

# **Remgro Limited**

(Formerly: Rembrandt S.A. Limited)

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(Incorporated in the Republic of South Africa)

(Registration number 1968/006415/06)

(Share Code: REM) (ISIN Code: ZAE000026480)

## **THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

### **Action required**

1. If you are in any doubt as to the action you should take in relation to this circular, you should contact Computershare Custodial Services Limited on 086 110 0933.
2. If you have disposed of all your shares in Remgro Limited, please forward this document to the broker, banker or agent through whom you disposed of your shares.

**TRANSACTIONS ON THE JSE SECURITIES EXCHANGE SOUTH AFRICA ("JSE") IN THE SHARES OF REMGRO LIMITED MUST WITH EFFECT FROM 3 DECEMBER 2001 BE SETTLED ELECTRONICALLY THROUGH STRATE. SHAREHOLDERS ELECTING TO CONVERT CERTIFICATED SHARES TO UNCERTIFICATED FORM SHOULD SURRENDER THEIR SHARE CERTIFICATE(S) FOR CONVERSION TO UNCERTIFICATED SHARES. SHARE CERTIFICATES ISSUED BY REMGRO LIMITED WILL NO LONGER BE GOOD FOR DELIVERY FOR TRANSACTIONS ENTERED INTO ON THE JSE ON OR AFTER 3 DECEMBER 2001.**

### **Sponsor**



**RAND MERCHANT BANK**  
CORPORATE FINANCE  
A Division of FirstRand Bank Limited

### **Registrars**



Computershare Services Limited  
(Registration number 1958/003546/06)

### **Central Securities Depository Participant**



Computershare Custodial Services  
(Registration number 2000/006082/06)

### **Attorneys**



**Hofmeyr Herbstein & Gihwala Incorporated**  
Registration number 1997/001523/21

Date of issue: 14 September 2001

Dear Shareholder

## **CONVERSION OF CERTIFICATED SHARES OF REMGRO LIMITED (“Remgro” OR “the Company”) TO UNCERTIFICATED SHARES UNDER STRATE**

### **1. Introduction**

Shareholders were advised in the 2001 Remgro annual report that Monday 12 November 2001 had been set by the JSE as the date scheduled for Remgro to be officially transferred onto the new STRATE system of electronic settlement.

### **2. Background and objectives of STRATE**

STRATE is the electronic settlement and custody system which has been designed to achieve the electronic settlement of share transactions on the JSE. The aim of STRATE is to remove share certificates from the market place by converting certificated shares into uncertificated shares that are held in electronic form. This process is called dematerialisation. The conversion into uncertificated shares allows for the more efficient settlement of transactions on the JSE and reduces the occurrence of fraudulent transfers of shares.

The move into the STRATE environment will involve many fundamental changes from the current paper-based settlement system. One of your primary responsibilities, as part of your preparation for the move, will be the depositing of your share certificates with a Central Securities Depository Participant (“CSDP”) or with a qualifying broker.

Further important information regarding the move into the STRATE environment is contained in the document entitled “Essential Shareholder Facts” which is attached to this letter as Appendix A. This document has been compiled by STRATE to assist shareholders. You are requested to read this entire document carefully.

### **3. Important dates and times**

#### **3.1 Dematerialisation commencement date: Monday, 12 November 2001**

This is the date from which Remgro shareholders’ share certificates can be converted into electronic form in order to become eligible for settlement in the STRATE environment.

#### **3.2 First trade for electronic settlement: Monday, 3 December 2001**

This is the date from which all trades in Remgro shares on the JSE will be settled electronically. From this date Remgro shareholders will not be able to trade in their Remgro shares on the JSE unless their shares have been dematerialised.

#### **3.3 First electronic settlement: Monday, 10 December 2001**

On this date (T+5) the first electronic settlement of trades in Remgro shares will take place.

### **4. Dematerialisation of Remgro shares**

Shareholders who want to be in a position to trade in their shares on the JSE on Monday 3 December 2001 must surrender their share certificates by no later than 16:00 on 30 November 2001 for conversion to uncertificated shares. Should a shareholder transact in the shares subsequent to their surrender but prior to the first trading day for electronic settlement (being Monday 3 December 2001) the shares will have to be rematerialised in order to enable physical settlement. In these circumstances the shareholder must immediately advise his broker that the shares have been surrendered for validation and dematerialisation.

Shareholders wishing to dematerialise their shares are required to appoint either a CSDP or a qualifying broker to act on their behalf in respect of the dematerialisation of their shares. Your selected agent will then ensure that your shares are converted into electronic form and rendered eligible for settlement under STRATE.

**Shareholders may either make independent arrangements with a CSDP or a broker of their choice in the above regard or elect to adopt one of the options outlined below.**

## 5. Issuer-Sponsored Nominee Programme

Computershare Custodial Services Limited (“Computershare Custodial Services”), an associated company of Computershare Services Limited, Remgro’s current transfer secretaries, offers an **Issuer-Sponsored Nominee Programme** which is a service designed to create a simple and easy mechanism for shareholders to dematerialise their shares and to provide certain continuing advantages to shareholders who participate in the programme. The programme allows shareholders to transfer their shares to Computershare Nominees (Proprietary) Limited (“the Nominee”) which will hold and administer the shares at no cost to the shareholders. At the termination of the Dispossessed Members Fund, which fund is discussed in paragraph 9.3 below, Remgro will decide on whether to continue with the Issuer-Sponsored Nominee Programme or not. Should Remgro decide not to continue with the programme, Remgro shareholders will still be entitled to hold their Remgro shares through the Nominee.

The terms and conditions of the agreement that will come into existence between the Nominee and the Remgro shareholders who decide to participate in the programme are contained in Appendix B to this letter. It should be noted that Remgro is not a party to this agreement.

## 6. Registration in own name in Computershare Custodial Services Electronic Sub-Register

Shareholders who elect not to participate in the Issuer-Sponsored Nominee Programme may appoint Computershare Custodial Services as their CSDP with the express instruction that their uncertificated shares are to be registered in the electronic sub-register of shareholders in their own name. In terms of the custody mandate agreement to be entered into between Computershare Custodial Services and these shareholders, Computershare Custodial Services will become the custodian and electronic settlement agent for the shareholders and will also be responsible for maintaining the record of ownership on behalf of these shareholders. Shareholders will be liable for payment of any custody and settlement fees levied from time to time by Computershare Custodial Services – refer to Schedule A of the pink custody mandate form attached to this letter.

The terms and conditions of the custody mandate agreement are contained in Appendix D to this letter. It should again be noted that Remgro is not a party to this agreement.

## 7. Retention of share certificates

In the event that shareholders do not wish to trade in their shares on the JSE in the near future, they may continue to hold their share certificates and are not obliged to immediately dematerialise their shares. The disadvantages of continuing to hold shares in certificated form are set out in the note to paragraph 9.3 of this letter. **Shareholders may use the attached blue surrender form when surrendering shares for dematerialisation at any future date.**

## 8. Exchange Control

### 8.1 Non-residents

In accordance with the South African Exchange Control Regulations, share certificates, the electronic record either in the sub-register or in the memorandum account and share statements issued to shareholders shall in respect of shareholders whose addresses are outside the common monetary area, be endorsed “Non-resident”.

### 8.2 Emigrants

New share certificates issued pursuant to a request under paragraph 9.1(b) below based on an emigrant’s shares that are blocked in terms of the South African Exchange Control Regulations, as well as those issued pursuant to the use of blocked Rand, will be forwarded to the South African Authorised Dealer controlling such blocked assets for their control in terms of the South African Exchange Control Regulations. Such share certificates will be endorsed “Non-resident”.

**8.3** Notwithstanding anything to the contrary contained in this letter, non-residents and/or emigrant shareholders will not be able to participate in the Issuer-Sponsored Nominee Programme due to South African Exchange Control Regulations. However, Computershare Custodial Services is able to provide them with an own name service as indicated in paragraph 6 and in the attached custody mandate and surrender and transfer forms.

## 9. Action required from shareholders

### 9.1 Action required from shareholders electing to participate in the Issuer-Sponsored Nominee Programme

Shareholders electing to participate in the Issuer-Sponsored Nominee Programme must, in completing and signing the attached blue surrender form, tick the first box in Part B of the form, and must complete and sign the attached pink custody mandate form.

**Note:** A shareholder may withdraw from the programme at any time by:

- (a) selling the shares held on behalf of the shareholder by the Nominee;
- (b) making a written request to Computershare Custodial Services to convert the uncertificated shares to certificated shares and paying the applicable fees charged by the CSDP and/or STRATE; or
- (c) transferring the shares to another CSDP or qualifying broker appointed by the shareholder.

### 9.2 Action required from shareholders electing not to participate in the Issuer-Sponsored Nominee Programme but appointing Computershare Custodial Services as their CSDP and requiring their uncertificated shares to be registered in the sub-register of shareholders in their own name

Shareholders electing to utilise the own-name registration procedure must, in completing and signing the attached blue surrender form, tick the second block in Part B of the form and complete and sign the attached pink custody mandate form.

**SHAREHOLDERS SHOULD SURRENDER THEIR SHARE CERTIFICATE(S) BY NO LATER THAN 16:00 ON FRIDAY, 30 NOVEMBER 2001. FAILURE TO DO SO WILL RESULT IN THEIR SHARES NO LONGER BEING GOOD FOR DELIVERY IN RESPECT OF TRANSACTIONS ENTERED INTO ON THE JSE ON OR AFTER MONDAY, 3 DECEMBER 2001.**

Shareholders electing to participate in the Issuer-Sponsored Nominee Programme or electing to have their uncertificated shares registered in the sub-register of shareholders in their own name will receive statements twice a year from Computershare Custodial Services in accordance with the Companies Act. These statements will reflect their shareholding and any movements therein.

### 9.3 Action by shareholders electing to retain shares in certificated form

Shareholders electing to retain their Remgro share certificates and not to dematerialise their shares immediately must note that the Dispossessed Members Fund, which has been created by STRATE to protect qualifying shareholders who are unable to vindicate their ownership rights in the event of tainted scrip being inadvertently dematerialised, expires and will cease to provide protection from the end of September 2002.

Shareholders who do not surrender their Remgro share certificates will continue to appear on the certificated shareholders' register and continue to receive all dividends, company announcements and quarterly and annual reports from the transfer secretaries.

Shareholders who do not surrender share certificates for dematerialisation before Friday, 30 November 2001 will in any event be required to surrender such certificates for dematerialisation:

- should the shareholder at any time wish to trade in his/her shares on the JSE; or
- if required to do so by law.

**Note:** The disadvantages of continuing to hold shares in certificated form:

- the current risks associated with holding shares in certificated form, including the risk of loss or tainted scrip, remain;
- at the point at which a shareholder wishes in the future to transact in his/her shares on the JSE, he/she will first be required to appoint a CSDP or a qualifying broker to dematerialise the shares prior to a broker being able to carry out any instruction to sell the shares. A shareholder will have no right of recourse in the event of share price variations occurring during the validation process or the dematerialisation of the shares by a CSDP;
- the Dispossessed Members Fund is not intended to continue in operation beyond September 2002.

**Shareholders are accordingly advised that dematerialising their shares immediately, but in any event prior to the closure of the Dispossessed Members Fund, will best protect their rights.**

**10. Additional information and support**

Shareholders requiring additional information or assistance may contact the Computershare Custodial Services help line on 086 110 0933.

Yours faithfully

A handwritten signature in black ink, appearing to read 'J C Engelbrecht', written in a cursive style.

J C Engelbrecht  
*Secretary*

## ESSENTIAL SHAREHOLDER FACTS

### What is STRATE?

STRATE is the approved Central Securities Depository (CSD) for equities in South Africa in terms of the Custody and Administration of Securities Act (1992). STRATE is also an electronic settlement system which is changing the face of the South African securities industry. STRATE achieves secure, electronic settlement of share transactions on the JSE and for off-market trades. The STRATE initiative is facilitated by the submission of share certificates to a custodian bank or JSE Member Firm (hereafter referred to as 'broker') for conversion into an electronic record. This process is referred to as 'dematerialisation'.

### Why the need for STRATE?

The successful introduction of the Johannesburg Equity Trading (JET) system highlighted the deficiencies in the JSE's paper-based settlement system. The replacement of the open trading floor in favour of the computer based JET system has contributed to a massive leap in turnover. Back-office support services are incapable of handling efficiently this increase in daily transactions in a paper-based environment.

The JSE presently finds itself at the bottom of the ratings of settlement risk amongst emerging markets and suffers under the burden of this image at international level. The transition to an efficient settlement system will undoubtedly increase market activity and will certainly improve the international perception of the South African market by reducing settlement and operational risk in the market. This will also increase efficiency and ultimately reduce costs. As a result of increasing investor appeal, STRATE will allow South Africa to compete effectively with other international markets, and not just those of emerging countries.

### STRATE addresses the Dematerialisation Process

#### What is dematerialisation?

Dematerialisation is simply a technical term referring to the process whereby paper share certificates are replaced with electronic records of ownership. Investors will need to hand in their certificates which will then be sent to the relevant transfer secretary for validation. Once the authenticity of the certificate has been verified, the actual conversion process begins.

#### To whom must I submit my share certificates for conversion to an electronic record of ownership?

Investors may hand their share certificates in to either a CSDP or a broker for conversion into an electronic record.

### What is a CSDP?

CSDP stands for Central Securities Depository Participant. They are the only market players who can liaise directly with STRATE. Most of the current CSDPs are banks. In order to qualify for this status, they had to fulfil the entry criteria set out by STRATE Ltd and approved by the Financial Services Board. The following are the contact details of the current CSDPs:

1. **ABSA** – Les Turnock  
Phone: (011) 377 3009
2. **Citibank** – Donna Oosthuysen  
Phone: (011) 280 2274
3. **First National Bank** – Veronica Tzovaras  
Phone: (011) 352 1606
4. **Mercantile Bank** – David Abrahams  
Phone: (011) 370 5797
5. **Nedbank**- SCS Private Clients  
Phone: (011) 710 1731
6. **Société Générale** – Ernest Roodt  
Phone: (011) 488 2650
7. **Standard Bank** – Brokerlink  
Phone: (011) 0860 121 161
8. **Computershare** – Jolanda Cloete  
Phone: 0861 100 933

### When must I deposit my share certificates into the STRATE environment?

When the listed company in which you hold shares is selected to move to STRATE, a date applicable to this company will be published in various national newspapers. This is the date on which investors should submit their paper certificates to their selected CSDP or broker who will ensure that they are validated and converted into an electronic record.

### Will all listed companies move to STRATE at the same time?

No, a schedule has been compiled and circulated to all listed companies. After testing the system with selected stocks in 1999 and 2000, STRATE started to transfer other listed companies to the electronic environment in March 2001 and will continue steadily until December 2001 – at which time STRATE hopes to have the JSE transactions of all listed shares settled electronically.

### Can I hand in the certificates of all my different holdings at once?

Yes, you may submit all your certificates at once to your selected CSDP or broker. However, your selected agent will charge you a safe custody fee. This is because he will have to keep your certificates in safe custody until such time as the company in which you hold shares moves into the STRATE environment. Only then can your agent submit your certificates to the relevant transfer secretary for validation and ultimate conversion into an electronic record.

### **What evidence will I receive of having submitted my certificates to a CSDP or broker?**

When you submit your certificates to your CSDP or broker, you will receive a receipt as proof of ownership. Once the certificates have been deposited into the STRATE environment in electronic form, you will start to receive statements on your share account at least twice a year.

### **How long will the conversion process take?**

The conversion into an electronic record generally takes a few days. However, depending on the volume of certificates to be processed by the transfer secretary, it may take up to ten days. It is also worth remembering that if your certificates were not suitably registered in the first place, a delay may be caused.

### **Can I trade during those few days it takes for my share certificates to be converted?**

If transactions in the shares of the company in which you are invested are already being settled electronically, then you will not be able to trade while your certificates are being converted. Shares must exist electronically before you can sell them. This is why it is advisable to submit your shares to your CSDP/Broker of your choice on or as soon as possible after the designated starting date to avoid any trading delays.

### **What are the options regarding the selection of an agent – CSDP/Broker – to settle on my behalf in the STRATE environment?**

Under the STRATE system, there are essentially two types of clients: **controlled** and **non-controlled**.

A **controlled broker client** is one who elects to keep his/her shares and cash in the custody of his/her broker and therefore indirectly at the broker's chosen CSDP. Because CSDPs are the only market players who liaise directly with STRATE, all brokers must have accounts with CSDPs and communicate electronically with them using an international network called S.W.I.F.T (Society for Worldwide Inter-bank Financial Telecommunications).

A controlled client deals directly and exclusively with his/her broker from whom he/she receives a regular share statement. For those who already have a relationship with a broker, it is recommended that they verify whether their client mandate has been updated in order to render it valid for settlement in the STRATE environment.

A **non-controlled broker client** is one who appoints his/her own CSDP to act on his/her behalf. The investor surrenders his/her certificates and opens an account with his/her selected CSDP while dealing with his/her broker only when he/she wants to trade. He/she would have to provide his/her broker with the details of his/her share account at the CSDP when trading. A non-controlled client receives share statements directly from the CSDP.

### **Must I complete an application form/contract with my selected agent?**

Once you have decided in which category of client you would like to be, you should approach your selected CSDP or broker. You will be required to complete a client mandate which will allow you to define more closely the kind of relationship you prefer with your agent. When you open your account, the CSDP or broker will record all share information as well as any pertinent personal details in electronic format within STRATE Ltd.

### **How do I ensure that my agent does not take full control over my portfolio?**

It is advisable to define, by means of your mandate, the level of control your CSDP/Broker has over your portfolio. Certain shareholders may wish to empower their agents to trade, make corporate action decisions etc. on their behalf. This is known as discretionary control. Other shareholders may elect to remain in complete control of their portfolios. They would be classified as non-discretionary clients. Issues such as these should be discussed with your CSDP/Broker and recorded in your mandate.

### **Will I still be able to register my shares in my own name or will my selected agent insist on registering my shares in his nominee name?**

Brokers are obliged to register clients' shares in their nominee name. Of the eight CSDPs, only Mercantile and Computershare have thus far announced that they will offer 'own-name registration'. All other CSDPs have indicated that they will register shares in their nominee names.

### **What are the main differences between own name registration and nominee registration?**

We have tabulated the main differences between these two methods of registration for your information.

<b>Own name</b>	<b>Nominee</b>
Shareholder is the registered owner.	Nominee becomes registered owner.
Shareholder's name appears in the sub-register at CSDP level.	Beneficial owner's name lies behind a nominee which appears in the sub-register at CSDP level.
Shareholder registered in own-name is entitled to receive financial statements and notices from the Issuer.	Beneficial owners registered in a nominee must tick the appropriate box in their broker/CSDP mandate in order to receive financial statements and notices from the Issuer.
Shareholders do not have to pay for their statements. The CSDP will recover this cost from the Issuer in terms of the Companies Act.	Beneficial owners registered in a nominee pay for their statements indirectly as part of a broader custodial service fee.

<b>Own name</b>	<b>Nominee</b>
Own-name shareholders may appoint a proxy to vote on their behalf.	Beneficial owners registered in a nominee will require to be appointed as a proxy by the nominee if they wish to vote.

STRATE's contact details are as follows if you have any queries:

**Toll free Infoline:** 0800 004 727  
**Reception:** (011) 520-7700  
**Fax:** (011) 520-8600  
**E-mail:** Liaisondesk@strate.co.za  
**URL:** www.strate.co.za

**If my agent registers my holdings in a nominee name, will I cease to receive information from the companies in which I hold shares?**

The revised JSE listing requirements dictate that Issuers are obliged to distribute company information to all beneficial shareholders who wish to receive it, irrespective of how their shares are registered.

**If I decide to register my shares in the nominee name of my broker, what guarantees do I have of the broker's integrity?**

The JSE recently established a set of criteria with which brokers had to comply in order to be eligible to hold nominee registers in the STRATE environment. These entry criteria include factors such as internal controls and capital adequacy requirements. This should give investors peace of mind that the brokers holding their assets are indeed viable financial institutions. (Those brokers who did not meet the entry criteria, will be obliged to outsource this function either to an approved settlement agent or to another broker that meets the entry criteria set by the JSE.)

**How will I receive my dividends under the new system?**

Dividends will be transferred electronically into your CSDP/Broker account on the due date or a cheque will be posted to you.

**The Dispossessed Members Fund**

Tainted scrip is an inherent problem in a paper-based settlement world. It typically arises when genuine share certificates are lost or stolen and shares are traded with forged transfer documents.

Although under the electronic STRATE system, tainted scrip will be eliminated, certain shareholders may be advised at the time of dematerialisation that the shares to which they lay claim have already been converted into electronic form. STRATE has taken the responsibility of preparing the market to deal with this potential problem. Dispossessed shareholders will need to be compensated for the failure of the market players to ensure the safe maintenance of their legal title in the paper-based environment.

The solution comes in the form of a fund whose objective it is to provide quick, efficient compensation to bona fide dispossessed members in a dematerialised environment.

The Dispossessed Members Fund expires in September 2002. For this reason, shareholders are encouraged to bring their certificates to their CSDP or broker as soon as possible in order to be eligible for protection under the fund.





Computershare Custodial Services Limited  
(Registration number 2000/006082/06)

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## STANDARD TERMS AND CONDITIONS FOR HOLDING OF SHARES UNDER AN ISSUER-SPONSORED NOMINEE PROGRAMME ADMINISTERED BY COMPUTERSHARE CUSTODIAL SERVICES LIMITED

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### 1. INTERPRETATION

- 1.1 Unless otherwise expressly stated, or the context otherwise requires, words and expressions shall, when used in these terms and conditions, bear the following meanings:
- “the Act” means the Companies Act (Act 61 of 1973) as amended;
- “the Company” means a Company who has entered into an agreement with Computershare Custodial Services to administer an issuer-sponsored nominee programme and in respect of which Computershare Custodial Services offers the issuer-sponsored nominee service;
- “Computershare Custodial Services” means Computershare Custodial Services Limited (Registration number 2000/006082/06), a registered depository institution within the provisions of the Custody Act, being the custodian of the shares in the Company registered in the name of the Nominee under the Issuer-Sponsored Nominee Programme;
- “CSDP” Central Securities Depository Participant;
- “Custody Act” means the Custody and Administration of Securities Act (Act 85 of 1992);
- “Issuer-Sponsored Nominee Programme” means the programme initiated by Computershare Custodial Services to appoint the nominee to hold shares on behalf of shareholders in accordance with these terms and conditions, in order to facilitate the conversion of certificated shares into uncertificated form in terms of section 91A of the Act;
- “the JSE” the JSE Securities Exchange South Africa;
- “the Nominee” means Computershare Nominees (Pty) Limited (Registration number 1999/008543/07), a wholly-owned subsidiary of Computershare Custodial Services, appointed as the Issuer-Sponsored Nominee to carry on the business of a nominee company by taking title of assets on behalf of shareholders, holding such assets in trust and safe custody on their behalf, and otherwise only dealing with such assets as may be instructed by such shareholder;
- “share statement(s)” means statements as contemplated by section 91A(3)(f) of the Act reflecting electronic records of ownership of uncertificated shares held in custody by Computershare Custodial Services on behalf of the Nominee;
- “shareholders” means the registered holders of the shares in the Company who elected to participate in the Issuer-Sponsored Nominee Programme;
- “shares” means securities as defined in the Stock Exchanges Control Act, 1985, issued by the Company;
- “South Africa” the Republic of South Africa;
- “STRATE” Share Transactions Totally Electronic, a clearing and settlement environment for share transactions to be settled and transfer of ownership to be recorded electronically, managed by STRATE Limited (Registration number 1998/022242/06), a registered central securities depository in terms of the Custody Act;
- “terms and conditions” means these standard terms and conditions relating to shares registered under any Issuer-Sponsored Nominee Programme administered by Computershare Custodial Services.
- 1.2 When any number of days is prescribed such number shall exclude the first and include the last day unless the last day falls on a Saturday, Sunday, or a public holiday in South Africa, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or a public holiday in South Africa.

### 2. THE ISSUER-SPONSORED NOMINEE PROGRAMME

- 2.1 The Issuer-Sponsored Nominee Programme has been established for the sole purpose of holding shares in the Company on behalf of shareholders.
- 2.2 These terms and conditions are intended to regulate the relationship between the Nominee and the shareholders.
- 2.3 Shareholders who surrender certificated shares to Computershare Custodial Services with instructions to hold such shares in the Issuer-Sponsored nominee programme shall be deemed by surrendering such share certificates to agree that these terms and conditions bind the shareholder and the Nominee.

### 3. OWNERSHIP OF SHARES

- 3.1 The Nominee will appear on the Company’s shareholder register as the holder of the shareholder’s shares.
- 3.2 The Nominee will keep a separate register showing how many shares it holds on behalf of the shareholder.
- 3.3 If two or more persons hold shares in the Company jointly, these terms and conditions shall bind these shareholders jointly and severally and an instruction in respect of their jointly held shares shall only be valid if authorised by all these shareholders.
- 3.4 The Nominee will not recognise any right claimed by a trust or any other right in respect of shares, unless such right is reflected in its registers.
- 3.5 If a shareholder wishes to give any instruction in relation to his shares, such instruction must be in the Nominee’s prescribed format, which format shall be made known to the shareholder by the Nominee from time to time.
- 3.6 In respect of any instruction received, the Nominee may require the shareholder to prove that he has the necessary authority to give such an instruction. The Nominee shall not be obliged to carry out the instruction until the shareholder has furnished the required proof.
- 3.7 The Nominee shall not be obliged to take any action in terms of these terms and conditions which in its sole and absolute discretion is or may be contrary to any law, regulation or rule, which rule it is obliged to comply with, or which is or may be contrary to its articles of association.

### 4. DIVIDENDS

- 4.1 The Nominee will pay all dividends received on behalf of the shareholder from the Company into the bank account advised to the Nominee from time to time as his settlement account.

4.2 If the Company gives its shareholders the option to receive dividends either in the form of cash or in the form of additional shares, the Nominee will notify the shareholder of such an option, and request instructions. If no instructions are received from the shareholder, the Nominee will elect the default option and in the case of shares being the default, the Nominee will receive the shares and hold the shares on behalf of the shareholder, in accordance with these terms and conditions.

4.3 Where applicable, exchange control legislation and regulations will require dividend payments to be made to an appropriate "blocked account".

## **5. ISSUE OF NEW SHARES AND OTHER OFFERS**

5.1 If the Company's shareholders become entitled to additional shares, which shares are to be issued without payment, the Nominee will receive the shares and hold the shares on behalf of the shareholder, in accordance with these terms and conditions.

5.2 If the Company's shareholders become entitled to purchase additional shares, the Nominee will notify the shareholder of the new share issue and request instructions as to whether the shareholder wishes the Nominee to exercise the option on behalf of the shareholder or not. Alternatively a shareholder may require the Nominee to assign the option to the shareholder. The Nominee will hold any shares purchased by the shareholder, unless the shareholder instructs otherwise. The shareholder will be required to make arrangements for the necessary payment in cleared funds in order for the Nominee to exercise the option or rights on the shareholder's behalf.

5.3 If any offer relevant to the Company's shareholders is made, the Nominee will advise the shareholder of the offer and of the courses of action available to the shareholder and will request instructions.

5.4 Where any other rights are offered in connection with the shares, the Nominee will take all reasonable steps to ensure that the shareholder receives, as far as is practically possible, the same rights he would have received, had the shareholder held the shares in his own name.

5.5 If after acting for the shareholder and any other of the Company's shareholders, in accordance with these terms and conditions, the Nominee is left with fractions of shares, they may add these fractions together, sell them and keep the proceeds to set off against its operating expenses.

5.6 If the Nominee is required to give warranties or to enter into any other agreement before acting for the shareholder under these terms and conditions, the Nominee may require the shareholder to give similar warranties or to enter into similar agreements with it, before it agrees to act on behalf of the shareholder.

5.7 Where the shareholder is asked to give instructions and he fails to do so, or fails to give the required instructions in time, the Nominee will not take any action on behalf of the shareholder.

## **6. INFORMATION**

6.1 The Nominee will arrange for the Company to send the shareholder the same information it sends to all its shareholders holding shares in certificated form.

6.2 The Nominee will send the shareholder a regular share statement in accordance with the guidelines promulgated from time to time in regulations under the Companies Act (Act 61 of 1973), but at least twice per annum, showing the number of shares it holds on behalf of the shareholder, provided that the Nominee may send any regular statement together with the statement advising the payment of any dividend.

6.3 The Nominee will send the shareholder a statement reflecting the amended number of shares it holds on behalf of the shareholder following every purchase or sale of shares by the shareholder.

## **7. VOTING AT SHAREHOLDER MEETINGS**

7.1 The Nominee will send the shareholder information about the Company's shareholder meetings and a form on which the shareholder can note his voting instructions or indicate his preference to attend and speak at the meeting on his own behalf.

7.2 The Nominee will vote at the Company's shareholders meeting in accordance with the shareholder's instructions. If a shareholder does not give any instructions or does not give instructions in time, the Nominee will not vote on behalf of the shareholder.

7.3 A shareholder may attend and speak at any of the Company's shareholder meetings as a proxy of the Nominee, provided that the shareholder provides the Nominee with a written request to this effect in order for the Nominee to prepare the necessary letter of representation in favour of the shareholder.

## **8. LEAVING THE ISSUER-SPONSORED NOMINEE**

8.1 If a shareholder at any time no longer wishes his shares to be held by the Nominee, the shareholder may either ask to receive a share certificate in respect of the shares held or may request that his shares be transferred to another uncertificated securities account in either his own name at Computershare Custodial Services or at another CSDP or stockbroker.

8.2 In the event that the Nominee decides to terminate the Issuer-Sponsored Nominee Programme, the Nominee will arrange for the shares to be transferred into the name of the shareholder at the CSDP and may if so requested in writing by the shareholder deliver a share certificate in certificated form to the shareholder free of charge, provided that any charge levied by STRATE shall be paid by the shareholder.

8.3 All share certificates either requested by a shareholder or issued as a consequence of the termination of the Nominee's services, will be sent within 21 days of such request or issue, to the shareholder's address as set out in the sub-register maintained by the Nominee.

8.4 In respect of any request by a shareholder for share certificates the shareholder will be issued with the first share certificate free of charge, save that any charge levied by STRATE shall at all times be for the shareholder's own account. Thereafter the Nominee reserves the right to charge the shareholder for any subsequent share certificates issued.

## **9. CHARGES**

9.1 Shareholders will initially not be charged for any service provided under the issuer-sponsored nominee programme. The Nominee, however, reserves the right to introduce a charge at any time for particular services. The imposition of such a fee will not be done without first giving the shareholder notice and the option to withdraw from the Nominee without charge within thirty days of receiving the notice.

9.2 The Nominee reserves the right to charge a fee if the shares are withdrawn from the Nominee in circumstances other than those referred to in clause 8.1.

9.3 The shareholder will be obliged to pay any Value Added Tax and/or any other taxes due in respect of the services provided to the shareholder.

## **10. FAILURE TO TRACE**

10.1 Subject to the articles of association of the Company, if on two or more occasions the Nominee:

10.1.1 has sent documents to the shareholder's registered address and such documents have been returned;

10.1.2 has sent dividend cheques or made any electronic payment and such cheques or payments have either been returned, have not been presented for payment or remain unpaid;

the Nominee shall, after having made reasonable enquiries to establish the shareholder's current address, not be required to send the shareholder any further documentation or dividend cheques until the shareholder has notified the Nominee of his new address.

## **11. VARIATION AND ENFORCEMENT**

11.1 The Nominee may, on notice to the shareholder, change these terms and conditions. Such change shall take effect 14 days after despatch of the notice, unless the shareholder gives written notice within the 14 day period that the change is unacceptable, in which event the shareholder will be sent a share certificate recording that the shares held by the Nominee on behalf of the shareholder have been transferred into the shareholder's own name in the register of shareholders.

11.2 If the Nominee does not or cannot enforce any of these terms and conditions, this will not affect its right to enforce any other term or condition of this Agreement or to enforce the same term on another occasion.

## **12. OTHER TERMS AND CONDITIONS**

12.1 Any shareholder may apply to have their shares held by the Nominee in terms of the issuer-sponsored nominee programme. The Nominee may, in its absolute discretion, refuse to accept any application to hold shares in the Company on behalf of the shareholder.

12.2 The Nominee can employ agents on such terms as it deems fit and may delegate any discretion it may have under these terms and conditions to the agent, to the extent that such delegation is permitted by law or regulation.

12.3 The Nominee may, as a consequence of these terms and conditions, disclose information about the shareholder:

12.3.1 to each other or to their agents for the purposes of these terms and conditions; or

12.3.2 where such disclosure is required by law or regulation.

12.4 All cheques, share certificates, statements and other documents sent to the shareholder under these terms and conditions, are sent at the shareholder's own risk.

12.5 All payments to the shareholder under these terms and conditions will be made after making such deductions or withholdings as are required by law or are necessary to meet any liability of the Company or the Nominee arising out of the holding of the shares by the Nominee.

12.6 The shareholder is responsible for obtaining all approvals that are necessary for the shareholder to hold his shares in, or to transfer them out of the Nominee. If there is any inconsistency between the shareholder's rights under these terms and conditions and his rights in terms of the Company's articles of association, the provisions of the articles of association will prevail.

12.7 The Nominee will not be liable to the shareholder for any loss or liability, whether direct or consequential, and the shareholder hereby indemnifies the Nominee and its respective agents, against any loss or liability suffered or incurred as a result of:

12.7.1 acting on the shareholder's instructions;

12.7.2 the failure of the shareholder to give instructions;

12.7.3 late instructions from the shareholder;

12.7.4 the Nominee following the terms of these terms and conditions;

12.7.5 the Nominee or any person acting on behalf of the shareholder, being unable to perform any of the services under these terms and conditions due to circumstances beyond its reasonable control.

12.8 These terms and conditions and all obligations thereunder are binding on all successors, executors, administrators and other legal representatives.

## **13. NOTICES**

13.1 Each party chooses as its address for all purposes under these terms and conditions ("chosen address"), whether for serving any court process or documents, giving any notice, or making any other communications of whatsoever nature and for any other purpose arising from these terms and conditions ("notice"), as follows:

The Nominee 3rd Floor, Edura, 41 Fox Street, Johannesburg, 2001;

The shareholder the address from time to time registered in the share register of the Company maintained by the Nominee.

13.2 Any notice required or permitted under these terms and conditions shall be valid and effective only if in writing.

13.3 Any party may by notice to the other party change its chosen address to another physical address in South Africa and such change shall take effect on the seventh day after the date of receipt by the party who last receives the notice.

13.4 Any notice to a party contained in a correctly addressed envelope and:

13.4.1 sent by prepaid registered post to it at its chosen address; or

13.4.2 delivered by hand to a responsible person during ordinary business hours at its chosen address,

shall be deemed to have been received, in the case of 13.4.1, on the seventh business day after posting (unless the contrary is proved) and, in the case of 13.4.2, on the date of delivery.

13.5 Notwithstanding anything to the contrary herein, a written notice actually received by a party, including a notice sent by telefax ("the first notice"), shall be an adequate notice to it notwithstanding that it was not sent or delivered to its chosen address, provided that, within the next three succeeding business days, a copy of the first notice is delivered to the chosen address, accompanied by a notice giving the following particulars:

13.5.1 where the first notice was sent by telefax, the date and time of despatch and the telefax number to which it was sent; and

13.5.2 where the first notice was delivered in a manner other than by telefax, the manner of delivery, the date on which it was delivered, the person by whom it was received and where it was received.

## **14. GENERAL**

14.1 These terms and conditions constitute the sole record of the agreement between the parties with regard to the subject matter hereof. No party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded in these terms and conditions.

14.2 No addition to, variation of, or agreed cancellation of, these terms and conditions shall be of any force or effect unless in writing.

14.3 No relaxation or indulgence which any party may grant to any other shall constitute a waiver of the rights of that party and shall not preclude that party from exercising any rights which may have arisen in the past or which might arise in future.

14.4 Any provision of these terms and conditions which contemplates performance or observance subsequent to any termination or expiration of these terms and conditions shall survive any termination or expiration of these terms and conditions and continue in full force and effect.

14.5 Unless expressly provided as being in the sole discretion of a party, where approval, acceptance, consent or similar action by a party is required under these terms and conditions, such action shall not be unreasonably delayed or withheld. An approval or consent given by a party under these terms and conditions shall only be valid if in writing and shall not relieve the other party from responsibility for complying with the requirements of these terms and conditions nor shall it be construed as a waiver of any rights under these terms and conditions except as and to the extent otherwise expressly provided in such approval or consent, or elsewhere in these terms and conditions.

# Remgro Limited

(Formerly: Rembrandt S.A. Limited)

Carpe Diem Office Park, Quantum Street, Techno Park, Stellenbosch, 7600 · P O Box 456, Cape Town, 8000  
 Telephone: (021) 888 3300 · Telefax: (021) 888 3399  
 (Incorporated in the Republic of South Africa)  
 (Registration number 1968/006415/06)  
 (Share Code: REM) (ISIN Code: ZAE000026480)

## SURRENDER AND TRANSFER FORM

For use by shareholders of Remgro Limited to dematerialise Remgro shares under STRATE

### COMPLETION OF THE SURRENDER FORM

1. Shareholders who wish to participate in the Issuer-Sponsored Nominee Programme or to hold uncertificated shares in their own name are required to surrender their share certificate(s) and/or other documents of title in respect of all their Remgro shares by completing Section A of this surrender form and sending this surrender form, together with all their share certificate(s) and/or other documents of title, to the Company's transfer secretaries, namely: Computershare Services Limited, 2nd Floor, Edura, 41 Fox Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107).
2. Shareholders should, after reading, understanding and agreeing to be bound by the terms and conditions detailed in Appendix B to the letter addressed to shareholders, complete Section B of this surrender form to clearly indicate their instruction as to the registration of their uncertificated shares under either the Issuer-Sponsored Nominee Programme or in their own name. Shareholders who have not yet appointed Computershare Custodial Services as their CSDP must also complete and return the enclosed pink custody mandate form. Shareholders whose particulars appear more than once in the register of members must note that their holdings will be consolidated under the Issuer-Sponsored Nominee Programme and in the case of own name registrations by using their identity numbers.
3. Shareholders who have received more than one copy of this circular are probably holding more than one shareholding in the register of members of Remgro. If they do not wish to utilise the Issuer-Sponsored Nominee Programme or the own name registrations, they can still send their share certificates to Computershare Services Limited for consolidation. Please complete Section A, tick the 3rd box of Section B and sign Section C. Once the holdings have been consolidated, a single share certificate will be mailed to shareholders, at their own risk, by registered mail, or it may be made available for collection at the offices of Computershare Services, provided that Computershare Services has received a written request to that effect within 7 days of the date on which they received this form.

**SHAREHOLDERS SHOULD SURRENDER THEIR SHARE CERTIFICATE(S) BY NO LATER THAN 16:00 ON 30 NOVEMBER 2001. FAILURE TO DO SO WILL RESULT IN THEIR SHARES BEING NO LONGER GOOD FOR DELIVERY IN RESPECT OF TRANSACTIONS ENTERED INTO ON THE JSE SECURITIES EXCHANGE SOUTH AFRICA ON OR AFTER 3 DECEMBER 2001.**

#### A. PLEASE COMPLETE THE FOLLOWING IN BLOCK LETTERS:

Dear Sirs,

I/We hereby surrender the undermentioned Remgro Limited share certificate(s) and/or documents of title:

Surname

--

First Names (in full) (if applicable)

--

Title (Mr, Mrs, Ms, Dr, Prof, etc.)

Personal ID of registered holder: **(NB: please attach certified copy of ID document (registration certificate))**

--

--

Address to which share statement(s) should be sent (preferably PO Box address)


Contact telephone number during office hours

Contact facsimile number during office hours

E-mail address

**Please note that all the above information is essential for the process, and the surrender form will be rejected should this information not be completed in full and accompanied by a certified copy of an ID document or company/CC registration certificate or bears the stamp of a registered broker or custodian bank.**

Share certificate(s) or other documents of title surrendered:

Share certificate number(s)	Name of registered holder(s)	Number of shares

**B. PLEASE INITIAL THE APPROPRIATE INSTRUCTION:**

I agree to hold my shares under the Issuer-Sponsored Nominee Programme detailed in the Company circular dated 14 September 2001. I consent to my shares being transferred to Computershare Nominees (Pty) Ltd to be held on my behalf under the Issuer-Sponsored Nominee Programme. I further appoint Computershare Custodial Services as my CSDP and accordingly instruct that my validated certificated shares be dematerialised. **Please note that this option is only available to private investors who are not non-residents or emigrants for purposes of the South African Exchange Control Regulations.**

I do not wish to hold my uncertificated shares in the Nominee and wish to hold my uncertificated shares in my own name in the sub-register maintained by Computershare Custodial Services Ltd. I appoint Computershare Custodial Services as my CSDP and accordingly instruct that my validated certificated shares be dematerialised and recorded electronically in my own name. **Please note that shareholders who select this option must furnish Computershare Custodial Services Ltd with the name and contact numbers of their stockbroker.**

I do not wish to utilise the Issuer-Sponsored Nominee Programme or the own name registration option but do wish to have my multiple holdings consolidated on the register of members of Remgro.

**C. PLEASE COMPLETE THE FOLLOWING:**

I have read and understood the terms and conditions detailed in Appendix B to the circular dated 14 September 2001, to which this surrender and share transfer form is attached, and constitutes part, and agree thereto.

Signed at .....on this the .....day of .....2001

.....  
Investor

.....  
Custodian and/or Nominee

**Note:**

- Shareholders will receive share statement(s) reflecting the share certificate(s) surrendered to and validated by Computershare Services and thereafter dematerialised by Computershare Custodial Services, posted to them by ordinary post, within 7 (seven) business days of receiving the share certificate(s).
- WHERE SHARES ARE SURRENDERED FOR VALIDATION AND DEMATERIALISATION, PLEASE REMEMBER TO ALSO COMPLETE AND RETURN THE ENCLOSED PINK CUSTODY MANDATE FORM.**



Computershare Custodial Services

CUSTODY AND SETTLEMENT AGREEMENT FOR A PRIVATE INVESTOR

A. PERSONAL DETAILS

Surname (hereinafter referred to as "the Client")

[Grid for Surname]

Title (Mr/Mrs/Ms/Dr/Prof)

[Grid for Title]

First name(s) in full

[Grid for First name(s) in full]

Identity number/Passport number (Enclose a certified copy)

[Grid for Identity number/Passport number]

Postal address

[Grid for Postal address]

Physical address

[Grid for Physical address]

Postal code

[Grid for Postal code]

Postal code

[Grid for Postal code]

Telephone: Home

[Grid for Telephone: Home]

Telephone: Office hours

[Grid for Telephone: Office hours]

Facsimile contact number:

[Grid for Facsimile contact number]

E-mail address:

[Grid for E-mail address]

B. BANKING DETAILS

Bank

[Grid for Bank]

Branch

[Grid for Branch]

Branch Code

[Grid for Branch Code]

Account number

[Grid for Account number]

Type of account (Current/Savings)

[Grid for Type of account]

C. ISSUER COMMUNICATION SELECTION

- I wish to receive an annual report for securities maintained in terms of this custody mandate.
I do not wish to receive an annual report for securities maintained in terms of this custody mandate.
If available, I wish to receive annual reports and other documentation in electronic format.

D. CUSTODY SERVICE SELECTION

Kindly initial the instruction as to the custody service to be rendered:

- Securities held on my behalf to be registered in the Issuer-sponsored Nominee Programme offered by any issuer and administered by Computershare.
Securities to be registered in my own name in any electronic sub-register maintained by Computershare Custodial Services, using the Own Name Custody Service.
Securities held in custody on my behalf should be registered in the name of Computershare Nominees (Pty) Ltd in the Computershare Nominee Service.

I/We, the undersigned person(s) indicated in Part A above have read this entire agreement, inclusive of the terms and conditions contained on pages 2 to 3 overleaf and agree to be bound thereby.

Dated at.....this.....day of.....2001

Signature

On behalf of Computershare Custodial Services Limited and/or Computershare Nominees (Proprietary) Limited

## E. TERMS AND CONDITIONS OF CUSTODY AGREEMENT

### 1. INTERPRETATION

- 1.1 Unless otherwise expressly stated, or the context otherwise requires, the words and expressions listed below shall, when used in this Agreement, bear the meanings ascribed to them:
- "Agreement" means this private investor custody and settlement agreement between the Client and Computershare;
- "Client" means the contracting natural person or juristic person identified in Part A of this Agreement;
- "Issuer-Sponsored Nominee" means the nominee company appointed by an issuer of securities to hold securities in the Issuer on behalf of its holders of securities;
- "Bank Account" means the Clients' nominated bank account detailed in Part B of this Agreement or as may be amended and advised in writing to Computershare from time to time;
- "Computershare" means Computershare Custodial Services Limited (registration number 2000/006082/06);
- "Custody Act" means the Custody and Administration of Securities Act (Act 85 of 1992) as amended;
- "JSE" means the JSE Securities Exchange South Africa;
- "Securities" means securities as defined from time to time in the Custody Act;
- "Securities Legislation" means the Companies Act (Act 61 of 1973) as amended, the Custody Act, the Rules and Directives of the JSE Securities Exchange South Africa or any other applicable stock exchange and the Rules and Directives of any central securities depository made under section 12(2) of the Custody Act.
- 1.2 Clause and paragraph headings are for purposes of reference only and shall not be used in interpretation.
- 1.3 Unless the context clearly indicates a contrary intention, any word connoting any gender includes the other two genders, the singular includes the plural and vice versa and natural persons includes artificial persons and vice versa;
- 1.4 When any number of days is prescribed such number shall exclude the first and include the last day unless the last day falls on a Saturday, Sunday, or a public holiday in the Republic of South Africa, in which case the last day shall be the next succeeding day which is not a Saturday, Sunday or a public holiday in the Republic of South Africa.

### 2. APPOINTMENT

- 2.1 Subject to the terms of this Agreement, the Client appoints Computershare as its agent, custodian and administrator for the safe keeping and administration of securities, and for the settlement of transactions in those securities and to attend to certain incidental matters detailed in this Agreement.
- 2.2 The parties shall at all times be bound by the provisions of the Securities Legislation.

### 3. SECURITIES DEPOSITED FOR SAFE CUSTODY

- 3.1 Securities that Computershare may accept on behalf of the Client in accordance with this Agreement shall be securities of a type and form determined from time to time by Computershare and may include either certificated or uncertificated securities.
- 3.2 Computershare shall not be obliged to accept any security remitted in terms of this Agreement. In the event that any security remitted for entry into a Securities Account is not good for delivery or has a defect in relation to the Client's title thereto, Computershare shall not accept such security for entry into a Securities Account until such defect has been corrected to the satisfaction of Computershare. Computershare shall return to the Client any securities not accepted by Computershare in accordance with this Agreement or the Securities Legislation.
- 3.3 The Client warrants to Computershare that the Securities deposited for safe custody from time to time will be and remain free from any charge or other encumbrance, other than as provided for in this Agreement.

### 4. CONFLICT

- 4.1 In the event of any conflict between the provisions of this Agreement and the Securities Legislation, the provisions of the Securities Legislation shall prevail.

### 5. SECURITIES ACCOUNT

- 5.1 Computershare shall in accordance with its standard operating procedures open and maintain a securities account(s) in its records in the name of the Client or his duly designated nominee to record the number or nominal value of securities of each kind deposited by the Client with Computershare and to record all transactions and entries made in respect of such securities ("the Securities Account").
- 5.2 Any entry made in a Securities Account shall be made only in accordance with authenticated instructions given by the Client and the provisions of the Securities Legislation.
- 5.3 Computershare shall not be obliged to make any entry in a Securities Account unless it conforms to clause 9 (nine) of this Agreement.
- 5.4 Computershare shall not give effect to any instruction that will result in a debit balance in respect of any security held in a Securities Account.

### 6. SAFEKEEPING OF SECURITIES

- 6.1 Records of uncertificated securities held by Computershare shall be kept and maintained in the manner provided for in the Securities Legislation.
- 6.2 Securities held by Computershare shall at all times be held in accordance with the election detailed in Part D of this Agreement. Any Security held under an Issuer-Sponsored Nominee Program shall be subject to the terms and conditions from time to time under which such Issuer-Sponsored Nominee Program is administered, and the Client shall by instructing Computershare to register securities using this service be deemed thereby to agree to such terms and conditions.
- 6.3 Computershare shall take such steps to protect securities held under custody against theft, loss or destruction as provided for in the Custody Act.

### 7. SETTLEMENT OF TRANSACTIONS

- 7.1 The Client shall designate a current banking account at a registered bank as a settlement account for the purposes of this Agreement. The Client designates the bank account indicated in Part B of this Agreement as the settlement account. The designated bank account may be amended from time to time by completing the necessary instruction in writing to Computershare.
- 7.2 Computershare shall credit the designated bank account with all proceeds received by Computershare in respect of the securities held in or transacted through the Securities Account. The Client authorises Computershare or its agent to debit the designated bank account with any amount owing by the Client.
- 7.3 Notwithstanding the provisions of paragraph 7.2, the Client shall ensure that in respect of any purchase of securities by the Client in respect of which Computershare is required to act as settlement agent, the Client shall immediately upon acceptance of the purchase order deposit cleared funds to cover the purchase consideration to the **Computershare Custodial Services Ltd – Client Trust Account**, being account number **62022148151** held at **First National Bank**, branch code **25-50-05**. The Client acknowledges that he is conversant with his responsibility to provide settlement instructions to Computershare in accordance with the provisions from time to time of Directive E of the JSE Rules.
- 7.4 Unless settlement instructions and cleared funds are received by Computershare in accordance with Clause 7.3, Computershare shall not be under any obligation to confirm settlement to a central securities depository and the Client shall be liable for any resultant penalties levied by a settlement authority pursuant to any failed trade.

### 8. SECURITIES STATEMENTS

- 8.1 Computershare shall provide the Client with periodic statements reflecting all entries in the Securities Account and the applicable bank accounts during the relevant period.
- 8.2 Unless an objection is made in writing by the Client to any entry contained in any statement of a Securities Account within 60 days after the statement date, the statement shall, in the absence of fraud or any manifest error, be treated as prima facie evidence of the entries indicated therein and the Client shall not thereafter be entitled to make any claim against Computershare or to any other action in respect thereof.

### 9. INSTRUCTIONS BY THE CLIENT

- 9.1 All instructions given by the Client shall be sent to Computershare at the address set out at clause 14 of this agreement. All instructions shall be sent in writing, by such means as may be approved by Computershare from time to time in writing. Computershare shall not be obliged to carry out any instruction that does not comply with this Agreement, the Securities Legislation or Computershare's standard operating procedures.
- 9.2 On each occasion on which an instruction is given, the Client will be regarded as having confirmed that he has the necessary authority. Computershare may record telephonic or electronic conversations with the Client and its representatives and the Client agrees that such recordings or transcripts thereof may be used as evidence in any dispute with the Client.
- 9.3 In the event that the Client gives to Computershare an instruction to buy or sell securities on behalf of the Client, subject to the limited mandate to carry out such instruction without having to exercise any independent discretion and in terms of a particular service offered by Computershare, then the Client gives to Computershare the right to appoint and pay brokers and other agents to carry out such instruction, to receive and give receipts in respect of such purchases or sales and to do all such things incidental thereto in order to give effect to such instruction.

## 10. DEALING ROUTING SERVICE

- 10.1 By submitting any instruction to transact in securities using the Computershare Dealing Routing Service ("dealing service") the Client agrees to the following provisions:
- 10.2 The Client may only give instructions to transact in any security in writing or by means of the telephonic service when operational. Instructions will not be accepted by any other means, including without limitation, fax, electronic mail, and photocopied forms or through the Internet. Computershare reserves the right to alter the times that the telephonic service is available.
- 10.3 Computershare will not carry out any instruction to transact securities on behalf of the Client unless it is satisfied that the Client has been recorded as the owner of the securities in Computershare's records.
- 10.4 The Client may only use the dealing service if his securities are registered in the South African sub-register maintained and operated by Computershare.
- 10.5 Computershare will endeavour to inform the Client if an instruction given by the Client will not be carried out unless Computershare has good reason for not doing so. Computershare will not be liable for refusing to carry out any instruction if it has good reason for not doing so.
- 10.6 Any instruction submitted by another person on behalf of the Client should not be recognised unless an original power of attorney or other appropriate authority (or a complete copy thereof certified by a Commissioner of Oaths) has been received and accepted by Computershare.
- 10.7 All instructions given by the Client to the dealing service are irrevocable and shall be dealt with on the business day immediately following the business day on which they were received and failing that as soon as reasonably possible thereafter
- 10.8 No limit order or raise order will be accepted by Computershare. The Client acknowledges that prices may fluctuate from the time the instruction is given until the time that the transaction is executed.
- 10.9 By submitting an instruction to Computershare to arrange to sell any security on his behalf, the Client warrants that:
  - 10.9.1 he has not sold or purported to sell the securities or the interest in any security to any third party;
  - 10.9.2 the securities will be sold free from all liens, charges or other third party rights or any encumbrance of any kind;
  - 10.9.3 he is entitled to sell the securities;
  - 10.9.4 the sale will not constitute a breach by the Client of any applicable laws and regulations; and
  - 10.9.5 he is not a minor, or if he is a minor, that he is properly assisted by a parent or court appointed guardian.
- 10.10 The Client irrevocably undertakes that he will do, or procure to be done, all acts and things, and execute or procure the execution of all such documents as Computershare may from time to time require to give effect to any instruction by the Client.
- 10.11 The dealing service shall be operated strictly on an "execution only" basis. Computershare shall not provide, or have any responsibility to provide any financial, taxation or other advice to the Client.
- 10.12 A transaction in any security through the dealing service will be executed by a stockbroker appointed by Computershare. By submitting an instruction to Computershare the Client irrevocably authorises Computershare to appoint a stockbroker to execute the transaction on behalf of the Client on the basis that:
  - 10.12.1 Computershare will instruct a stockbroker to obtain the best price reasonably available in the market at the time of dealing. If no such price can be ascertained, the stockbroker will take reasonable care to carry out the instruction at a price which is fair and reasonable; and
  - 10.12.2 Computershare shall, to the exclusion of all others including the Client, be entitled to bring any action, suit or proceedings ("Actions") against the stockbroker arising out of or in connection with the sale. Computershare shall, in its sole discretion, determine the nature and scope of such Actions. By submitting an instruction to Computershare the Client waives his right in relation to such Actions.
- 10.13 The stockbroker appointed by Computershare may aggregate any instruction with those of other holders of securities transacting securities through the dealing service but may not aggregate the sale with any other clients of the stockbroker, provided that any aggregation shall take place in accordance with the Rules of the JSE.
  - 10.13.1 The price per security that the Client will receive in the case of transactions that are aggregated will be the total proceeds of all aggregated transactions in the relevant period less all costs of the transactions divided by the number of securities sold in such transactions;
  - 10.13.2 The price per security that the Client will receive where transactions are not aggregated will be the price at which such security are sold in the relevant period less all costs of the sale;
  - 10.13.3 The proceeds payable to the Client shall be rounded down, where necessary, to the nearest whole Rand. Resulting fractions of any Rand will be aggregated and may be retained by Computershare.
  - 10.13.4 Each security aggregated with other security being transacted through the dealing service in any relevant period will only be treated as sold when it is actually sold by the dealing service.
- 10.14 Orders executed through the service shall be subject to the charges published from time to time, initially as set out in Schedule A to this Agreement.
- 10.15 Computershare may vary the amount, rate or basis of charges from time to time and may introduce new charges.
- 10.16 Fees, taxes, charges and other expenses of whatever nature incurred on behalf of the Client will be deducted from the proceeds of any transaction.
- 10.17 Instructions to carry out more than one transaction will be treated as separate transactions and each such transaction shall be charged separately.
- 10.18 All transactions will take place on the JSE.
- 10.19 Computershare will subject to applicable exchange control legislation and regulations pay to the Client the proceeds of any sale in accordance with the Client's instructions detailed in Part B of this Agreement.
- 10.20 Advice of any transaction will be included in a transaction statement sent to the Client.
- 10.21 Computershare may terminate the dealing service at any time without giving notice thereof to the Client. All valid instructions given to the dealing service in accordance with this Agreement before termination will be carried out.
- 10.22 Transactions will be carried out and records relating to instructions by the Client will be kept according to the rules, customs and practices of the JSE.
- 10.23 If the dealing service cannot perform any of its services under this Agreement due to circumstances beyond its reasonable control, Computershare will take all reasonable steps to bring such circumstances to an end, but Computershare shall not be liable for any non-performance of the dealing service.
- 10.24 Without prejudice to any stockbroker's obligations to execute transactions on the JSE, when a stockbroker executes an instruction given to the dealing service the Client acknowledges that the stockbroker could be acting as principal for its own account. By submitting an instruction to the dealing service the Client consents, where applicable, to the stockbroker acting as principal for its own account.
- 10.25 The Client indemnifies Computershare and those persons acting on his behalf in relation to the provision of the dealing service and their respective directors, employees and agents against any liability (except to the extent that the liability is caused by Computershare or such persons own default, negligence or fraud) which it or they may incur as a result of the dealing service.

## 11. CHARGES

- 11.1 The Client shall pay the fees and charges published from time to time by Computershare and notified to the Client.
- 11.2 Computershare may increase or vary the charges on 60 days written notice to the Client and may thereafter levy such fees or charges.
- 11.3 Notwithstanding anything to the contrary in this Agreement, Computershare shall not be obliged to act upon any instruction given by the Client or to deliver to the Client any securities or monies until all the amounts due and owing by the Client to Computershare have been discharged in full.

## 12. INDEMNITY

- 12.1 The Client hereby indemnifies and agrees to hold Computershare harmless against all liability, costs or expenses incurred by Computershare or its nominees or agents in connection with the due and proper performance by Computershare of its obligations pursuant to this Agreement.
- 12.2 The Client accepts the risk of loss or damage arising directly or indirectly as a result of any failure in, misuse of, or any fraud or misrepresentation due to his not giving a valid instruction in accordance with the terms of this Agreement.

## 13. TERMINATION

Either party may terminate this Agreement at any time by giving to the other party at least 30 days' written notice of termination to the other party.

## 14. NOTICES

- 14.1 The Client chooses the physical address detailed in Part A of this Agreement or such amendment thereto as advised in writing to Computershare from time to time as the address for the receipt of all notices and legal process. Any notice by Computershare to the Client shall, if sent by facsimile or by e-mail, be deemed to have been received by the Client on the day of transmission of the facsimile or e-mail and if sent by post, on the seventh day after posting.
- 14.2 Any notices by Computershare to the client given either orally or by electronic means shall be deemed to have been received by the client.
- 14.3 Computershare chooses as the address for the receipt of all notices and legal process 2nd Floor, Edura, 41 Fox Street, Johannesburg 2001.

## 15. VARIATION

No addition to, variation or consensual cancellation of this Agreement shall be of any force or effect unless in writing and signed by or on behalf of both parties.

## 16. GOVERNING LAW

This Agreement shall be construed in accordance with the laws of the Republic of South Africa.



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**Service and settlement fees for private investors**


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As at 1 June 2001

<b>Fee Description</b>	<b>Issuer-Sponsored Nominee Programme (using Computershare Dealing Routing Service)</b>	<b>Issuer-Sponsored Nominee Programme (using selected brokers)</b>	<b>Computershare Nominee Service</b>	<b>Own Name Custody Service</b>
<b>Dematerialisation Fee</b>	Not applicable.*	Not applicable.*	Not applicable.*	Not applicable.*
<b>Service Fee</b>	Not applicable.*	Not applicable.*	0.005% per annum (excluding VAT) on average daily market value of securities portfolio under administration with a minimum of R200.00 per month.	Private Investors – No charge. All others – 0.005% per annum (excluding VAT) on average daily market value of securities portfolio under administration with a minimum of R250.00 per year payable in advance.
<b>Transaction and Settlement Fee</b>	Not applicable.*	R30.00 (excluding VAT) per transaction. These fees exclude any tax and STRATE transaction cost.	R40.00 – R60.00 (excluding VAT) per transaction (depending on number of transactions).	R40.00 – R60.00 (excluding VAT) per transaction (depending on number of transactions).
<b>Dealing Fee</b>	R0 – R25.000 = R90.00 R25.001.00 – R50 000 = R130.00 R50.001.00 – R100 000 = R200.00 R100 001.00 + = 0.25% max R500.00 These fees exclude any tax and STRATE transaction cost.	No Computershare fee. (The Client pays the fee agreed with his stockbroker.)	No Computershare fee. (The Client pays the fee agreed with his stockbroker.)	No Computershare fee. (The Client pays the fee agreed with his stockbroker.)
<b>Issuing payments by cheque rather than electronic transfer</b>	R20.00 (excluding VAT).	R20.00 (excluding VAT).	Not applicable.	R20.00 (excluding VAT).
<b>Rematerialisation Fee</b>	No Computershare charge for the first certificate. (However, STRATE fee of R200.00 (excluding VAT) per certificate is payable.) Thereafter R250.00 per certificate.	No Computershare charge for the first certificate. (However, STRATE fee of R200.00 (excluding VAT) per certificate is payable.) Thereafter R250.00 per certificate.	No Computershare charge for the first certificate. (However, STRATE fee of R200.00 (excluding VAT) per certificate is payable.) Thereafter R250.00 per certificate.	No Computershare charge for the first certificate. (However, STRATE fee of R200.00 (excluding VAT) per certificate is payable.) Thereafter R250.00 per certificate.

\* Fees sponsored by the issuer of the security.

All fees quoted, unless otherwise indicated, include any STRATE processing or transaction costs.