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# SUMMARY OF THE PRINCIPAL TERMS OF THE RULES OF THE LIGHTHOUSE CAPITAL LIMITED (PREVIOUSLY KNOWN AS GREENBAY PROPERTIES LTD) (“THE COMPANY”) INCENTIVE PLAN

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## 1. INTERPRETATION AND PRELIMINARY

- 1.1 the following terms shall have the meanings assigned to them hereunder and cognate expressions shall have corresponding meanings, namely:
- 1.1.1 **“Applicable Securities Exchanges”** means all securities exchanges on which the Company is listed, including the JSE and the SEM;
  - 1.1.2 **“Auditors”** means the auditors for the time being of the Company;
  - 1.1.3 **“Award”** means the amount to which a Participant becomes entitled in terms of rule 7.1, to be discharged in cash or Shares or a combination of cash and Shares (in respect of STIP Awards) and to be discharged in Shares (in respect of LTIP Awards), as set out in the Award Letter;
  - 1.1.4 **“Award Determination Date”** means the date, contemplated in rule 7.1, envisaged for an Award determined in terms of such rule;
  - 1.1.5 **“Award Letter”** means a letter sent by the Company, or its nominee, to a STIP Award Participant or LTIP Award Participant informing him of:
    - 1.1.5.1 the Award to which he has become entitled in accordance with these Rules in respect of the relevant Financial Year;
    - 1.1.5.2 whether the Award will be a STIP Award and/or a LTIP Award;
    - 1.1.5.3 in the case of a STIP Award, whether the Award will be discharged in cash or in STIP Award Shares or a combination of cash and STIP Award Shares;
    - 1.1.5.4 in the case of a LTIP Award, the Vesting Dates and overall Vesting Period, applicable to the LTIP Award; and
    - 1.1.5.5 the anticipated date of discharge of the Award in accordance with rule 8.4;
  - 1.1.6 **“Award Participant”** means a STIP Award Participant and/or a LTIP Award Participant, as the context may indicate;
  - 1.1.7 **“Award Share”** means a LTIP Award Share and/or a STIP Award Share, as the context may indicate;
  - 1.1.8 **“Capitalisation Issue”** means the issue of shares on a capitalisation of the Company’s profits and/or reserves;
  - 1.1.9 **“Capitalisation Share”** means a fully paid Share allotted, in a Capitalisation Issue, in respect of STIP Award Shares, LTIP Award Shares, STIP Purchase Shares or LTIP Purchase Shares;
  - 1.1.10 **“CDS”** means The Central Depository and Settlement Co. Ltd;
  - 1.1.11 **“CDS Rules”** means the rules issued by the CDS;
  - 1.1.12 **“CDS Procedures”** means the procedures issued by the CDS;
  - 1.1.13 **“Change of Control”** means all circumstances where a party (or parties acting in concert), who did not previously do so, directly or indirectly, acquires:
    - 1.1.13.1 beneficial ownership of more than 50% of the Company’s issued Shares; or
    - 1.1.13.2 control of more than 50% of the voting rights at meetings of the Company; or
    - 1.1.13.3 the right to control the management of the Company or the composition of the Board; or
    - 1.1.13.4 the right to appoint or remove directors holding more than 50% of voting rights at Board meetings; or
    - 1.1.13.5 the right to control the business or undertaking of the Company through a merger or consolidation with any other business or entity, or upon a sale of the whole or a major part of the Company’s assets or undertaking;

- 1.1.14 **“Companies Act”** or **“Act”** means the Mauritian Companies Act, 2001, as may be amended and restated from time to time;
- 1.1.15 **“Contracting Company”** means that member company of the Group that is the employer of the Award Participant and/or Designated Employee;
- 1.1.16 **“Designated Employee”** means the relevant Employee contemplated in rules 1.1.55.1, 1.1.55.2 or 1.1.55.3, as the case may be;
- 1.1.17 **“Directors”** or **“Board”** means the board of directors for the time being of the Company acting either by itself or through any committee thereof to or upon whom the powers of the directors in respect of this Plan are delegated or are conferred;
- 1.1.18 **“Discretion”** means a sole, absolute and unfettered discretion;
- 1.1.19 **“Disposal”** means:
- 1.1.19.1 the transfer of any rights making up the Shares to any other person for his benefit and/or for the benefit of others, whether such transfer is effected pursuant to a sale, exchange, donation, distribution or otherwise; or
- 1.1.19.2 any other transaction or event whereby the Shares become beneficially owned by someone other than the Participant; or
- 1.1.19.3 granting, creating or allowing the Encumbrance of the Shares, and **“Dispose”** means to bring about a disposal within the meaning of this definition;
- 1.1.20 **“Employee”** means an executive Director, a non-executive Director, a senior manager and/or employee of the Company or of any member company of the Group, including any present or future executive Director, non-executive Director, senior manager and/or employee of the Company or of any member company of the Group holding or to be holding employment or office;
- 1.1.21 **“Encumbrance”** means any right of first refusal, purchase right, option or any other restriction of any kind on ownership, transfer, use, possession, receipt of income from or any other exercise or attribute of ownership, including any mortgage, pledge, lien or other security interest, and **“Encumber”** means to bring about an encumbrance within the meaning of this definition;
- 1.1.22 **“Escrow Agent”** means the person or entity appointed by the Company from time to time to hold Unvested LTIP Award Shares on behalf of LTIP Award Participants or, in accordance with rule 9.2;
- 1.1.23 **“Financial Year”** means the financial year of the Company, currently being 1 October until 30 September of each year;
- 1.1.24 **“Group”** means the Company and its subsidiaries;
- 1.1.25 **“Immediate Relation”** means, in relation to a Participant who is a natural person, a person who is:
- 1.1.25.1 that Participant’s spouse, parents or siblings; or
- 1.1.25.2 a descendant (including an adopted child) of that Participant;
- 1.1.26 **“Incentive Plan”** or **“Plan”** means the Lighthouse Capital Limited Incentive Plan to which these Rules apply;
- 1.1.27 **“JSE”** means the securities exchange of that name operated by the JSE Limited in terms of a licence issued under the Financial Markets Act, No 19 of 2004;
- 1.1.28 **“JSE Listings Requirements”** means the Listings Requirements of the JSE, applicable from time to time;
- 1.1.29 **“JSE Prohibited Period”** means:
- 1.1.29.1 a “closed period” as defined in the JSE Listings Requirements; or
- 1.1.29.2 any period when there exists any matter which constitutes price sensitive information in relation to the Shares;
- 1.1.30 **“LTIP”** or **“Long Term Incentive Plan”** means the long term incentive plan administered by the Company and to which these Rules apply;
- 1.1.31 **“LTIP Award”** means the amount to which a LTIP Award Participant becomes entitled in terms of rule 7.1, to be Settled in LTIP Award Shares issued at no consideration;
- 1.1.32 **“LTIP Award Participant”** means an Employee that accepts the Award of LTIP Award Shares from the Company;

- 1.1.33 **“LTIP Award Shares”** means any Award Shares received by a Participant as an LTIP Award at no consideration, in terms of rule 8.2;
- 1.1.34 **“LTIP Participant”** means a Participant in the LTIP, being an LTIP Award Participant or an LTIP Purchase Offer Participant;
- 1.1.35 **“LTIP Purchase Offer”** means an offer made under the LTIP to a LTIP Purchase Offeree to purchase or subscribe for LTIP Purchase Shares from the Company;
- 1.1.36 **“LTIP Purchase Offer Participant”** means a LTIP Purchase Offeree nominated in terms of the Plan to receive a Purchase Offer and has accepted a LTIP Purchase Offer;
- 1.1.37 **“LTIP Purchase Offeree”** means a Qualifying Juristic Person of an Employee, nominated in terms of the Plan to receive a LTIP Purchase Offer;
- 1.1.38 **“LTIP Purchase Shares”** means any Shares acquired by a LTIP Purchase Offeree at the Purchase Price pursuant to a LTIP Purchase Offer;
- 1.1.39 **“LTIP Purchase Shares Release Period”** means, in respect of a LTIP Purchase Offer, the period specified in the Offer Letter over which period the applicable LTIP Purchase Shares shall be released from the Pledge contemplated in rule 13.1.2.2.2 and/or other retention contemplated in rule 14.2.3.2, which period shall be a period of not less than 3 years and not more than 5 years;
- 1.1.40 **“LTIP Released Purchase Shares”** means a tranche of LTIP Purchase Shares, being the total LTIP Purchase Shares offered to a LTIP Purchase Offeree in respect of a Particular LTIP Purchase Offer, divided by the number of years of the applicable LTIP Purchase Shares Release Period as stated in the Offer Letter pursuant to which such Purchase Offeree acquired those specific LTIP Purchase Shares;
- 1.1.41 **“Maximum Plan Allocation”** means the maximum aggregated number of Shares which can be delivered to Participants under this Plan, being 500 000 000 Shares;
- 1.1.42 **“Maximum Share Debt”** means at any relevant time in respect of a Participant, an aggregate Share Debt which is equal to 20 times the annual cost to company of such Participant;
- 1.1.43 **“Offer Date”** means the date on which a Purchase Offer, in terms of the Plan, is made to a LTIP Purchase Offeree and/or STIP Purchase Offeree, as the case may be;
- 1.1.44 **“Offer Letter”** means a letter sent by the Company to a LTIP Purchase Offeree and/or a STIP Purchase Offeree, as the case may be, informing it of the details of the Purchase Offer made to it;
- 1.1.45 **“Official Market”** means the list of all securities admitted for quotation on the SEM Official Market;
- 1.1.46 **“Participation Letter”** means an Award Letter or an Offer Letter, as the context may indicate;
- 1.1.47 **“Participants”** means, collectively, STIP Participants and/or LTIP Participants, and **“Participant”** means any one of them;
- 1.1.48 **“Plan Shares”** means, collectively, the STIP Award Shares, STIP Purchase Shares, the LTIP Award Shares and the LTIP Purchase Shares;
- 1.1.49 **“Pledge”** means the pledge to the Company of the LTIP Purchase Shares as is contemplated in rule 13.1.2.2.2, and the pledge to the Company of the STIP Purchase Shares to the Company as is contemplated in rule 13.1.2.1.2;
- 1.1.50 **“Prohibited Period”** means a JSE Prohibited Period and any other period during which the trading of or dealing in securities is prohibited in terms of the SEM Listing Rules;
- 1.1.51 **“Purchase Offer”** means a STIP Purchase Offer and/or a LTIP Purchase Offer, as the context may indicate;
- 1.1.52 **“Purchase Offeree”** means a STIP Purchase Offeree and/or a LTIP Purchase Offeree, as the context may indicate;
- 1.1.53 **“Purchase Price”** means, in respect of a Purchase Offer, the 30-day VWAP as at the Trading Day immediately preceding the Offer Date;
- 1.1.54 **“Purchase Shares”** means STIP Purchase Shares and/or LTIP Purchase Shares, as the context may indicate;
- 1.1.55 **“Qualifying Juristic Person”** means:
- 1.1.55.1 a trust (i) with 3 or more trustees who are individuals; or (ii) with at least 1 trustee that is a juristic person, established only for the benefit of the relevant Employee or his Immediate Relations;

- 1.1.55.2 any company, all the shares of which are, and continue to be, held or beneficially owned by the relevant Employee or his Immediate Relations; or
- 1.1.55.3 any close corporation, the full members' interest of which is held or beneficially owned by the relevant Employee or his Immediate Relations;
- 1.1.56 **"Release Date"** means the release date of certain LTIP Purchase Shares as envisaged in rule 14.2.3.2;
- 1.1.57 **"Reserved Share"** means a Share which a Participant has –
- 1.1.57.1 purchased from the Company, in respect of a Purchase Offer, in respect of which a Share Debt remains outstanding and is subject to the Pledge contemplated in rule 13.1.2.2.2 and the restrictions contained in and 14.2.3.2 (in respect of LTIP Purchase Shares) or the Pledge contemplated in rule 13.1.2.1.2 (in respect of STIP Purchase Shares); and/or
- 1.1.57.2 been Awarded, pursuant to the Plan, whilst such Award Share remains Unvested;
- 1.1.58 **"Rights Issue"** means the offer of any securities of the Company to all shareholders of the Company *pro rata* to their holding;
- 1.1.59 **"Rights Issue Shares"** means, in relation to STIP Award Shares, STIP Purchase Shares, LTIP Award Shares and LTIP Purchase Shares, in the case of a Rights Issue, those Shares offered in terms of such Rights Issue to the relevant Participant, which offer is made by the Company to such Participant by virtue of it/him being a Participant;
- 1.1.60 **"Rules"** means these Plan rules, as amended from time to time in terms of rule 21;
- 1.1.61 "Secretary" means the secretary of the Company for the time being;
- 1.1.62 **"SEM"** means the Stock Exchange of Mauritius Ltd established under the repealed Stock Exchange Act, 1988 and now governed by the Securities Act, 2005 of Mauritius;
- 1.1.63 **"SEM Listing Rules"** means the Listing Rules of the SEM governing the Official Market;
- 1.1.64 **"Settlement"** in relation to Award Shares, shall mean:
- 1.1.64.1 in respect of a STIP Award, in the Discretion of the Board, the issue and allocation by the Company of STIP Award Shares to STIP Award Participants; and/or
- 1.1.64.2 in respect of a LTIP Award, in the Discretion of the Board, the issue and transfer of LTIP Award Shares by the Company to the Escrow Agent on behalf of a LTIP Award Participant, and the words **"Settle"** and **"Settled"** shall be construed accordingly;
- 1.1.65 **"Settlement Date"** means the date on which any Settlement occurs in respect of an Award, as per rule 8;
- 1.1.66 **"Share"** means ordinary shares in the share capital of the Company;
- 1.1.67 **"Shareholder"** means the holder of Shares in the Company;
- 1.1.68 **"Share Award Price"** means, for purposes of Settlement of an Award in Shares as contemplated in rule 8.5, the 30-day VWAP as at the Trading Day immediately preceding the Award Determination Date;
- 1.1.69 **"Share Debt"** means at any relevant time in respect of a tranche of LTIP Purchase Shares or STIP Purchase Shares purchased or subscribed for pursuant to a Purchase Offer, the Purchase Price at which such Purchase Shares were purchased or subscribed for, and any amount in respect of Tax, if any, lent to a Purchase Offeree pursuant to rule 7.5, and any other amount lent to such Purchase Offeree, in each case together with any interest accrued thereon, which is outstanding from time to time;
- 1.1.70 **"Specific Share Debt"** means, in respect of both STIP Purchase Offers and/or LTIP Purchase Offers, the credit granted to a Purchase Offeree in terms of a Purchase Offer for the purposes of subscribing for a tranche of Purchase Shares as detailed in such Purchase Offer. The amount of credit advanced under each separate Purchase Offer shall be separately recorded and shall relate specifically to the tranche of Purchase Shares the subscription of which was funded by such Specific Share Debt;
- 1.1.71 **"Statutes"** means any statute affecting the Company, the Plan and the performance of the functions and the duties of the Board;
- 1.1.72 **"STIP"** or **"Short Term Incentive Plan"** means the short term incentive plan administered by the Company and to which these Rules apply;

- 1.1.73 **“STIP Award”** means the amount to which a STIP Award Participant becomes entitled in terms of rule 7.1, to be Settled in cash or in STIP Award Shares issued at no consideration, or a combination of such cash and STIP Award Shares, in accordance with rule 8.1; or
- 1.1.74 **“STIP Award Participant”** means an Employee that accepts the Award of STIP Award Shares from the Company;
- 1.1.75 **“STIP Award Shares”** means Award Shares received by a Participant as STIP Awards at no consideration in terms of rule 8.1;
- 1.1.76 **“STIP Participant”** means a Participant in the STIP, being a STIP Award Participant and/or a STIP Purchase Offer Participant;
- 1.1.77 **“STIP Purchase Offer”** means an offer made under the STIP to a STIP Purchase Offeree to purchase or subscribe for STIP Purchase Shares;
- 1.1.78 **“STIP Purchase Offeree”** means a Qualifying Juristic Person of an Employee, nominated in terms of the Plan to receive a STIP Purchase Offer;
- 1.1.79 **“STIP Purchase Offer Participant”** means a STIP Purchase Offeree nominated in terms of the Plan to receive a STIP Purchase Offer and has accepted such STIP Purchase Offer;
- 1.1.80 **“STIP Purchase Shares”** means any Shares acquired by a STIP Purchase Offeree at the Purchase Price pursuant to a STIP Purchase Offer;
- 1.1.81 **“Subsidiary”** means a company which is a subsidiary of the Company;
- 1.1.82 **“Tax”** means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or delay in paying any of the same);
- 1.1.83 **“Trading Days”** means any day on which trading takes place through the usual trading systems of the JSE and the SEM;
- 1.1.84 **“Unreserved Share”** means a LTIP Purchase Share or a LTIP Award Share that is not a Reserved Share;
- 1.1.85 **“Unvested”** means, in respect of a LTIP Award, the LTIP Award Shares which have not Vested as at a particular date;
- 1.1.86 **“Vest”, “Vesting” and “Vested”** means, in respect of a LTIP Award of LTIP Award Shares, that a Vesting Date in respect of such LTIP Award Shares, or a tranche thereof, has occurred;
- 1.1.87 **“Vested Award Shares”** means a tranche of LTIP Award Shares, being the total number of LTIP Award Shares issued to a Participant pursuant to a LTIP Award in terms of rule 8.2, divided by the number of years of the applicable Vesting Period as stated in the Award Letter pursuant to which such Participant in was issued those specific LTIP Award Shares;
- 1.1.88 **“Vesting Date”** means the date or dates specified in an Award Letter in respect of a LTIP Award on which date a LTIP Award Participant becomes unconditionally entitled to a tranche of LTIP Award Shares;
- 1.1.89 **“Vesting Period”** means, in respect of the LTIP Award Shares that have been Settled to the Escrow Agent pursuant to such LTIP Award, the period between the Settlement Date up to and including the final Vesting Date of such Shares, which period shall be a period of not less than 3 years and not more than 5 years;
- 1.1.90 **“30-day VWAP”** means the volume weighted average trading price per Share listed on the JSE and the SEM for the 30 Trading Days immediately preceding a relevant date, as determined by the Board in its Discretion.

## 2. PURPOSE

The Incentive Plan is introduced as an incentive to Participants to meet the Group’s short-term and long-term objectives by giving such Participants an opportunity to receive performance-based Awards and/or Offers. The Awards and the Purchase Offers are intended to align the Participants’ interests with those of the Company, the Group and with the interests of the shareholders of the Company.

### 3. ADMINISTRATION OF THE PLAN

- 3.1 The Plan will be administered by the Company in terms of these Rules.
- 3.2 The Directors shall, subject to the provisions of these Rules, be entitled to establish such rules and regulations as they deem necessary for the proper administration of the Plan and acquire, for purposes of the Plan, Shares by purchase through the market, and upon such terms as they in their discretion may deem fit.

### 4. FUNDING OF THE PLAN

- 4.1 Other than any Tax, all costs of and incidental to the implementation and administration of the Incentive Plan properly incurred by the Company as agent for and on behalf of each Contracting Company in order to give effect to the Incentive Plan shall be funded by members of the Group, as the Board may from time to time direct.

### 5. PARTICIPATION

- 5.1 The Board shall, from time to time, in its Discretion, determine which Employees are eligible to participate in the Incentive Plan and the Company must issue such eligible persons a letter ("**Participation Letter**") inviting him to become a Participant in the Incentive Plan.
- 5.2 On acceptance of a Participation Letter, an Employee becomes a Participant and an agreement comes into effect between the Company and the Participant on the terms of the Participation Letter read with these Rules.

### 6. SHARES AVAILABLE FOR THE INCENTIVE PLAN

- 6.1 The Plan is subject to an aggregate maximum number of Shares which may be utilised in terms of the Plan, being the Maximum Plan Allocation, and no one Participant shall be entitled to acquire Shares pursuant to the Plan exceeding 90 000 000 Shares ("**Individual Participant Limit**").
- 6.2 The Maximum Plan Allocation must be, and the Individual Participant Limit may be adjusted in the case of a sub-division or consolidation of Shares, in such a manner that gives a Participant entitlement to the same proportion of Shares as that to which he was entitled before the sub-division or consolidation of Shares, as the case may be and which adjustment shall be certified by the Auditors to be in their opinion fair and reasonable. Any adjustment shall be reported by the Company in its annual financial statements for the Financial Year in which the adjustments were made.
- 6.3 The Maximum Plan Allocation and Individual Participant Limit shall not be adjusted in the event of the issue of Shares in consideration for an acquisition, the issue of Shares for cash and the issue of Shares for a vendor consideration placing.

### 7. DETERMINATION OF AWARDS AND PURCHASE OFFERS DETERMINATION OF AWARDS

- 7.1 STIP Awards and LTIP Awards shall be determined on the "Award Determination Date" by the Board from time to time. The amount accruing and payable by the Company to an Award Participant in the form of a STIP Award and/or LTIP Award will be determined by the Board shall be based on certain key performance indicators including, but are not limited to, in respect of:
  - 7.1.1 STIP Awards, measures of financial performance (such as growth in distributions or in net asset value), of operational performance (such as limiting vacancies, maintaining low tenant arrears, etc.), of debt risk management (such as hedging a minimum level of the Company's exposure to interest rate risk) or other quantitative or qualitative factors (at the Board's Discretion); and/or
  - 7.1.2 LTIP Awards, measures of performance such as total shareholder return versus peers, compound annual growth in distributions over a certain number of years, or other quantitative or qualitative factors (at the Board's Discretion).
- 7.2 An Award Letter shall be issued by the Board to each Award Participant as soon as possible after the applicable Award Determination Date, but not during a Prohibited Period.

## Determination of Purchase Offers

- 7.3 Purchase Offers may be made to Purchase Offerees, being the Qualifying Juristic Persons of Employees, by the Board, from time to time, for subscription at the Purchase Price and the Board may, if it so determines, extend credit to such Purchase Offeree in terms of rule 7.5 to enable the Purchase Offeree to subscribe for such Purchase Shares. In respect of:
- 7.3.1 STIP Purchase Offers, the Board may, by resolution, from time to time make STIP Purchase Offers and grant credit based on its assessment of such key performance indicators in respect of the Designated Employee of such STIP Purchase Offerees, including measures of financial performance (such as growth in distributions or in net asset value), of operational performance (such as limiting vacancies, maintaining low tenant arrears, etc.), of debt risk management or other quantitative or qualitative factors (at the Board's Discretion); and
- 7.3.2 LTIP Purchase Offers, the Board may, by resolution, from time to time make LTIP Purchase Offers and grant credit based on its assessment of such key performance indicators in respect of the Designated Employee of such LTIP Purchase Offerees, which key performance indicators shall include total shareholder return versus peers, compound annual growth in distributions over a certain number of years, or other quantitative or qualitative factors (at the Board's Discretion).
- 7.4 Pursuant to passing the requisite resolution of the Board, the Board shall issue an Offer Letter to each Purchase Offeree, which Purchase Offeree thereby becomes entitled to a Purchase Offer, as soon as possible after the Offer Date, but not during a Prohibited Period.
- 7.5 The Board may, subject to the limits contemplated in rules 7.6 to 7.7, extend credit to a Purchase Offeree to enable such Purchase Offeree to purchase and/or subscribe for Purchase Shares (provided that the directors comply with section 81 of the Companies Act, to the extent applicable). The Purchase Shares will be held by such Purchase Offeree as owner, subject to the Pledge and the terms of credit shall be as reflected in rule 15.1. Such credit may be repaid at any time by the Purchase Offeree, in terms of these Rules, but not later than 10 years from the applicable Offer Date.
- 7.6 The Board shall not be entitled to extend credit to a Purchase Offeree in terms of rule 7.5 if, as a result of the extension of such credit, such Purchase Offeree will have an outstanding Share Debt that exceeds the Maximum Share Debt. If, at any relevant time, the aggregate Share Debt owing by a Purchase Offeree exceeds the Maximum Share Debt, such excess shall immediately be paid by such Purchase Offeree to the Company.
- 7.7 In the event of the South African National Credit Act, No 34 of 2005, applying to any credit extended to a Purchase Offeree in terms of rule 7.5, the credit so extended shall be for an amount of not less than ZAR250 000.00, or where such credit is extended in a currency other than ZAR, the equivalent in such currency of ZAR250 000.00 as at the date such credit is extended.
- 7.8 The full Purchase Price due to the Company by a Purchase Offeree on account of his accepting a Purchase Offer in respect of which credit is advanced by the Company, shall be paid in terms of the provisions of rule 15 and, where credit is not advanced by the Company, shall be paid in cash on acceptance Purchase Offer.

## 8. SETTLEMENT OF AWARDS

- 8.1 STIP Awards, accruing and payable, shall be Settled in cash or in STIP Award Shares, or a combination of cash and STIP Award Shares at no consideration, shall rank *pari passu* with all other Shares in issue and shall be Settled free of any restrictions;
- 8.2 LTIP Award, accruing and payable, shall be Settled in LTIP Award Shares, which LTIP Award Shares shall Vest in accordance with the Vesting Period (in accordance with rules 9 and 10 below).
- 8.3 Settlement of any Awards shall be subject to the relevant Awards Participant being employed with the Contracting Company as at the Award Determination Date.
- 8.4 By no later than 20 business days after the Award Determination Date, the Company shall:
- 8.4.1 in respect of STIP Awards, (i) pay (in cash) to the STIP Award Participant, such portion of the STIP Award to be discharged in cash into a bank account nominated in writing by the STIP Participant and/or (ii) Settle to the STIP Participant, such number of Shares as contemplated in rule 8.5, which STIP Award Shares shall be Settled in dematerialised form by crediting such STIP Award Shares to the securities account of the STIP Award Participant or to the account of the broker nominated by the STIP Award Participant.
- 8.4.2 in respect of LTIP Awards, Settle to the Escrow Agent the relevant LTIP Award Shares, which LTIP Award Shares shall be the number of LTIP Award Shares contemplated in rule 8.5 and which shall be Settled in dematerialised form by crediting such STIP Award Shares to the securities account of the STIP Award Participant or to the account of the broker nominated by the STIP Award Participant.

8.4.3 ensure that the Shares are listed on the Applicable Securities Exchanges as soon as practicable after the relevant date of issue.

8.5 The Company shall, in terms of rule 8.4, Settle such number of Shares as have an aggregate value that is equal to the respective portion of the Award to be Settled in Award Shares divided by the Share Award Price.

## 9. VESTING OF LTIP AWARDS

9.1 In respect of a LTIP Award, on each Vesting Date (provided the relevant LTIP Participant has a valid employment contact with the Contracting Company, or other Group company), being each anniversary of the Award Determination Date, which anniversary falls within the Vesting Period, a tranche of LTIP Award Shares equal to the Vested Award Shares, shall Vest.

9.2 Unvested LTIP Award Shares are, from Settlement, held by the Escrow Agent for the benefit of the applicable LTIP Award Participants during the Vesting Period, subject to the forfeiture and Disposal restrictions contemplated in these Rules.

9.3 The effect of the Vesting of a LTIP Award Share will be that (i) the restrictions imposed, as contemplated in rule 10.1, on the Unvested LTIP Award Shares linked thereto shall cease to apply and the risk of forfeiture will lift and (ii) upon Vesting, such LTIP Award Shares which have so Vested shall rank pari passu with all other issued Shares in all respects.

## 10. OWNERSHIP IN RESPECT OF LTIP AWARD SHARES AND PARTICIPANTS' RIGHTS BEFORE THE VESTING DATE

10.1 Following the Settlement of LTIP Award Shares such Shares are held by the Escrow Agent for the absolute benefit of the LTIP Award Participants as owners of the LTIP Award Shares and are subject to the control of the Escrow Agent acting on instructions of the Board (but subject to the provisions of rule 11) and may not be Disposed of or otherwise Encumbered at any time from the date of their Settlement, up to and including their Vesting Date.

10.2 Except for the restrictions envisaged in rule 10.1 and the risk of forfeiture contemplated in these Rules, a LTIP Award Participant has all other shareholder rights in respect of the LTIP Award Shares from the Settlement Date, irrespective of whether such LTIP Award Shares have Vested.

## 11. TERMINATION OF EMPLOYMENT IN RESPECT OF LTIP AWARDS

Unvested LTIP Award Shares shall be forfeited and cancelled in their entirety with effect from the occurrence of the first of the following events ("**Termination Events**"): (i) a LTIP Award Participant ceasing to be an employed by the Group by reason of such LTIP Award Participant's resignation, the dismissal of such LTIP Award Participant or retirement; (ii) the Group sending a written notice to the LTIP Award Participant that the Group intends to terminate his employment; or (iii) the LTIP Award Participant sending a written notice to the Group that he intends to terminate his employment and/or no longer be a Participant.

## 12. PERMITTED TRANSFERS

A Participant may assign its/his Award Shares and/or Purchase Shares, whether prior to or after registration of such Plan Shares into the name of such Participant, to a Qualifying Juristic Person of such Award Participant or such Designated Employee of a Purchase Offeree, as the case may be, provided that any such Qualifying Juristic Person agrees in writing to be bound by the provisions of these Rules, and the relevant Participant furnishes a suretyship, in favour of the Contracting Company to the satisfaction of the Directors for the obligations of the Qualifying Juristic Person concerned.

## 13. PURCHASE OFFERS

13.1 A Purchase Offer:

13.1.1 shall be made at the Purchase Price;

13.1.2 shall, be governed by the provisions of these Rules and shall, where the Board has resolved that credit be granted, be subject to the following provisions, namely, that until the full Share Debt has been paid to the Company:



- 13.1.2.1 in respect of STIP Purchase Shares:
  - 13.1.2.1.1 such STIP Purchase Shares, shall upon acceptance be registered in the name of the STIP Purchase Offeree and ownership in such Shares shall vest in the relevant Participant subject to being pledged to the Company by way of security for the payment of the full Share Debt;
  - 13.1.2.1.2 the voting rights attaching to such STIP Purchase Shares shall vest in STIP Purchase Offeree;
  - 13.1.2.1.3 save for the Pledge and terms of repurchase in rule 16, all STIP Purchase Shares shall rank pari passu in all respects with the issued Shares;
- 13.1.2.2 in respect of LTIP Purchase Shares:
  - 13.1.2.2.1 such LTIP Purchase Shares shall registered in the name of the Purchase Offeree subject to the Pledge and retention contemplated in rule 14.2.3.2 on acceptance and ownership in such Shares shall vest in the relevant Participant;
  - 13.1.2.2.2 such LTIP Purchase Shares, and all Reserved Shares linked thereto which have been registered in the name of a LTIP Purchase Offeree, for so long as the Share Debt in respect thereof has not been discharged in full, shall be pledged to the Company by way of security for the payment of the full Share Debt payable by such LTIP Purchase Offeree until released in terms of rule 14.2.3.2;
  - 13.1.2.2.3 the voting rights attaching to such LTIP Purchase Shares shall from registration in its name vest in LTIP Purchase Offeree;
  - 13.1.2.2.4 save for the Pledge and the retention contemplated in rule 14.2.3.2, and subject to the terms of repurchase in rule 16, all LTIP Purchase Shares shall from registration in the name of the Purchase Offeree, rank pari passu in all respects with all issued Shares;
- 13.1.2.3 in respect of Purchase Shares:
  - 13.1.2.3.1 delivery of such Purchase Offeree's Purchase Shares may only take place against payment of the full Share Debt owing by such Purchase Offeree if so requested by the Purchase Offeree.
  - 13.1.2.3.2 such Purchase Shares may be re-acquired in terms of rule 16;
  - 13.1.2.3.3 such Purchase Shares, while subject to the Pledge and (for LTIP Purchase Shares) retention in rule 14.2.3.2, may not be sold or otherwise Disposed of or transferred, other than to a Qualifying Juristic Person of such Purchase Offeree in the manner and on the basis as is expressly provided in rule 11, or in any way be mortgaged, pledged or otherwise Encumbered, unless the Board gives its consent thereto in writing;
- 13.1.3 shall be personal to and only capable of being accepted by the Purchase Offeree to whom it is addressed, except in accordance with rule 11.
- 13.1.4 shall be accepted by notice in writing in such form as may stipulated in the Offer Letter and delivered to the Secretary within the time period determined by the resolution of the Directors and specified in the Offer Letter;
- 13.1.5 may only be accepted in full in respect of any Purchase Offer.
- 13.2 Notwithstanding anything to the contrary herein the risk in and benefits attaching to the Reserved Shares will pass to the Purchase Offeree on the acceptance of a Purchase Offer subject to the provisions of rule 13.1.2.2.2 (in the case of LTIP Purchase Offer) and 13.1.2.1.1 (in the case of a STIP Purchase Offer).

## 14. RIGHTS AND LIMITATIONS ATTACHING TO PURCHASE SHARES

- 14.1 STIP Purchase Shares in respect of which credit has been extended in terms of rule 7.5, shall, upon registration of such STIP Purchase Shares in the name of the STIP Purchase Offeree and subject to the Pledge contemplated in rule 13.1.2.1.1, be capable of being freely sold or transferred by the STIP Purchase Offeree, provided that the STIP Purchase Offeree is obliged to utilise such portion of the proceeds of such sale or transfer as may be required to firstly settle the Specific Share Debt in respect of such sold or transferred STIP Purchase Shares and upon such payment in full in respect of certain STIP Purchase Shares, such STIP Purchase Shares shall thereupon rank pari passu in all respects with the issued Shares and shall be released from the Pledge contemplated in rule 13.1.2.1.1.
- 14.2 In respect of the LTIP Purchase Offers:
- 14.2.1 the Board shall procure that all LTIP Purchase Shares in existence are registered in the name of the Escrow Agent and ensure that they remain so registered until a LTIP Purchase Offeree has, in respect of such LTIP Purchase Shares, accepted a LTIP Purchase Offer subject to rule 13.1.2.2, at which time such LTIP Shares shall, subject to the Pledge contemplated in the provisions of rule 13.1.2.2.2:
- 14.2.1.1 be registered into the name of the relevant LTIP Purchase Offeree, provided that, in respect of any LTIP Purchase Shares against which there is a restriction on disposal or dealing in terms of these Rules, such LTIP Purchase Shares shall be retained in the possession of the Company irrespective of whether the Specific Share Debt in respect of such LTIP Purchase Shares has been paid in full, until the Purchase Offeree is entitled to dispose of such Shares in terms of rule 14.2.3.2;
- 14.2.1.2 after on-sale by the LTIP Purchase Offeree to the Qualifying Juristic Person of such LTIP Purchase Offeree, whether prior to or after registration into the name of such LTIP Purchase Offeree and subject to rule 13.1.2.2, be registered into the name of such Qualifying Juristic Person, provided that:
- 14.2.1.2.1 any such Qualifying Juristic Person agrees in writing to be bound by the provisions of these Rules (other than the payment of the Specific Share Debt in respect of the LTIP Purchase Shares, for which the LTIP Purchase Offeree will remain liable) as though it were the LTIP Purchase Offeree, *mutatis mutandis*;
- 14.2.1.2.2 the relevant LTIP Purchase Offeree concerned and/or Designated Employee in relation to such LTIP Purchase Offeree furnishes a suretyship and/or guarantee, in favour of the Company, to the satisfaction of the Board, for the obligations of the Qualifying Juristic Person concerned; and
- 14.2.1.2.3 for so long as the relevant LTIP Purchase Offeree is prohibited from Disposing of the LTIP Purchase Shares which are on-sold to the Qualifying Juristic Person as aforesaid, where such Qualifying Juristic Person is a trust, the beneficiaries of such trust may not change and where such Qualifying Juristic Person is a company or a close corporation, there may be no Change of Control of such company or close corporation, as the case may be. If there is a breach of the provisions of this rule 14.2.1.2.3, the Board shall be empowered to cancel the sale of such LTIP Purchase Shares to the said Qualifying Juristic Person.
- 14.2.2 the Board shall procure that immediately prior to the release of LTIP Purchase Shares to a LTIP Purchase Offeree in terms of rule 14.2.3.2, and on receipt of a written instruction from the LTIP Purchase Offeree concerned, sell such number of LTIP Purchase Shares on the open market as is required to settle theremaining outstanding Specific Share Debt in respect of such LTIP Purchase Shares, if any, provided that:
- 14.2.2.1 such sale shall not take place during a Prohibited Period;
- 14.2.2.2 if the sale as aforesaid will, or is likely to, as determined by the Board in its Discretion, realise insufficient proceeds to settle the quantum of the outstanding Specific Share Debt, the Company shall be entitled to refuse to effect the sale unless the LTIP Purchase Offeree, or the Designated Employee in respect of such LTIP Purchase Offeree, provides to the Company security, to the satisfaction of the Board, for the payment of the difference between the outstanding Share Debt and the amount anticipated to be realised by the sale; and
- 14.2.2.3 the Company enters into suitable arrangements with the applicable LTIP Purchase Offeree for the recovery by the Company of any amounts of Tax payable by such LTIP Purchase Offeree upon such release.

- 14.2.3 upon a LTIP Purchase Offeree paying the Specific Share Debt in full in respect of the LTIP Purchase Shares:
- 14.2.3.1 such LTIP Purchase Shares shall thereupon rank pari passu in all respects with the issued Shares and, subject to the retention contemplated in rule 14.2.3.2, any burdens attaching to any such LTIP Purchase Shares in terms of these Rules shall cease to operate;
- 14.2.3.2 save as may expressly be provided to the contrary herein, and subject to rules 14.2.4 and 14.2.5, the Secretary shall forthwith against payment of transfer duty, if any, payable thereon release such LTIP Purchase Shares from the Pledge provided for in rule 13.1.2.2.2 or other retention in terms of this rule 14.2.3.2, only by releasing a portion of each tranche of LTIP Purchase Shares equal to the LTIP Released Purchase Shares, on or after each anniversary of the applicable Offer Date falling within the LTIP Purchase Shares Release Period (each a **"Release Date"**) to the LTIP Purchase Offeree entitled thereto, it being recorded that the aforementioned release periods will apply even if the Specific Share Debt in respect of the LTIP Purchase Shares has been paid in full.
- 14.2.4 the release of LTIP Purchase Shares from the Pledge and other retention, as contemplated in rule 14.2.3.2, is conditional on the Designated Employee in respect of the applicable LTIP Purchase Offeree having a valid employment contract with the Contracting Company, or such other company being a member company of the Group, as at the relevant Release Date and not having been notified by the Group that the respective contract is intended to be terminated.
- 14.2.5 in the event that a Designated Employee in respect of a LTIP Purchase Offeree (who still has a valid employment contract or another type of agreement with the Contracting Company or such other member company of the Group) does not provide the applicable services to the Group as provided for in such agreement for reasons including (but not limited to) extended periods of leave, sick leave and/or maternity/paternity leave, for an uninterrupted period of 6 months or more (**"Delay Period"**), then all Release Dates in respect of such LTIP Purchase Offeree's LTIP Purchase, which Release Dates are more than 6 months prior to the commencement of such Delay Period, shall be postponed by a period of time equal to the duration of the Delay Period.

## 15. PAYMENT OF PURCHASE PRICE IN TERMS OF A PURCHASE OFFER

### 15.1 Interest and distributions

- 15.1.1 The outstanding balance due on the Purchase Price of any STIP Purchase Share (in respect of the STIP) or LTIP Purchase Share (in respect of the LTIP) where credit is given shall, while the balance due remains unpaid, bear interest from time to time at a rate per annum equal to the average cost of debt funding of the Company and its subsidiaries from time to time, provided that if, at any time, such interest rate does not constitute a market related interest rate (as determined by the Board in their Discretion), the interest rate shall be increased to a rate which the Board in its discretion deems to be market related.
- 15.1.2 The accrued amount of such interest from time to time shall, subject to the provisions of rule 15.1.3, be payable on the 7th business day following the date on which distributions on the Purchase Shares are paid and the Board is hereby empowered to apply the distributions (subject to rule 15.1.3) towards payment of such interest. In this regard the Purchase Offeree, by its acceptance of the Purchase Offer in respect of which credit has been extended, shall be deemed to have authorised the Board to retain and utilise any distributions on any of the Purchase Offeree's Purchase Shares for the purpose of discharging any or all of such Purchase Offeree's Share Debt, from time to time.
- 15.1.3 If the distributions payable to a Purchase Offeree on its Purchase Shares in respect of any Financial Year, less the Tax payable thereon by such Purchase Offeree after allowing for the deduction of the relevant interest and any deemed interest:
- 15.1.3.1 exceed the interest payable by such Purchase Offeree on the outstanding balance of the Share Debt on such Purchase Shares in respect of such Financial Year, then such excess shall, as soon as it has been determined, be paid towards the reduction of the oldest outstanding Specific Share Debt in respect of such Purchase Offeree's Purchase; or
- 15.1.3.2 is less than the interest payable by such Purchase Offeree on the outstanding balance of the Share Debt of such Purchase Shares in respect of such financial year, then such shortfall shall, as soon as it has been determined, be paid by the Purchase Offeree to the Company.

15.1.4 If at any time before the date of payment of a distribution by the Company, as contemplated in rule 15.1.2, any outstanding balance due on the Share Debt in respect of certain Purchase Shares, or a portion thereof, (i) is repaid before the due date for payment thereof in accordance with rule 15.2, or (ii) becomes payable by a Participant in accordance with these rules (whether as a result of cessation of employment of the Designated Employee in relation to the Purchase Offeree or otherwise) ("**Portion Repaid or Repayable**"), then notwithstanding rule 15.1.1 above:

15.1.4.1 interest shall accrue in respect of the period from and including the first day after, the end of the last financial period in which a distribution was paid, up to and including the date on which the Portion Repaid or Repayable, plus accrued interest in terms of this rule 15.1.4, is actually repaid by such Purchase Offeree at the rate described in rule 15.1.1; and

15.1.4.2 all interest payable by such Purchase Offeree in terms of 15.1.4.1, shall, as soon as it has been determined, be paid by the Purchase Offeree to the Company. In this regard the Purchase Offeree, by its acceptance of the Purchase Offer in respect of which credit has been extended, shall be deemed to have authorised the Company to retain and utilise any proceeds derived from the sale of the Purchase Offeree's Purchase Shares for the purpose of discharging any or all of its Share Debt, from time to time.

## 15.2 Prepayment of outstanding balance

Subject to the provisions of rule 16, a Purchase Offeree shall be entitled to pay the outstanding balance of any Specific Share Debt before the due date of payment thereof.

## 15.3 Death

If a Designated Employee in relation to a Purchase Offeree ceases to be employed by the Group by reason of death:

15.3.1 and on the date of death ("**Termination Date**") a portion of the Share Debt remains outstanding, then such outstanding Share Debt (and all interest accruing thereon) shall become payable no later than 24 months after the Termination Date. As soon as such Share Debt, together with the payment of all transfer duty payable in respect of the transfer such Purchase Shares (if any) and all interest accruing thereon has been paid in full, all restrictions, including the retention of such Purchase Shares as contemplated in rule 14.2.3.2, against transactions in respect of those Purchase Shares shall immediately cease to be of any further force or effect.

15.3.2 and on the Termination Date no outstanding Share Debt exists but certain LTIP Purchase Shares have not been released from the retention contemplated in rule 14.2.3.2, such Purchase Shares shall be immediately released therefrom.

## 15.4 Dismissal, resignation or retirement

15.4.1 In the event that a Designated Employee in relation to a Purchase Offeree ceases to be an employed by the Group by reason of such Designated Employee's resignation, dismissal or retirement:

15.4.1.1 if the Purchase Shares are STIP Purchase Shares and are subject to the Pledge, the Specific Share Debt outstanding on the Termination Date shall become payable within 30 days thereof and as soon as it has been paid in full, together with the payment of all transfer duty (if any) and all interest accrued thereon, all restrictions in respect of those Shares shall immediately cease to be of any further force or effect;

15.4.1.2 if the Purchase Shares are LTIP Purchase Shares which are entitled to be released pursuant to the provisions of rule 14.2.3.2, but for their being encumbered by the Pledge, the Specific Share Debt outstanding in respect of such LTIP Purchase Shares, shall become payable within 30 days after the Termination Date and as soon as such Specific Share Debt has been paid on time and in full, together with the payment of all transfer duty (if any) and all interest which has accrued thereon, such LTIP Purchase Shares shall be released from all restrictions;

15.4.1.3 if the Purchase Shares are LTIP Purchase Shares which remain subject to retention in accordance with the provisions of rule 14.2.3.2, the Specific Share Debt in respect of those LTIP Purchase Shares shall be deemed not to have been paid by the due date and the provisions of rule 16 shall apply *mutatis mutandis*.

#### 15.5 **Other Reasons for Cessation of Employment or Service Contract**

If a Designated Employee in relation to a Purchase Offeree ceases to be employed by the Group, or his employment contract with the Group is terminated by reason of circumstances other than those set out in rules 15.3 or 15.4, then the provisions of rule 15.3 above shall apply mutatis mutandis.

#### 15.6 **Right to demand payment after 10 years**

Subject to rule 15.7, the Board shall have the right and shall be obliged to demand payment of the Share Debt outstanding in respect of any Purchase Shares, at any time after the repayment date stipulated in the Offer Letter, which repayment date shall be a date not later than 10 years from the relevant Offer Date.

#### 15.7 **Procedure after LTIP Purchase Shares fully paid**

At any time after a LTIP Purchase Offeree has paid the Specific Share Debt and all interest thereon in respect of its LTIP Purchase Shares, such Shares shall, subject to the provisions of rule 14.2.3.2 and the LTIP Purchase Offeree entering into suitable arrangements with the Company, be released to the LTIP Purchase Offeree or his nominee, provided that the Board may reach alternative arrangements with LTIP Purchase Offerees, or the relevant executor or legal representative.

### 16. **CANCELLATION OF SALE PURSUANT TO PURCHASE OFFER**

16.1 If any amount in respect of the Share Debt of any Purchase Shares becomes payable by virtue of the provisions of rule 15, and if any such amount is not paid by the due date thereof as contemplated in these Rules, then, subject to the provisions of the Companies Act, the SEM Listing Rules, the CDS Rules, CDS Procedures and the JSE Listings Requirements, as the case may be, the Board shall be entitled, by resolution to that effect, to cancel that sale, in whole or in part, in terms of which those Purchase Shares were acquired by that Purchase Offeree and, thereupon:

16.1.1 that Purchase Offeree shall cease to have any interest in the Purchase Shares in respect of which the balance of the Specific Share Debt was due to be paid (or in respect of which that sale is so cancelled);

16.1.2 those Purchase Shares shall become Unreserved Shares;

16.1.3 the Purchase Offeree concerned shall be liable to the Board for damages suffered in consequence thereof;

16.1.4 the Board must repay to the Purchase Offeree all or any part of the Purchase Price that such Participant has already paid up in respect of such Purchase Shares less any interest that was paid thereon in accordance with rule 15 and any costs, expenses or damages of whatsoever nature that have been or will be incurred by the Company as a consequence of such failure to pay the Specific Share Debt and subsequent cancellation of the sale of those Purchase Shares.

16.2 Should the Purchase Offeree fail and/or refuse to comply with its obligations, the Board shall be empowered to authorise and direct (and the Purchase Offeree, by accepting the relevant Purchase Offer, similarly authorises irrevocably and in rem suam) the Secretary to do all such things necessary and sign all or any documents on behalf of that Purchase Offeree necessary to give effect to the provisions of these Rules, but without prejudice to any other rights which the Board may enjoy under these Rules or the common law.

### 17. **RIGHTS ISSUES**

17.1 Each Participant shall be entitled to participate in any Rights Issue in accordance with the terms thereof, and any Rights Issue Shares acquired by a Participant shall not become Plan Shares and these Rules shall not apply to such Rights Issue Shares.

17.2 The Board may, subject to the Statutes, lend monies to a Purchase Offeree to enable such Purchase Offeree to follow his rights under a Rights Issue, and the amount so lent shall be deemed to form part of the outstanding balance of the Specific Share Debt payable by the Purchase Offeree in respect of the corresponding Purchase Shares.

17.3 Any letter of allocation may be sold (i) by the Escrow Agent for the benefit of a LTIP Award Participant or (ii) by the Board for the benefit of a Purchase Offeree, provided that the net proceeds, if any, of such sale shall be applied to reduce the Share Debt (if any) owing by such Purchase Offeree.

## 18. CAPITALISATION ISSUES

- 18.1 All LTIP Award Participants can participate in any Capitalisation Issue in respect of all LTIP Award Shares (including Unvested LTIP Award Shares), and all Capitalisation Shares issued in connection to Unvested LTIP Award Shares shall be allotted and issued as free and unrestricted not subject to the Vesting Dates applicable to the corresponding LTIP Award Shares.
- 18.2 In respect of Purchase Offers, a Purchase Offeree may only participate in a Capitalisation Issue in respect of their Purchase Shares, if the Purchase Offeree discharges a portion of its Share Debt equal to the aggregate gross dividend declared by the Company in respect of which the Purchase Offeree wishes to elect Capitalisation Shares (“**Capitalised Gross Dividend**”).
- 18.3 All Capitalisation Shares received by a Purchase Offeree in respect of its Purchase Shares pursuant to rule 18.2 shall be allotted and issued as free and unrestricted Shares, and shall not be subject to the Pledge.

## 19. CHANGE OF CONTROL UNVESTED LTIP AWARD SHARES

- 19.1 Should there be a Change of Control in relation to the Company as a result of a takeover or reconstruction or amalgamation or scheme of arrangement, or offer (“**Change of Control Transaction**”), a LTIP Award Participant shall be entitled but not obliged to participate as Shareholder in the Change of Control Transaction. If such LTIP Award Participant participates, then to the extent that the consideration payable for the Unvested LTIP Award Shares in terms of the Change of Control Transaction is payable in:
  - 19.1.1 cash, the proceeds of the disposal will be deposited with the Escrow Agent, to be held on behalf of the Participant until the relevant Vesting Date of the corresponding Unvested LTIP Award Shares, whereupon such proceeds (and interest accruing thereon) will be paid to the Participant; or
  - 19.1.2 securities (“**Consideration Securities**”), these Rules shall continue to apply to the LTIP Award Participant on the basis that all provisions applicable to such Participant’s Unvested LTIP Award Shares shall forthwith apply to the Consideration Securities; or
  - 19.1.3 a combination of cash and securities, the provisions of rule 19.1.1 shall apply in respect of the cash portion and the provisions of rule 19.1.2 shall apply in respect of the Consideration Securities portion.
- 19.2 Should a LTIP Award Participant decide not to participate as Shareholder in the Change of Control Transaction, then he will retain his Unvested LTIP Award Shares and these Rules will continue to apply in respect of the Unvested LTIP Award Shares, unless an alternative arrangement is entered into between such LTIP Award Participant the Company.

### Reserved Shares

- 19.3 Should there be a Change of Control Transaction, the directors will use their best endeavours to procure, insofar as they are able, that the same or a similar offer be made or scheme of arrangement proposed, as the case may be, to all Participants in respect of all Reserved Shares and the Participant shall, subject to the provisions of rules 19.5, 19.4 and 19.5.2, be entitled to transfer of those Shares pursuant to such Change of Control Transaction.

### Purchase Shares with outstanding Share Debt

- 19.4 A Purchase Offeree with an outstanding Share Debt in respect of its Purchase Shares, shall be entitled to request that the Company endeavours to sell its Reserved Shares and that the proceeds received from such sale (less any expenses incurred by the Company in implementing the sale) are applied to reduce the outstanding Share Debt of such Purchase Offeree.
- 19.5 Should there be a Change of Control Transaction:
  - 19.5.1 a STIP Purchase Offeree shall be entitled but not obliged to in all respects participate as a Shareholder in the Change of Control Transaction, in respect of STIP Purchase Shares where the outstanding Share Debt has been paid to the Company in full, either in cash or by applying the proceeds of the sale of STIP Purchase Shares to the outstanding Share Debt as contemplated in rule 19.4.
  - 19.5.2 a LTIP Purchase Offeree shall be entitled but not obliged to participate as a Shareholder in the Change of Control Transaction, in respect of LTIP Purchase Shares where the outstanding Share Debt has been paid the Company in full, provided that if and to the extent that a LTIP Purchase Offeree disposes of his LTIP Purchase Shares pursuant to the Change of Control Transaction, and the consideration payable in terms of the Change of Control Transaction is payable in:
    - 19.5.2.1 cash, such proceeds shall be held by the Company on behalf of the LTIP Purchase Offeree until the Release Date of the corresponding LTIP Purchase on the basis that the provisions of rule 14.2.3.2 shall apply to such proceeds mutatis mutandis, the relevant proceeds, including accrued interest thereon, will be paid to the LTIP Purchase Offeree after the relevant Release Date of the corresponding LTIP Purchase Shares; or

- 19.5.2.2 securities (“**Consideration Securities**”), the Consideration Securities will be pledged to the Company on the terms contemplated in rule 13.1.2.2.2, and will be released to the LTIP Purchase Offeree on the basis that the provisions of rule 14.2.3.2 shall apply to such Consideration Securities mutatis mutandis; or
  - 19.5.2.3 a combination of cash and securities, the provisions of rule 19.5.2.1 shall apply the portion for which the consideration is paid in cash, and rule 19.5.2.2 shall apply to the portion for which the consideration is paid in Consideration Securities.
- 19.6 Notwithstanding anything to the contrary herein contained, no term shall be implied to prevent the Company from disposing of any of its subsidiaries or losing control thereof, or any of the Company or the subsidiaries from disposing of their businesses at any. In such event any outstanding Share Debt in respect of any Reserved Shares may become repayable within such period as the Directors may determine in their sole discretion which shall not be within less than 60 days or more than 240 days after such disposal or loss of control.

## 20. ADJUSTMENTS ON REORGANISATION OF COMPANY OR SHARE CAPITAL

- 20.1 If the Company, at any time before the Vesting Date of any LTIP Award Shares, before the Settlement of any STIP Award or before the Specific Share Debt, plus any interest thereon, on any Purchase Shares has been paid in full:
- 20.1.1 is put into liquidation for the purpose of reorganisation; or
  - 20.1.2 is a party to a scheme of arrangement affecting the structure of its share capital; or
  - 20.1.3 makes a distribution, whether by way of the declaration of a distribution or by way of a disposal at less than fair value, of a capital asset of the Company; or
  - 20.1.4 splits or consolidates its Shares;
  - 20.1.5 is a party to a reorganisation;
  - 20.1.6 ceases to retain a nominal value for its Shares; or
  - 20.1.7 reduces its share capital or redeems any of its Shares,
- the Directors shall be entitled to effect such adjustments to the Share Award Price in respect of those Award Shares or Purchase Price in respect of those STIP Purchase Shares or LTIP Purchase Shares, as the Auditors, acting as experts and not as arbitrators, certify as being fair and reasonable in the circumstances and subject (where necessary) to the sanction of the court. If any determination is manifestly unjust, but the court exercises its general power, if any, to correct such determination, the parties shall be bound thereby.
- 20.2 Upon finalisation of the adjustment in terms of rule 20.1, the Auditors shall confirm to the JSE and the SEM, in writing, that such adjustment was made in accordance with the terms of the Plan.
- 20.3 If the Company is placed in liquidation otherwise than in terms of Rule 20.1.1:
- 20.3.1 the full amount owing by each Participant shall forthwith become due and payable, provided that the Directors may release a Participant from any balance owing by him to the Company;
  - 20.3.2 save as provided in Rule 20.3.1, the Incentive Plan shall *ipso facto lapse* as from the Date of Liquidation (which shall have the meaning contemplated in rule 20.4).
- 20.4 For purposes of rule 20.3.2, “**Date of Liquidation**” shall mean the date upon which any application (whether provisional or final) for the liquidation of the Company is lodged at the relevant court.

## 21. AMENDMENTS TO THESE RULES

- 21.1 These Rules may be amended from time to time by the Directors, but:
- 21.1.1 the terms or conditions of allotment of any Plan Shares may not be altered without such consent on the part of the Participants concerned (treated as a separate class) as would be required under the Company’s memorandum of incorporation for a variation or cancellation of the rights attached to those Shares;
  - 21.1.2 no amendment shall be made to these Rules, if the Company’s Shares are listed on the JSE and the SEM, without the prior approval of the JSE and the SEM, if so required in terms of the JSE Listings Requirements and the SEM Listing Rules respectively;

- 21.1.3 no amendment in respect of the following matters shall operate unless such amendment has been approved by Shareholders passing an ordinary resolution (requiring a 75% majority of the votes cast in favour of such resolution by all Shareholders present or represented by proxy at the general meeting to approve such resolution) which approval will exclude all the votes attaching to the Shares of the Participants under this Incentive Plan who will be impacted by the amendment:
- 21.1.3.1 the type of persons who may become Participants under the Incentive Plan;
  - 21.1.3.2 the voting, distribution, transfer and other rights (including those arising on the liquidation of the Company) attaching to Plan Shares;
  - 21.1.3.3 the total number of the Plan Shares which may be utilised for purposes of the Incentive Plan and the number of Plan Shares per Participant;
  - 21.1.3.4 the basis for determining the Share Award Price and the Purchase Price which shall be a fixed mechanism for all Participants under the Incentive Plan the procedure to be adopted on termination of employment or service contract or retirement of a Participant;
  - 21.1.3.5 the rights of Participants, should such Participants leave the employment of the Company whether by termination, resignation, retirement or death resulting in an early departure from the Plan;
  - 21.1.3.6 the dates on which payment of the Purchase Price, plus any interest which has accrued thereon, must be made by Participants in respect of Purchase Offers, both where credit is given and where credit is not given to such Participant in respect of such Purchase Offer;
  - 21.1.3.7 the procedures to be adopted in instances of mergers, takeovers or corporate actions; and
  - 21.1.3.8 the basis upon which Awards are made to Participants.
- 21.2 Notwithstanding the provisions of rule 21.1, but subject to the JSE Listings Requirements and the SEM Listing Rules, if it should become necessary or desirable by reason of the enactment of any new act or regulation at any time after the signing of these Rules, to amend the provisions of these Rules so as to preserve the substance of the provisions contained in these Rules but to amend the form so as to achieve the objectives embodied in these Rules in the best manner having regard to such new legislation and without prejudice to the Participants concerned, then the Directors may amend these Rules

## 22. DISPUTES

Any dispute arising under or in respect of this Plan shall be referred to the decision of the Auditor or other independent financial expert (insofar as the dispute is of a financial nature) (“**Financial Expert**”) or a practising commercial attorney of at least 15 years’ experience as such (“**Independent Attorney**”), who shall in each case act as an expert and not as an arbitrator and whose decision thereon shall be, save to the extent that it is manifestly unjust, final and binding on the parties to the dispute. The party to bear the costs payable in respect of any such dispute shall be as determined by the Financial Expert or the Independent Attorney, as the case may be.

## 23. ISSUE OF SHARES TO ANY PARTY

The Company shall, subject to the JSE Listings Requirements, SEM Listing Rules, where applicable, and the Companies Act, be entitled at any time to issue new Shares to any party, on such terms and conditions as the Directors may determine and such issue shall not give rise any action of whatsoever nature (including an action based on an alleged oppression or fraud on minority shareholders) on the part of the Participants (nor their representatives nor their successors-in-title).

## 24. TERMINATION OF INCENTIVE PLAN

The Plan shall terminate as soon as the Directors resolve that the Plan shall terminate, the Company has received payment in full of all amounts owed to it by the Participants which are recoverable and (if applicable) when the Company has discharged all its obligations to the Participants.