

12.7.1.2 may directly or indirectly indemnify a director for expenses contemplated in 12.7.1.1, irrespective of whether it has advanced those expenses, if the proceedings are abandoned or exculpate the director, or arise in respect of any liability for which the Company may indemnify the director as provided in terms of sections 78(5) and (6) of the Act.

12.7.2 The Company may indemnify a director, except in respect of:

12.7.2.1 liability arising in terms of section 77(3)(a), (b) or (c) of the Act; being any liability arising as a direct or indirect consequence of the director having:

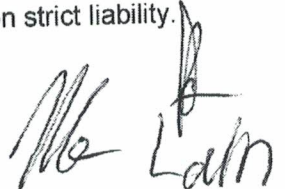
12.7.2.1.1 acted in the name of the Company, signed anything on behalf of the Company, or purported to bind the Company or authorise the taking of any action by or on behalf of the Company, despite knowing that the director lacked the authority to do so; or

12.7.2.1.2 acquiesced in the carrying on of the Company's business despite knowing that it was being conducted in a manner which is reckless, grossly negligent, intending to defraud any person or for any fraudulent purpose; or

12.7.2.1.3 been a party to an act or omission by the Company despite knowing that the act or omission was calculated to defraud a creditor or employee, or had another fraudulent purpose, or

12.7.2.2 liability arising from wilful misconduct or wilful breach of trust on the part of the director; or

12.7.2.3 any fine that may be imposed on a director of the Company, or on a director of a related company, as a consequence of that director having been convicted of an offence, unless the conviction was based on strict liability.



12.7.3 The Company may purchase insurance to protect:

12.7.3.1 a director against any liability or expenses for which the Company is permitted to indemnify a director in accordance with 12.7.2; or

12.7.3.2 the Company against any contingency including, but not limited to:

12.7.3.2.1 any expenses that the Company is permitted to advance in accordance with 12.7.1.1; or

12.7.3.2.2 any liability for which the Company is permitted to indemnify a director in accordance with 12.7.2.

12.7.4 The Company is entitled to claim restitution from a director of the Company for any money paid directly or indirectly by the Company to or on behalf of that director in any manner inconsistent with this 12.7.

12.8 **reimbursement**

The directors shall be entitled to reimbursement of all authorised and approved travelling, subsistence, and other expenses properly incurred by them in the execution of their duties in or about the business of the Company.

12.9 **loans**

The Company may not provide a loan to, secure a debt or obligation of, or otherwise provide direct or indirect financial assistance to a director of the Company, or to a person related to any such director, unless it:

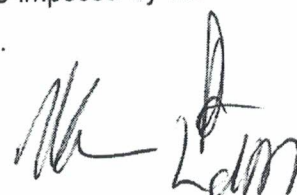
12.9.1 is in the ordinary course of the Company's business and for fair value; or

12.9.2 constitutes an accountable advance to meet:

12.9.2.1 legal expenses in relation to a matter concerning the Company; or



- 12.9.2.2 anticipated expenses to be incurred by the person on behalf of the Company; or
- 12.9.3 is to defray the person's expenses for removal at the Company's request; or
- 12.9.4 is in terms of an employee benefit scheme generally available to all employees or a specific class of employees.
- 12.10 **officers and committees**
- 12.10.1 The Board may appoint any officers it considers necessary to better achieve the stated object/s of the Company.
- 12.10.2 The Board may appoint any number of committees and to delegate to any such committees any of the authority of the Board, subject to 12.10.3.
- 12.10.3 The Board shall at all times retain the final decision-making power in respect of a matter referred to a committee. Committees shall only be empowered to make recommendations to the Board in respect of a matter referred to it.
- 12.10.4 Any committee appointed by the Board:
- 12.10.4.1 may include in any such committees persons who are not directors, provided that:
- 12.10.4.1.1 any such person must not be ineligible or disqualified to be a director in terms of section 69 of the Act; and
- 12.10.4.1.2 no such person has a vote on a matter to be decided by the committee,
- 12.10.4.2 must seek the approval of the Board should it wish to consult with or receive advice from any external advisor; and
- 12.10.4.3 has the authority of the Board delegated to it, subject to 12.10.3 and any restrictions or limitations imposed by the Board, in respect of a matter referred to it.



- 12.10.5 The Board may at any time revoke any authority delegated to a committee.
- 12.10.6 The meetings and proceedings of committees shall be governed by the provisions of this MOI regulating the meetings and proceedings of directors.
- 12.10.7 In terms of section 72 of the Act, the Company will be obliged to appoint a Social and Ethics Committee if its public interest score exceeds 500 (five hundred) points in any two of the previous 5 (five) years. The Company's public interest score must be calculated every year in accordance with Regulation 26 by the Company's auditor.

13. Financial Affairs

13.1 registered office

The registered office of the Company shall be at such location within the Metropolitan Area of Cape Town as the Board may determine from time to time.

13.2 company records and accounting records

All company records contemplated by section 24 of the Act, and all accounting records contemplated by section 28 of the Act and regulation 25 of the Act of the Companies Regulations, shall be kept and maintained at, and shall be accessible at or from, the registered office of the Company, or in the case of all or any of the company records at or from such other location or locations within the Metropolitan area of Cape Town as the Board may determine from time to time.

13.3 financial year

- 13.3.1 The Company's financial year shall at all times coincide with the City's financial year.
- 13.3.2 The Company's financial year shall, therefore, be 1 July to 30 June.
- 13.3.3 To the extent that the City changes its financial year, the Company shall amend its financial year accordingly.

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13.4 **annual financial statements**

13.4.1 Each year the Company must prepare annual financial statements within 2 (two) months after the end of its financial year.

13.4.2 The annual financial statements must be audited and be consistent with section 29 of the Act.

13.4.3 The annual financial statements must be approved by the Board by no later than the end of August.

13.4.4 In terms of the By-law, the Company's audited annual financial statements for the immediately preceding year must be submitted to:

13.4.4.1 the CFO within 2 (two) months of the end of each financial year;

13.4.4.2 the relevant Subcouncil, within 2 (two) months after the Company's AGM has been held,

together with an annual report on the Company's progress in carrying out the provisions of the business plan in the preceding year to improve and upgrade the SRA.

13.4.5 The annual financial statements must:

13.4.5.1 include an auditor's report;

13.4.5.2 include a report by the directors with respect to the state of affairs, the business and profit or loss of the Company, including:

13.4.5.2.1 any material matter relating to the Company's state of affairs; and

13.4.5.2.2 any prescribed information;



13.4.5.3 be approved by the Board and signed by an authorised director; and

13.4.5.4 be presented to the first meeting of members after the statements have been approved by the Board.

13.5 **additional rate**

13.5.1 The collection and payment of the additional rate is regulated by the Finance Agreement. No monies shall be transferred to the Company in a manner not provided for in the Finance Agreement.

13.5.2 The Company shall be liable to the City for any administrative finance charges associated with transferring the additional rate to the Company.

13.6 **annual returns**

Each year the Company must file an annual return in accordance with section 33 of the Act.

13.7 **implementation plan and budget**

The Company shall approve its implementation plan and budget for the next financial year at its AGM and furnish it to the City by no later than 31 January, as required by the Policy and the Finance Agreement.

14. **Enhanced accountability and transparency**

14.1.1 The Company elects in terms of section 34(2) of the Act to comply voluntarily with the provisions of Chapter 3 except Part D of the Act.

14.1.2 The Company shall, therefore, be required to appoint a company secretary and an auditor in the manner and for the purposes described in Parts B and C of Chapter 3, but not be required to appoint an audit committee as provided for in Part D.




15. Business plan

- 15.1 In terms of section 11(6) of the By-law, the Company shall begin carrying out the provisions of the business plan within 2 (two) months after receiving the first payment of the additional rate.
- 15.2 For so long as the Company manages the SRA, any amendment, extension or early termination of the business plan proposed by the Board shall be subject to the approval of the members and to all mandatory procedures contained in sections 14 and 15 of the By-law.

16. Winding-up or dissolution of the Company

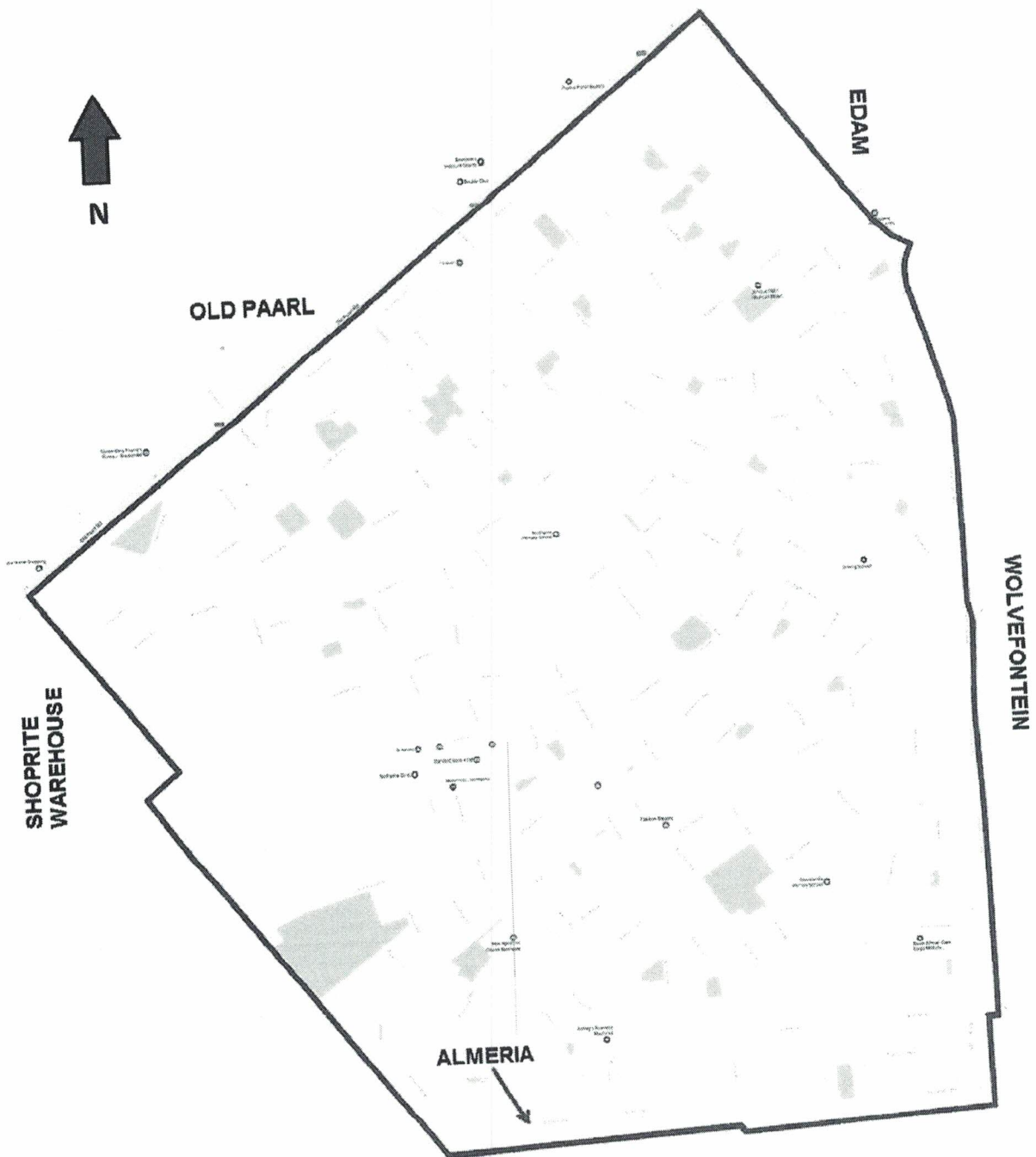
- 16.1 The Company may be wound up voluntarily by the members by passing a special resolution to do so. Any such voluntary winding up shall be effected in accordance with section 80 of the Act.
- 16.2 Upon the dissolution of the Company, its entire net value, including its net assets, must be distributed in accordance with item 1(4)(b) of Schedule 1 to the Act, as follows:
- 16.2.1 no past or present member or director of the Company, or person appointing a director of the Company, is entitled to any part of the net value of the Company, including its net assets, after its obligations and liabilities have been satisfied; and
- 16.2.2 the entire net value of the Company, including its net assets, must be distributed to a non-profit company managing another SRA within the area of jurisdiction of the City of Cape Town and which ideally will be the SRA situated closest to the SRA in question, and having objects similar to the Company as stated in 4 of this MOI. The non-profit company to which the Company's entire net value, including its net assets, must be distributed will be identified by Council at or immediately before the time of the Company's dissolution.
- 16.2.3 In order for the Company to comply with the requirements of section 30(6A) of the Income Tax Act, the non-profit company to which the Company's

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entire net value, including its net assets, will be distributed upon dissolution must hold the status of a public benefit organisation, as envisaged in section 30 of the Income Tax Act, or be an institution, board or body which is exempt from tax under the provisions of section 10(1)(cA)(i) of the Income Tax Act, and use the Company's net assets solely for purposes of carrying on one or more public benefit activities in the SRA that was managed by the Company prior to its dissolution.


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Map of Northpine City Improvement District Special Ratings Area



Note: a high-resolution image of this map is available from www.northpinecid.co.za Docs page or directly at http://northpinecid.co.za/wp-content/uploads/2017/06/NP_SRA_Boundary.jpg

Schedule 1 - Geographical area of the SRA

[Insert a description and/or diagram of the boundaries of the SRA.]


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Companies and Intellectual Property Commission
Republic of South Africa

General Company Notice to Security Holders

Form CoR 36.2

About this Form

- This form is issued in terms of the Companies Act 2008 and Regulation 36 (2) of the Companies Regulations 2011.
- The use of this Form is voluntary. If this form is issued, it is not necessary to file a copy with the Commission.
- This form is to be used for only one of the alternative purposes at a time. Use a separate form for each matter of which notice is being given.
- A notice respecting a resolution adopted in terms of section 60 must be given within 10 business days after the decision is made.
- A notice advising of rights in terms of section 164 must be given with the notice of the resolution to be voted upon.
- A notice reporting the result of a resolution in terms of section 164 must be given within 10 business days after the vote was taken.

Contacting the Commission

The Companies and Intellectual Property Commission of South Africa

Postal Address
PO Box 429
Pretoria
0001
Republic of South Africa
Tel: 086 100 2472

www.cipc.co.za

Date: _____

From:

(Name and Registration Number of Company)

Name: _____

Registration number: _____

(Insert name of person receiving)

To: _____

The company advises the person named above as follows:

- As a holder of the beneficial interest in securities of the company, you have a right in terms of section 39 until _____ to subscribe for additional securities of the same class before they are offered to non shareholders. Please see the attached material for particulars of this offering.
- The Board of Directors has adopted the attached resolution to provide financial assistance to a person, as contemplated in section 45 (2).
- The company has reason to believe that securities held by you may be held for the benefit of another person. In terms of section 56 (5), the company requires you to confirm or deny that fact, and if true, to disclose the relevant particulars, including the identity of any such person.
- In terms of section 60, the company reports the result of a shareholder decision taken other than at a meeting, as set out in the attached statement.
- In terms of section 62 (1), a meeting of the shareholders² will be held at _____ o'clock on _____ at _____ to consider the business set out on the attached agenda.
- The shareholders of the company are asked to consider a resolution in terms of section 37 (8) or 115 (8). Shareholders who may oppose this resolution have rights to register their dissent in terms of section 164. To exercise those rights, a shareholder must inform the company of their intent before the resolution is put to a vote.
- The shareholders of the company have adopted a resolution that you previously stated, in terms of section 37 (8) or 115 (8), that you would oppose. As a dissenting shareholder, you may have further rights in terms of section 164.

Signed: _____

² This form is prescribed by the Minister of Trade and Industry in terms of section 223 of the Companies Act 2008 (Act No. 71 of 2008).
² Reference to shareholders shall be interpreted to mean members