25.4 No Person, including a Director retiring at the Annual General Meeting shall, unless recommended by the Board for election, be eligible for election to the office of Director at any Annual General Meeting unless:

25.4.1 not less than 7 (seven) days nor more than 14 (fourteen) days before the day appointed for the Annual General Meeting, a written notice has been Delivered to the Company that such Person will be proposed for election. Such notice must be signed by at least 5 (five) Holders who are entitled to be Present and vote at the Annual General Meeting for which such notice is given; and

25.4.2 the Person to be proposed notifies the Company secretary of his willingness to be elected, unless the Person who is nominated is also one of the Persons who nominated.

25.5 If at any Annual General Meeting, the place of any retiring Director is not filled, he shall if willing continue in office until the dissolution of the Annual General Meeting in the next year, and so on from year to year until his place is filled, unless it is on the recommendation of the Board determined at such Annual General Meeting that such vacancy shall not be filled.

25.6 Each of the Directors, other than a Director contemplated in clause 25.11, shall be elected (which in the case of a vacancy arising, the election shall take place at the next Annual General Meeting), in accordance with clause 25.8 as a Director.

25.7 There are no general qualifications prescribed by the Company for a Person to serve as a Director in addition to the requirements of the Companies Act and the Short-term Insurance Act respectively. The Board, with the assistance of the nominations committee, must make recommendations to the Holders regarding the eligibility of Persons nominated for election as Directors, taking into account their past performance and contribution, if applicable. A brief *curriculum vitae* of each Person standing for election or re-election as a Director at a Meeting or

the Annual General Meeting, must accompany the notice of the Meeting or Annual General Meeting.

25.8 In any election of Directors, the election is to be conducted as follows –

25.8.1 a series of votes of those entitled to exercise votes regarding such election, each of which is on the candidacy of a single individual to fill a single vacancy, with the series of votes continuing until all vacancies on the Board at that time have been filled; and

25.8.2 in each vote to fill a vacancy –

25.8.2.1 each Voting Right entitled to be exercised may be exercised once; and

25.8.2.2 the vacancy is filled only if a majority of the Voting Rights exercised support the candidate.

25.9 No Person shall be elected as a Director if he is Ineligible or Disqualified and any such election shall be a nullity. A Person who is Ineligible or Disqualified must not consent to be elected as a Director nor act as a Director. A Person placed under probation by a court must not serve as a Director unless the order of court so permits.

25.10 The election of a Director shall take effect as at the date upon which he has complied with the provisions of section 66(7).

25.11 Any vacancy occurring on the Board may be filled by the Board, but so that the total number of the Directors shall not at any time exceed the maximum number fixed, if any, but the Individual so appointed shall cease to hold office at the termination of the first Annual General Meeting to be held after the appointment of such Individual as a Director unless he is elected at such Annual General Meeting.

25.12 The continuing Directors (or sole continuing Director) may act notwithstanding any vacancy in their body. Should the number of Directors be reduced below the number fixed by or pursuant to this MOI as the minimum, the continuing Directors or Director shall as soon as possible, but in any event not later than 3 (three) months from the date that the number falls below the minimum, fill the vacancy or call a Shareholders Meeting for the purpose of filling the vacancy.

25.13 If there is no Director able and willing to act, then any Holder entitled to exercise Voting Rights in the election of a Director may convene a Shareholders Meeting for the purpose of appointing Directors.

25.14 The Board or the Shareholders at a Shareholders Meeting shall be permitted to appoint or elect one or more Alternate Directors, provided that at least 50% (fifty per cent) of such Alternate Directors and Directors must be elected by the Shareholders of the Company.

25.15 An Alternate Director shall, during the absence or inability of the Director to whom he is an alternate, be obliged and entitled to exercise and discharge all the powers, duties and functions of such Director and he shall only with the approval of the other Directors be entitled to attend a meeting of Directors at which the Director to whom he is an alternate, is present.

25.16 Any Director acting at a meeting of Directors as an Alternate Director for one or more Directors, shall on a vote in addition to his own vote, have one vote in respect of each Director whom he represents.

25.17 An Alternate Director shall in all respects be subject to the terms and conditions attached to the appointment, rights, duties and the holding of office of the Director to whom he is an alternate, but he shall have no claim of any nature whatsoever against the Company regarding any remuneration of any nature whatsoever.

26 CESSATION OF OFFICE AS DIRECTOR

26.1 A Director shall cease to hold office as such –

26.1.1 immediately he becomes Ineligible or Disqualified or the Board resolves to remove him on such basis, and in the latter case the Director has not within the permitted period filed an application for review or has filed such an application but the court has not yet confirmed the removal (during which period he shall be suspended);

26.1.2 when his term of office contemplated in clause 25.2 expires;

26.1.3 when he dies;

26.1.4 when the Company is requested by the Registrar to terminate his appointment as Director in accordance with the provisions of the Short-term Insurance Act;

26.1.5 when he resigns by Written notice to the Company;

26.1.6 if there are more than 3 (three) Directors in office and if the Board determines that he has become incapacitated to the extent that he is unable to perform the functions of a director, and is unlikely to regain that capacity within a reasonable time, and the Director has not within the permitted period filed an application for review or has filed such an application

but the court has not yet confirmed the removal (during which period he shall be suspended);

26.1.7 if he is declared delinquent by a court, or placed on probation under conditions that are inconsistent with continuing to be a director of the company;

26.1.8 if he is removed by Ordinary Resolution;

26.1.9 if there are more than 3 (three) Directors in office and if he is removed by a resolution passed by 75% (seventy five percent) of the Directors for being negligent or derelict in performing the functions of a Director, and the Director has not within the permitted period filed an application for review or has filed such an application but the court has not yet confirmed the removal (during which period he shall be suspended);

26.1.10 he files a petition for the surrender of his estate or an application for an administration order, or if he commits an act of insolvency as defined in the insolvency law for the time being in force, or if he makes any arrangement or composition with his creditors generally; or

26.1.11 if he is otherwise removed in accordance with any provisions of the Companies Act and/or this MOI; or

14.1.1. if he is absent from meetings of the Board for 6 (six) consecutive months without leave of the Board and 75% (seventy five percent) of the Directors resolve that the office be vacated, provided that the Board shall have the power to grant any Director leave of absence for any or an indefinite period; or

26.1.12 on the day of the Annual General Meeting following his 70th (seventieth) birthday, on the understanding that a Director will not cease to hold office in terms of this clause 26.1 if, before he ceases to hold office in terms of this clause 26.1, a majority of his co-Directors make written request that his term be extended for 1 (one) year and that Director concerned agrees thereto. He is then subject to the rotation procedures as set out in clause 25.3 and will hold office until the Annual General Meeting following his next birthday.

27 REMUNERATION OF DIRECTORS AND MEMBERS OF BOARD COMMITTEES

27.1 The Directors or members of Board committees shall be entitled to such remuneration for their services as Directors or members of Board Committees as may have been determined from time to time by Special Resolution within the previous 2 (two) years. In addition, the Directors shall be entitled to all reasonable expenses in travelling (including accommodation) to and from meetings

of the Board and Holders, and the members of the Board committees shall be entitled to all reasonable expenses in travelling (including accommodation) to and from meetings of the members of the Board committees as determined by a disinterested quorum of Directors. The Company may pay or grant any type of remuneration contemplated in sections 30(6)(b) to (g) to any executive Directors.

27.2 A Director may be employed in any other capacity in the Company or as a director or employee of a company controlled by, or itself a Subsidiary of, the Company and in that event, his appointment and remuneration in respect of such other office must be determined by a disinterested quorum of Directors.

28 FINANCIAL ASSISTANCE FOR DIRECTORS AND PRESCRIBED OFFICERS AND RELATED AND INTER-RELATED PARTIES

28.1 The Board's powers to provide direct or indirect financial assistance as contemplated in section 45(2) are not limited in any manner.

28.2 If the Board adopts a resolution as contemplated in section 45(2) regarding financial assistance to the Directors/Prescribed Officers and others contemplated in that section, the Company shall Deliver to all Shareholders notice in Writing of that resolution and to any trade union representing its employees –

28.2.1 within 10 (ten) Business Days after the Board adopts the resolution, if the total value of all loans, debts, obligations or assistance contemplated in that resolution, together with any previous such resolution during the financial year, exceeds $1/10^{\text{th}}$ (one tenth) of 1% (one percent) of the Company's net worth at the time of the resolution; or

28.2.2 within 30 (thirty) Business Days after the end of the financial year, in any other case.

29 GENERAL POWERS AND DUTIES OF THE BOARD

29.1 The business and affairs of the Company shall be managed by or under the direction of the Board, which has the authority to exercise all of the powers and perform any of the functions of the Company, except to the extent that the Companies Act or this MOI provides otherwise and subject further to the provisions of the Short-term Insurance Act.

29.2 In addition to the duties of Directors contained in the Companies Act, the Board must fulfil its roles and responsibilities as contained in the Short-term Insurance Act.

29.3 The Board shall have the power to delegate to any person or persons any of its powers and discretions and to give to any such person or persons the power of sub-delegation.

29.4 The Board must appoint a chief executive officer and an executive financial Director, and may from time to time appoint further executive Directors (provided always that the number of executive Directors shall at all times be less than $\frac{1}{2}$ (one half) of the number of Directors in office) for such period and at such remuneration and generally on such terms they may think fit, and it may be made a term of their appointment that they be paid a pension, gratuity or other benefit on their retirement from office.

29.5 The Board may from time to time entrust to and confer upon an executive Director such of the powers vested in the Board as it may think fit, and may confer such powers for such time and to be exercised for such objects and upon such terms and with such restrictions as it may think expedient; and it may confer such powers either collaterally or to the exclusion of, and in substitution for, all or any of the powers of the Board, and may from time to time revoke or vary all or any of such powers. An executive Director appointed pursuant to the provisions hereof shall not be regarded as an agent or delegate of the Board and after powers have been conferred upon him by the Board in terms hereof he shall be deemed to derive such powers directly from this clause.¹

29.6 Subject to the provisions of the Companies Act and the Short-term Insurance Act, the Board may, from time to time, at its discretion, raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company, provided that the total amount owing by the Company in respect of moneys so raised, borrowed or secured shall not exceed the amount authorised by its listed holding company in respect of the company, if applicable.

29.7 Notwithstanding anything to the contrary contained in this MOI, the Company may not:

29.7.1 directly or indirectly borrow any asset or encumber any asset;

29.7.2 allow its assets to be held by another person on its behalf; or

29.7.3 by means of suretyship or any other form of personal security, whether under a primary or accessory obligation, give security in relation to obligations between other persons, unless the Company is registered to provide policy benefits in terms of a guarantee policy and does so in terms of a guarantee policy,

without the prior written approval of the Registrar, given generally or in a particular case, and subject to such conditions as the Registrar may determine in accordance with the provisions of the Short-term Insurance Act.

- 29.8 The Directors shall, for as long as Securities of the Company are listed on the JSE, not have the power to propose any resolution to Shareholders in terms of sections 20(2) and 20(6), to ratify any act of the Directors that is contrary to the JSE Listings Requirements and is inconsistent with any limit imposed by this MOI on the authority of the Directors to perform such an act on behalf of the Company.

30 BOARD COMMITTEES

- 30.1 The Board may appoint any number of Board committees and delegate to such committees any authority of the Board in accordance with the applicable Charter Documents. The Board must appoint committees to fulfil the functions of a remuneration committee, risk committee, nominations committee and social and ethics committee, subject to the provisions of clause 31.1. The members of any such committees (other than the committee fulfilling the functions of a nominations committee, which shall have as its members only non-executive Directors, the majority of whom must be independent (as defined in Listings Requirement 3.84(f)) may include Persons who are not Directors as long as they are not Ineligible or Disqualified to be Directors, but such Persons shall not be able to vote.
- 30.2 No Person shall be appointed as a member of a Board committee, if he is Ineligible or Disqualified and any such appointment shall be a nullity. A Person who is Ineligible or Disqualified must not consent to be appointed as a member of a Board committee nor act as such a member. A Person placed under probation by a court must not serve as a member of a Board committee unless the order of court so permits.
- 30.3 In addition to the requirements of the Companies Act, a Person shall comply with such qualifications or requirements as may be stipulated in the relevant Charter Document in order to serve as a member of a Board committee.
- 30.4 A member of a Board committee shall cease to hold office as such immediately he becomes Ineligible or Disqualified.
- 30.5 Subject to the provisions of its Charter Document, a Board committee may consult with or receive advice from any person.
- 30.6 Meetings and other proceedings of a committee of the Board consisting of more than 1 (one) member shall be governed by the provisions of this MOI regulating the meetings and proceedings of the Board

- 30.7 The composition of such committees, a brief description of their mandates, the number of meetings held and other relevant information must be disclosed in the annual report of the Company.

31 SOCIAL AND ETHICS COMMITTEE

- 31.1 The Board shall appoint a social and ethics committee unless it is a Subsidiary of another company that has a social and ethics committee, and the social and ethics committee of that other company will perform the functions required on behalf of the Company, or the Company has been exempted in terms of the Companies Act from having to have a social and ethics committee.
- 31.2 The social and ethics committee must comprise not less than 3 (three) Directors or Prescribed Officers, at least 1 (one) of whom must be a Director who is not involved in the day-to-day management of the Company's business, and must not have been so involved within the previous 3 (three) financial years.
- 31.3 The social and ethics committee shall have the functions set out in Regulation 43(5) and shall be entitled to exercise the rights set out in section 72(8), subject to the requirements of and stipulations contained in the applicable Charter Document.
- 31.4 The Company must pay all the expenses reasonably incurred by its social and ethics committee, including, if the social and ethics committee considers it appropriate, the costs or the fees of any consultant or specialist engaged by the social and ethics committee in the performance of its functions.

32 PERSONAL FINANCIAL INTERESTS OF DIRECTORS AND PRESCRIBED OFFICERS AND MEMBERS OF BOARD COMMITTEES

- 32.1 For the purposes of this clause 32, "Director" includes a Prescribed Officer, and a person who is a member of a committee of the Board, irrespective of whether or not the Person is also a member of the Board.
- 32.2 This clause 32 shall not apply to a Director in respect of a decision that may generally affect –
- 32.2.1 all of the Directors in their capacity as Directors, but in that case all the Directors shall act in accordance with and as if section 75(3) were applicable unless the Directors are acting pursuant to an authorisation given by the Holders for the Board to make a decision within certain thresholds, relating to their capacity as Directors; or

- 32.2.2 a class of Persons, despite the fact that the Director is one member of that class of Persons, unless the only members of the class are the Director or Persons Related or Inter-related to the Director. In such event the Director shall be treated as not having a Personal Financial Interest, unless the class is predominantly made up of Directors and Persons Related or Inter-related to such Directors and in the circumstances the conflict of the Director requires the provisions of this clause 32 to apply.
- 32.3 If despite the requirements of the JSE, there is only 1 (one) Director in office at any time, that Director must comply with the requirements of section 75(3).
- 32.4 A Director may at any time disclose any Personal Financial Interest in advance by delivering to the Board, or Holders (if the circumstances contemplated in clause 32.2 prevail), a notice in Writing setting out the nature and extent of that Personal Financial Interest, to be used generally by the Company until changed or withdrawn by further Written notice from that Director.
- 32.5 If, in the reasonable view of the other non-conflicted Directors, a Director or the Related Person in respect of such Director acts in competition with the Company relating to the matter to be considered at the meeting of the Board, the Director shall only be entitled to such information concerning the matter to be considered at the meeting of the Board as shall be necessary to enable the Director to identify that such Personal Financial Interest exists or continues to exist.
- 32.6 If a Director (whilst the circumstances contemplated in clause 32.2 are not applicable), has a Personal Financial Interest in respect of a matter to be considered at a meeting of the Board, or Knows that a Related Person has a Personal Financial Interest in the matter, the Director -
- 32.6.1 must disclose the Personal Financial Interest and its general nature before the matter is considered at the meeting;
 - 32.6.2 must disclose to the meeting any Material information relating to the matter, and Known to the Director;
 - 32.6.3 may disclose any observations or pertinent insights relating to the matter if requested to do so by the other Directors;
 - 32.6.4 if present at the meeting, must leave the meeting immediately after making any disclosure contemplated in clauses 32.6.2 or 32.6.3;
 - 32.6.5 must not take part in the consideration of the matter, except to the extent contemplated in clauses 32.6.2 or 32.6.3;
 - 32.6.6 while absent from the meeting in terms of this clause 32.5 -

32.6.6.1 is to be regarded as being present at the meeting for the purpose of determining whether sufficient Directors are present to constitute a quorum; and

32.6.6.2 is not to be regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted; and

32.6.7 must not execute any document on behalf of the Company in relation to the matter unless specifically requested or directed to do so by the Board.

32.7 If a Director acquires a Personal Financial Interest in an agreement or other matter in which the Company has a Material interest, or Knows that a Related Person has acquired a Personal Financial Interest in the matter, after the agreement or other matter has been approved by the Company, the Director must promptly disclose to the Board, or to the Holders entitled to vote (if the Company is a company contemplated in clause 32.2), the nature and extent of that Personal Financial Interest, and the material circumstances relating to the Director or Related Person's acquisition of that Personal Financial Interest.

32.8 A decision by the Board, or a transaction or agreement approved by the Board, or by the Holders (if the Company is a company contemplated in clause 32.2), is valid despite any Personal Financial Interest of a Director or Person Related to the Director, only if –

32.8.1 it was approved following the disclosure of the Personal Financial Interest in the manner contemplated in this clause 31 ; or

32.8.2 despite having been approved without disclosure of that Personal Financial Interest, it has been ratified by an Ordinary Resolution following disclosure of that Personal Financial Interest or so declared by a court.

33 PROCEEDINGS OF THE BOARD

33.1 The chairperson of the Board or a Director authorised by the Board –

33.1.1 may, at any time, call a meeting of the Board; and

33.1.2 must call a meeting of the Board if required to do so by at least 2 (two) Directors.

33.2 The Board may determine what period of notice shall be given of meetings of the Board and may determine the means of giving such notice which may include telephone, telefax or Electronic Communication. It shall be necessary to give notice of a meeting of the Board to all Directors even those for the time being absent from South Africa.

33.3 If all of the Directors –

33.3.1 acknowledge actual receipt of the notice;

33.3.2 are present at a meeting of the Board; or

33.3.3 waive notice of the meeting,

the meeting may proceed even if the Company failed to give the required notice of that meeting, or there was a defect in the giving of the notice.

33.4 The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.

33.5 Unless otherwise resolved by the Board, all its meetings shall be held in the city or town where the Company's Registered Office is for the time being situated. A meeting of the Board may be conducted by Electronic Communication and/or one or more Directors may participate in a meeting of the Board by Electronic Communication so long as the Electronic Communication facility employed ordinarily enables all persons participating in that meeting to communicate concurrently with each other without an intermediary, and to participate effectively in the meeting.

33.6 The quorum necessary for the transaction of the business of the Directors shall be a majority of the then appointed Directors.

33.7 Subject to the provisions of the Listings Requirements, the Board may elect a chairperson of their meetings and determine the period for which he is to hold office; but if no such chairperson is elected, or if at any meeting the chairperson is not present within 15 (fifteen) minutes after the time appointed for holding it, the Directors present may choose one of their number to be chairperson of the meeting, provided that the appointment of the chairperson must comply with the provisions of the Short-term Insurance Act.

33.8 Each Director has 1 (one) vote on a matter before the Board and a majority of the votes cast on a resolution is sufficient to approve that resolution.

33.9 In the case of a tied vote the chairperson may cast a deciding vote even if the chairperson did not initially have or cast a vote and the matter being voted on fails, unless the quorum of the meeting is 2 (two) Directors and only 2 (two) Directors are present at the meeting.

33.10 The Company must keep minutes of the meetings of the Board, and any of its committees, and include in the minutes –

33.10.1 any declaration given by notice or made by a Director as required by clause 31;

33.10.2 every resolution adopted by the Board.

33.11 Resolutions adopted by the Board –

33.11.1 must be dated and sequentially numbered; and

33.11.2 are effective as of the date of the resolution, unless the resolution states otherwise.

33.12 Any minutes of a meeting, or a resolution, signed by the chair of the meeting, or by the chair of the next meeting of the Board, are/is evidence of the proceedings of that meeting, or adoption of that resolution, as the case may be.

33.13 A round robin resolution, inserted in the minute book of the Company, shall be as valid and effectual as if it had been passed at a meeting of the Board duly called and constituted, provided that each Director who is able to receive notice, has received notice of the matter to be decided upon. For the purposes hereof a round robin resolution means a resolution passed other than at a meeting of the Board, in respect of which, subject to clause 33.10, not less than a majority of Directors voted in favour by signing in Writing a resolution in counterparts, within 20 (twenty) Business Days after the resolution was submitted to them. Any such resolution may consist of several documents and shall be deemed to have been passed on the date on which it was signed by the last Director who signed it.

34 PRESCRIBED OFFICERS

34.1 No Person shall hold office as a Prescribed Officer, if he is Ineligible or Disqualified. A Person who is Ineligible or Disqualified must not consent to be appointed to an office or undertake any functions which would result in him being a Prescribed Officer nor act in such office nor undertake any such functions. A Person placed under probation by a court must not consent to be appointed to an office or undertake any functions which would result in him being a Prescribed Officer nor act in such office nor undertake any such functions unless the order of court so permits.

34.2 A Prescribed Officer shall cease to hold office as such immediately he becomes Ineligible or Disqualified in terms of the Companies Act.

35 APPOINTMENT OF THE COMPANY SECRETARY

35.1 The Board must appoint the Company secretary from time to time, who –

35.1.1 shall be a permanent resident of South Africa and remain so while serving as the Company secretary; and

35.1.2 shall have the requisite knowledge of, or experience in, relevant laws; and

- 35.1.3 may be a juristic Person subject to the following –
- 35.1.3.1 every employee of that juristic person who provides company secretary services, or partner and employee of that partnership, as the case may be, is not Ineligible or Disqualified;
 - 35.1.3.2 at least 1 (one) employee of that juristic person, or one partner or employee of that partnership, as the case may be, satisfies the requirements in clauses 35.1.1 and 35.1.2;
- 35.2 Within 60 (sixty) Business Days after a vacancy arises in the office of Company secretary, the Board must fill the vacancy by appointing a Person whom the Board considers to have the requisite knowledge and experience. A change in the membership of a juristic person or partnership that holds office as Company secretary does not constitute a vacancy in the office of Company secretary, if the juristic person or partnership continues to satisfy the requirements of clause 35.1.3.
- 35.3 If at any time a juristic person or partnership holds office as Company secretary of the Company –
- 35.3.1 the juristic person or partnership must immediately notify the Board if the juristic person or partnership no longer satisfies the requirements of clause 35.1.3, and is regarded to have resigned as Company secretary upon giving that notice to the Company;
 - 35.3.2 the Company is entitled to assume that the juristic person or partnership satisfies the requirements of clause 35.1.3, until the Company has received a notice contemplated in clause 35.3.1; and
 - 35.3.3 any action taken by the juristic person or partnership in performance of its functions as Company secretary is not invalidated merely because the juristic person or partnership had ceased to satisfy the requirements of clause 35.1.3 at the time of that action.
- 35.4 The Company secretary may resign from office by giving the Company 1 (one) month's Written notice or less than that with the prior Written approval of the Board.
- 35.5 If the Company secretary is removed from office by the Board, the Company secretary may, by giving Written notice to that effect to the Company by not later than the end of the financial year in which the removal took place, require the Company to include a statement in its annual Financial Statements relating to that financial year, not exceeding a reasonable length, setting out the Company secretary's contention as to the circumstances that resulted in the removal. The Company must include this statement in the Directors' report in its annual Financial Statements.

36 DISTRIBUTIONS

- 36.1 The Company may make Distributions from time to time, provided that it shall comply with section 46 and the Listings Requirements (to the extent applicable) in respect of each Distribution to be made.
- 36.2 A dividend may be declared by the Board or by the Company in general meeting, provided that the company in general meeting shall not be entitled to declare a dividend greater than that recommended by the Board.
- 36.3 A dividend or other Distribution payable in cash relating to a Share may be paid in such method as the Board may in its absolute discretion determine. Different methods of payment may apply to different Holders or groups of Holders.
- 36.4 No notice of change of address or instructions as to payment given after the determination of a dividend or other Distribution by the Company in terms of clause 36.1, shall become effective until after the dividend or other Distribution has been made, unless the Board so determines at the time the dividend or other Distribution is approved.
- 36.5 All unclaimed dividends or other Distributions as contemplated in this clause shall be held by the Company in trust for the benefit of the Holders until claimed, provided that any dividend (but not any other Distribution which shall be held by the Company until lawfully claimed) remaining unclaimed for a period of not less than 5 (five) years from the date on which it became payable may be forfeited by resolution of the Board for the benefit of the Company.
- 36.6 The Company shall not pay interest on any dividend or other Distribution due to any holder.
- 36.7 The Company shall be entitled to terminate the payment of dividends to any Holder if the correspondence enclosing a dividend cheque is returned undelivered and/or such cheque remains uncashed and/or any payment made by electronic transfer is unsuccessful due to invalid or incorrect bank account details provided by the Holder on 3 (three) or more consecutive occasions. Pending receipt by the Company of a notice of change of address and/or valid bank account details from the Holder concerned, all further dividends payable to such Holder shall be regarded as unclaimed dividends and be subject to the provisions of clause 36.5.
- 36.8 The Company shall be entitled at any time to delegate its obligations in respect of unclaimed dividends or other unclaimed Distributions, to any one of the Company's bankers from time to time.

37 LOSS OF DOCUMENTS

The Company shall not be responsible for the loss in transmission of any cheque, warrant, certificate or (without any limitation *eiusdem generis*) other document sent through the post either to the registered address of any Holder or to any other address requested by the Holder.

38 NOTICES

38.1 The Company may give notices, documents, records or statements or notices of availability of the foregoing by personal delivery to the Holder or holder of Beneficial Interests through any of the methods set out in the Regulations. The Company must give notice of any Meeting to each Person entitled to vote at such Meeting who has elected to receive such notice other than proxies.

38.2 Any Holder or holder of Beneficial Interests who/which has furnished an Electronic Address to the Company, by doing so –

38.2.1 authorises the Company to use Electronic Communication to give notices, documents, records or statements or notices of availability of the foregoing to him; and

38.2.2 confirms that same can conveniently be printed by the Holder / holder of the Beneficial Interests within a reasonable time and at a reasonable cost.

38.3 Any notice, document, record or statement or notice of availability of the foregoing sent by the Company shall be deemed to have been delivered on the date and time determined in accordance with Table CR3 in the Regulations.

38.4 A Holder or Person entitled to Securities (or his executor) shall be bound by every notice in respect of the Securities Delivered to the Person who was, at the date on which that notice was Delivered, shown in the Securities Register or established to the satisfaction of the Board (as the case may be) as the Holder of or Person entitled to the Securities, notwithstanding that the Holder or Person entitled to Securities may then have been dead or may subsequently have died or have been or become otherwise incapable of acting in respect of the Securities, and notwithstanding any transfer of the Securities was not registered at that date. The Company shall not be bound to enter any Person in the Securities Register as entitled to any Securities until that Person gives the Company an address for entry on the Securities Register.

38.5 If joint Holders are registered in respect of any Securities or if more than 1 (one) Person is entitled to Securities, all notices shall be given to the Person named first in the Securities Register in respect of the Securities, and notice so Delivered shall be sufficient notice to all the Holders of or Persons entitled to or otherwise interested in the Securities.

- 38.6 The Company shall not be bound to use any method of giving notice, documents, records or statements or notices of availability of the foregoing, contemplated in the Regulations in respect of which provision is made for deemed delivery, but if the Company does use such a method, the notice, document, record or statement or notice of availability of the foregoing shall be deemed to be delivered on the day determined in accordance with the Regulations. In any other case, when a given number of days' notice or notice extending over any period is required to be given (which are not Business Days which shall be calculated in accordance with clause 2 (*Calculation of Business Days*)), the provisions of clause 2 (*Calculation of Business Days*) shall also be applied.
- 38.7 The holder of a Share warrant to bearer shall not, unless it be otherwise expressed in the warrant, be entitled in respect thereof to notice of any Shareholders Meeting or otherwise.
- 38.8 As regards the signature of an Electronic Communication by a Holder, it shall be in such form as the Board may specify to demonstrate that the Electronic Communication is genuine, or failing any such specification by the Board, it shall be constituted by the Holder indicating in the Electronic Communication that it is the Holder's intention to use the Electronic Communication as the medium to indicate the Holder's approval of the information in, or the Holder's signature of the document in or attached to, the Electronic Communication which contains the name of the Holder sending it in the body of the Electronic Communication.

39 INDEMNITY

- 39.1 For the purposes of this clause 39, "Director" includes a current and former Director, Prescribed Officers, and/or members of a committee of the Board, irrespective of whether or not such persons are or were also members of the Board and /or members of the Audit committee.
- 39.2 Subject to any limitation placed on the Company in this regard in terms of the Companies Act and/or the Listings Requirements, the Company shall be entitled to indemnify any Director against any liability which such Director may incur in exercising his duties, to advance expenses to a Director in the circumstances contemplated in section 78(4), and to purchase insurance in this regard in accordance with section 78(7). The Company is entitled to claim restitution from a Director or of a related company for any money paid directly or indirectly by the Company to or on behalf of that Director in any manner inconsistent with section 75.
- 39.3 Subject to the provisions set out in this MOI, the Companies Act and/or the Listings Requirements:
- 39.3.1 any officer or servant of the Company (other than a Director) shall be indemnified by the Company against all costs, losses and expenses which any such officer or servant may

incur or become liable to by reason of any contract entered into or act or deed done by him as such officer or servant or in any way in the discharge of his duties; and

- 39.3.2 no officer or servant of the Company shall be liable for the acts, receipts, neglects or defaults of any other officer or servant or for joining in any receipt or other act of conformity, or for loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Board, or of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or delictual acts of any person with whom any moneys, securities or effects shall be deposited, or for any loss or damage occasioned by any error of judgment or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in the execution of the duties of his office, or in relation thereto, unless the same happen through his own negligence or dishonesty.

40 REPURCHASES OF SECURITIES

40.1 The Company is authorised to repurchase its Securities, subject to compliance with the Companies Act and the Listings Requirements.

40.2 Subject to the prior written consent of the Registrar in accordance with the provisions of the Short-term Insurance Act, the board of any Subsidiary of the Company may determine that such Subsidiary acquire Shares of the Company, but –

40.2.1 not more than 10% (ten percent), in aggregate, of the number of issued Shares of any class may be held by, or for the benefit of, all of the subsidiaries of the Company, taken together; and

40.2.2 no voting rights attached to those Shares may be exercised while the Shares are held by that Subsidiary and it remains a Subsidiary of the Company.

41 LIQUIDATION

41.1 Notwithstanding anything to the contrary contained in this MOI, the provisions of the Short-term Insurance Act shall apply to (1) any winding-up of the Company whether it constitutes a voluntary winding-up or a winding-up by court, or (2) any business rescue proceedings in respect of the Company.

41.2 If the Company is voluntarily wound-up, the liquidator may, subject to the provision of the Short-term Insurance Act, with the authorisation of a special resolution by the Shareholders, distribute

the assets of the Company entirely or partially in money or assets between the Shareholders, and may for such purposes -

41.2.1 put a value on any asset which he deems reasonable; and

41.2.2 determine how the distribution between the Shareholders or various classes of Shareholders shall be executed.

41.3 The liquidator may, subject to clause 41.2, with the authorisation of a special resolution of the Shareholders transfer all the assets or a part thereof to trustees who shall hold them in trust for the benefit of the Shareholders or some of the Shareholders.

41.4 Any such resolution may make provision and grant authorisation for a distribution of specific assets between various classes of Shareholders in conflict with their existing rights, but each Shareholder shall in such a case have the right to refuse consent as well as other additional rights, in the same manner as if such resolution is a special resolution in terms of the provisions of the Act.

42 TERMS AND CONDITIONS OF NON-REDEEMABLE, NON-PARTICIPATING, NON-CUMULATIVE PREFERENCE SHARES

The following are the rights, privileges and restrictions, which attach to the non-redeemable, non-participating, non-cumulative preference Shares of no par value.

Definitions

The following words and expressions shall, when used in this clause 42 bear the meanings assigned to them below and cognate words and expressions shall bear corresponding meanings:

"Deemed Capital Value" means R100.00 (one hundred rand) per Non-Redeemable Preference Share, being the deemed value of each Non-Redeemable Preference Share for purposes of calculating the Preference Dividends, notwithstanding the issue price of each Non-Redeemable Preference Share which may vary because of the difference in price at which the Non-Redeemable Preference Share may be issued from time to time;

"holder" means the holder of a Non-Redeemable Preference Share;

"Income Tax Act" means the Income Tax Act, No 58 of 1962, as amended from time to time;

"Issue Date" means the date on which a Non-Redeemable Preference Share is allotted and issued;

"Non-Redeemable Preference Share" means 12,000,000 (twelve million) non-redeemable, non-participating, non-cumulative preference Shares with no par value in the share capital of the Company;

"Preference Dividend" means a non-cumulative, non-participating, preference cash dividend or distribution calculated in accordance with the provisions of this clause 42;

"Preference Dividend Date", means 31 March and 30 September of each calendar year;

"Preference Dividend Period", means each consecutive 6 (six) calendar month period commencing on and including a Preference Dividend Date up to but excluding the next Preference Dividend Date, provided that the first Preference Dividend Period in respect of a Non-Redeemable Preference Share shall commence on and include the Issue Date, and shall end on and include the day before the first Preference Dividend Date following the Issue Date; and **"Preference Dividend Rate"**, means, in respect of a Non-Redeemable Preference Share, the rate determined by the Directors on or before the Issue Date.

42.1 Issue and allotment

The Company may from time to time issue Non-Redeemable Preference Shares at such issue prices as the Directors may resolve, and such Non-Redeemable Preference Shares shall have the rights and privileges set out below.

42.2 Winding-up

Each Non-Redeemable Preference Share shall confer on the holder thereof the right, before any payment is made in respect of the ordinary Shares, to a return of capital on the winding-up of the Company in an amount equal to the aggregate issue price of all the Non-Redeemable Preference Shares in issue, divided by the number of Non-Redeemable Preference Shares in issue.

42.3 Preference Dividends

42.3.1 Each Non-Redeemable Preference Share will confer on the holder the right, subject to the provisions of the Companies Act, to receive a Preference Dividend in priority to dividends or distributions in respect of the ordinary Shares, if declared;

42.3.2 Each Preference Dividend, if declared on a Preference Dividend Date, shall be calculated by applying the Preference Dividend Rate (determined on a 365-day year factor, daily and in arrear) to the Deemed Capital Value for the number of days in the relevant Preference Dividend Period that ends on the said Preference Dividend Date.

42.3.3 The Preference Dividend shall:

42.3.3.1 if it is declared, accrue on the Preference Dividend Date on or in respect of which it is declared; and

42.3.3.2 if it is declared, be due and payable by no later than the 21st (twenty first) Business Day following the aforesaid Preference Dividend Date, falling which it shall be in arrears.

42.3.4 If a Preference Dividend is not declared by the Company on a Preference Dividend Date that falls on the last day of a Preference Dividend Period:

42.3.4.1 no Preference Dividend shall accrue, accumulate or become due and payable in respect of the aforementioned Preference Dividend Period; and

42.3.4.2 the Company shall not be entitled to declare any dividend or to make any distribution or payment in respect of ordinary Shares in the share capital of the Company, and/or to repurchase any of its ordinary Shares in respect of such Preference Dividend Period.

42.4 General

42.4.1 If there is any amendment to the Income Tax Act (which amendment is uniformly applicable to all taxpayers and not only because of the particular circumstances of the Company or any holder) that results in tax becoming payable by the holder in respect of the Preference Dividends (including an increase in any such tax ("Reduced Return") and which amendment concomitantly results in reduced costs for the Company (including, without limitation, a reduction in tax payable by the Company) in servicing the Non-Redeemable Preference Shares ("Reduced Costs"), the Preference Dividend rate shall be increased by adding the lesser of the annualized Reduced Return per Non-Redeemable Preference Share or the annualized Reduced Cost per Non-Redeemable Preference Share. Conversely, if there is any amendment to the Income Tax Act (which amendment is uniformly applicable to all taxpayers and not only because of the particular circumstances of the Company or any holder) that results in the abolition or decrease in any tax payable by a holder in respect of the Preference Dividends ("Enhanced Return"), and which amendment concomitantly results in increased costs for the Company (including, without limitation, an increase in tax payable by the Company) in servicing the Non-Redeemable Preference Shares ("Increased Cost"), the Preference Dividend Rate shall be decreased by deducting the lesser of the annualised Enhanced Return per Non-Redeemable Preference Share or the annualised Increased Cost per Non-Redeemable Preference Share, expressed as a percentage of the Deemed Value per Non-Redeemable Preference Share.

- 42.4.2 The Company shall be entitled to require its Auditors, for the time being, to verify whether it is obliged to increase or decrease the Preference Dividend Rate in accordance with clause 42.4.1 and to determine the extent of such increase or decrease. The Auditors, in deciding whether such increase or decrease is required and determining the extent thereof, shall act as experts and not as arbitrators and their decision shall, in the absence of manifest error, be final and binding on the Company, all the holders and all other Shareholders of the Company. The cost of such Auditors in making such determination shall be borne by the Company.
- 42.4.3 The Non-Redeemable Preference Shares shall not confer on any holder the right to any participation in the profits or assets of the Company (including, but not limited to the right to participate in any of the surplus assets on the winding-up of the Company) except as set out in this clause 42.
- 42.4.4 The terms of the Non-Redeemable Preference Shares may not be varied without the prior sanction of a resolution passed at a separate class meeting of the holders in the same manner *mutatis mutandis* as a special resolution. In addition, the Company shall not, without the prior sanction of a resolution passed at a separate class meeting of the holders in the same manner *mutatis mutandis* as a special resolution, create or issue any Shares in the capital of the Company, other than redeemable preference Shares, ranking as regards the rights to dividends, or on a winding-up as regards capital, in priority to or *pari passu* with the Non-Redeemable Preference Shares. The creation and/or issue of such redeemable preference Shares will not amount to the variation of the terms of the Non-Redeemable Preference Shares.
- 42.4.5 The Company shall be obliged to give the holders notice, in terms of the Companies Act, of any meeting of the holders. At every meeting of the holders, the provisions of this MOI relating to general meetings of ordinary Shareholders shall apply, *mutatis mutandis*.
- 42.4.6 The holders shall not be entitled to vote, either in person or by proxy, at any meeting of the Company, by virtue of or in respect of the Non-Redeemable Preference Shares, except if any one or more of the following circumstances prevail at the date of the meeting:
- 42.4.6.1 during any period commencing on the 90th (ninetieth) day after a Preference Dividend Date on which a Preference Dividend has been declared, and during which period the Preference Dividend or any part thereof remain unpaid; and/or
- 42.4.6.2 in respect of a proposed resolution of the Company which directly affects any of the rights attached to the Non-Redeemable Preference Shares or the interests of the holders including, but not limited to, a resolution for the winding-up of the Company

or for the reduction of its capital, in which event the holders shall be entitled to vote on such resolution.

42.4.7 At every general meeting of the Company at which the holders are present and entitled to vote, a holder shall be entitled to 1 (one) vote per Non-Redeemable Preference Share held by him.

