

# **RULES**

of the

## **MAS SHARE PURCHASE SCHEME**

adopted by

### **MAS REAL ESTATE INC.**

Approved by ordinary resolution passed by a 75% majority of the votes of shareholders present or represented by proxy at the general meeting of MAS Real Estate Inc. held at 10.00am on Friday 17<sup>th</sup> February 2017

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## PART I – INTRODUCTORY PROVISIONS

### 1 INTRODUCTION

1.1 MAS wishes to –

1.1.1 attract and reward persons who are able to influence the performance of MAS and the Group on a basis that aligns their interests with those of MAS's shareholders; and

1.1.2 retain those whose services are regarded by the group to be important to the future growth and sustainability of MAS's business.

1.2 For the purposes above, MAS has decided to establish the Scheme as set out in these Rules.

### 2 INTERPRETATION

2.1 In these Rules, unless the context indicates a contrary intention –

2.1.1 "**Applicable Laws**" means in relation to any person or entity, all and any statutes, subordinate legislation and common law, regulations, ordinances and by-laws, accounting standards directives, codes of practice, circulars, guidance notices, judgments and decisions of any competent authority, compliance with which is mandatory for that person or entity;

2.1.2 "**Auditors**" means the auditors for the time being of MAS;

2.1.3 "**Bad Leaver**" means a Participant who has stopped being an Eligible Person as defined for any reason other than one of those contemplated in Rule 2.1.11;

2.1.4 "**Capitalisation Issue**" means the issue of Shares on a capitalisation of MAS's profits or reserves, and includes a bonus issue, scrip dividend and an issue pursuant to a dividend reinvestment plan;

2.1.5 "**Capitalisation Share**" means a fully paid share allotted, in a Capitalisation Issue, in respect of a Scheme Share during the time that the share to which it is linked under Rule 15 is a Scheme Share;

2.1.6 "**Companies Act**" means the BVI Business Companies Act (No 16 of 2004);

- 2.1.7 "**Directors**" means the board of directors for the time being of MAS acting either themselves or through any committee of the board upon whom the powers of the directors in respect of this Scheme are delegated;
- 2.1.8 "**Discretion**" means a sole, absolute and unfettered discretion;
- 2.1.9 "**Distribution**" means any dividend or other distribution made in respect of a Share, including the direct or indirect transfer of an asset, other than the Company's own shares, to or for the benefit of the Shareholder the incurring of a debt for the benefit of a Shareholder, in relation to shares held by that Shareholder, and whether by means of a purchase of an asset, the purchase, redemption or other acquisition of shares, a transfer distribution of indebtedness or otherwise, and includes a dividend and a return of capital;
- 2.1.10 "**Eligible Person**" means persons who are able to influence the performance of MAS and the Group including an executive director, non-executive director, senior manager and employee of any member of the Group, including any present or future executive and non-executive director holding employment or office;
- 2.1.11 "**Good Leaver**" means a Participant whose contractual arrangement with a member of the Group has ended because –
- 2.1.11.1 in the case where the Participant is an employee of a member of the Group –
- 2.1.11.1.1 he has retired under his employment contract (or any employment practice adopted by the relevant member of the Group, if applicable);
- 2.1.11.1.2 he has retired early due to injury, ill-health, disability or with the consent of the relevant member of the Group;
- 2.1.11.1.3 he is retrenched for operational reasons; or
- 2.1.11.2 in any case –
- 2.1.11.2.1 he has died; or
- 2.1.11.2.2 the contractual arrangement between the Participant and the member of the Group has come to an end otherwise than due to a cancellation on account of the breach by the Participant;

- 2.1.12 "**Group**" means MAS and its Subsidiaries;
- 2.1.13 "**Immediate Relations**" means, in relation to an Eligible Person, a person who is –
- 2.1.13.1 that Eligible Person's spouse; or
- 2.1.13.2 a descendant (including an adopted child) of that Eligible Person;
- 2.1.14 "**JSE**" means the securities exchange of that name operated by JSE Limited under a licence issued under the Financial Markets Act, No 19 of 2004;
- 2.1.15 "**JSE Listings Requirements**" means the Listings Requirements of the JSE applicable from time to time;
- 2.1.16 "**Locked Scheme Share**" means a Scheme Share that has not yet become Unlocked;
- 2.1.17 "**LuxSE**" means the Luxembourg Stock Exchange;
- 2.1.18 "**MAS**" means MAS Real Estate Inc., registration number 1750199, a company registered in the British Virgin Islands;
- 2.1.19 "**Offer**" means an offer to either buy or subscribe for Scheme Shares;
- 2.1.20 "**Offer Date**" means the date on which an Offer is made to an Eligible Person;
- 2.1.21 "**Offeree**" means an Eligible Person or a Qualifying Entity nominated under the Rules to receive an Offer;
- 2.1.22 "**PCC**" means a Protected Cell Company incorporated in the Isle of Man;
- 2.1.23 "**Participant**" means an Offeree who has accepted an Offer and includes a Qualifying Entity as set out in Rule 9.6;
- 2.1.24 "**Participant Loan**" means a loan contemplated in Rule 10.1.1;
- 2.1.25 "**Participant Loan Outstanding**" means at any time the aggregate amount due under a Participant Loan, whether on account of capital or interest;
- 2.1.26 "**Participant (Non-Salaried)**" means an Offeree who has accepted an Offer to be on the Non-Salaried variant of the Scheme;

- 2.1.27 **"Participant (Salaried)"** means an Offeree who has accepted an Offer to be on the Salaried variant of the Scheme;
- 2.1.28 **"Price"** means the 5-day volume weighted average price of a share on the JSE immediately preceding the Offer Date; **[LR - Sch 14.1(d)(i) and (ii)]**
- 2.1.29 **"Qualifying Entity"** means –
- 2.1.29.1 a trust established only for the benefit of the relevant Eligible Person or his Immediate Relations;
- 2.1.29.2 any company, all the shares of which are, and continue to be held or beneficially owned by the relevant Eligible Person or his Immediate Relations; and
- 2.1.29.3 a cell in the PCC established only for the benefit of the relevant Eligible Person or his Immediate Relations;
- 2.1.30 **"Record Date"** means the close of business on the day the register of MAS will be closed to determine entitlement to participate in a Rights or Capitalisation Issue, as the case may be;
- 2.1.31 **"Rights Issue"** means the offer of any securities of MAS to all Shareholders of MAS in proportion to their holdings at the Record Date;
- 2.1.32 **"Rights Issue Shares"** means, in relation to Scheme Shares, in the case of a Rights Issue, those Shares offered under such Rights Issue by virtue of being a Participant;
- 2.1.33 **"Rules"** means these scheme Rules, as amended from time to time under Rule 18;
- 2.1.34 **"Scheme"** means the scheme as set out in these Rules;
- 2.1.35 **"Scheme Allocation"** means 19,029,191 Shares;
- 2.1.36 **"Scheme Shares"** means any Shares acquired by the Participant, whether by way of purchase or subscription under the Scheme;
- 2.1.37 **"Secretary"** means the secretary of MAS for the time being;
- 2.1.38 **"Shareholder"** means a holder of Shares;

- 2.1.39 "**Shares**" means ordinary shares in the share capital of MAS;
- 2.1.40 "**Statutes**" means any statute affecting MAS and the Scheme;
- 2.1.41 "**Subsidiary**" means a company which is a subsidiary of MAS;
- 2.1.42 "**Unlock**" means that a Participant is granted the right to freely sell or otherwise dispose of the Scheme Shares, subject to Rule 9.3.2.3;
- 2.1.43 "**Unlocked Scheme Share**" means a Scheme Share which has become Unlocked;
- 2.1.44 "**Unlocking Date**" means in relation to a Scheme Share, the date set out in Rules 11.2 and 11.3;
- 2.1.45 "**Year**" means MAS's financial year; and
- 2.1.46 different grammatical forms of the same words have the same meaning.
- 2.2 In these Rules –
- 2.2.1 headings are for ease only and are not used to interpret the Rules;
- 2.2.2 a reference to (i) a gender includes the other genders, (ii) a natural person includes a juristic person, and the other way around, and (3) the singular includes the plural, and the other way around;
- 2.2.3 "**business hours**" are the hours from 09h00 to 17h00 on a business day;
- 2.2.4 "**day**" is calendar day, and "**business day**" is a day other than a Saturday, a Sunday or an official public holiday in the British Virgin Islands, Isle of Man and South Africa;
- 2.2.5 "**include**" means to include without limitation;
- 2.2.6 "**law**" means a law that applies generally, and includes (i) the common law, and (ii) a statute, constitution, decree, treaty, regulation, directive, ordinance, by-law, order or another legislative act of government (including local and provincial government), statutory body or regulatory body which has the force of law;
- 2.2.7 "**person**" includes a company, close corporation, trust, partnership and other entity whether or not having separate legal personality;

- 2.2.8 "tax" means all taxes, levies and duties charged by a government authority, including (i) income tax, capital gains tax, donations tax, employees' tax (PAYE), other payroll withholdings, donations tax, and securities transfer tax, and (ii) interest and penalties on those taxes, levies and duties;
- 2.2.9 "writing" means readable writing in English, and includes email and any other form of electronic communication;
- 2.2.10 examples only illustrate and do not limit what else might be included;
- 2.2.11 substantive terms in this Rule 2 have effect as if they were substantive terms in the body of the Rules;
- 2.2.12 a reference to a statute (i) is interpreted as a reference to that statute as at the date of adoption of these Rules and as changed or replaced, and (ii) includes regulations and other laws under that statute;
- 2.2.13 a number of days is determined by excluding the first and including the last day or, where the last day falls on a day that is not a business day, the next business day;
- 2.2.14 if the due date for doing something is a day which is not a business day then the due date is the next business day;
- 2.2.15 where figures are stated in numerals and in words, and there is a conflict between the two, the words prevail;
- 2.2.16 when a person must act as "**an expert and not as an arbitrator**" –
- 2.2.16.1 save for manifest error, his decision is final and binds the parties;
- 2.2.16.2 he decides which party must pay his charges, which that party must then pay;
- 2.2.16.3 he may adopt any fair and reasonable process which he thinks is proper in the circumstances;
- 2.2.16.4 he must consult as he sees fit with the relevant parties before deciding; and
- 2.2.16.5 he may take advice from any person who he thinks has expert knowledge about the matter, but the expert must consider the sensitivity of confidential information;



- 2.2.17 a term in the Rules dealing with a process under British Virgin Islands law like winding-up or business rescue, is interpreted to include an equivalent process under the law of another jurisdiction if person is subject to the law of that other jurisdiction; and
- 2.2.18 a reference to an agreement or document is a reference to that agreement or document, as changed or novated from time to time.

### 3 **OUTLINE OF THE SCHEME**

Broadly, the Scheme works as follows:

- 3.1 MAS makes Offers to Eligible Persons to become Participants and to acquire Shares in MAS.
- 3.2 A Subsidiary lends money to the Participants to enable them to pay for the Shares.
- 3.3 The Eligible Person may hold the Scheme Shares (i) personally, (ii) through a Qualifying Entity, or (iii) through a separate PCC cell.
- 3.4 The loans to Participants have a 10-year extendable term and bear interest at the weighted average borrowing rate of MAS.
- 3.5 Distributions on the shares are applied to settle accrued interest on the Participant Loan Outstanding, and the balance is, in the case of Participants (Salaried), paid to the relevant Participants and, in the case of Participants (Non-Salaried) applied to reduce the capital of the Participant Loans..
- 3.6 Shares become Unlocked in tranches over time.
- 3.7 On departure of a Participant, all Locked Scheme Shares are forfeited and cancelled in repayment of the proportionate Participant Loan Outstanding owing. Unlocked Scheme Shares will be sold and used to repay the proportionate Participant Loan Outstanding owing on all Unlocked Shares.
- 3.8 If the departing employee is a Good Leaver, the Unlocked Scheme Shares may be sold and the proportionate Participant Loan Outstanding owing repaid within 18 months of departure.
- 3.9 If the departing employee is a Bad Leaver, the Unlocked Scheme Shares must be sold and the proportionate Participant Loan Outstanding owing repaid immediately.

## PART II – ESTABLISHMENT AND ADMINISTRATION OF SCHEME

### 4 ESTABLISHMENT OF SCHEME

- 4.1 MAS hereby establishes a share incentive scheme ("**Scheme**") for the benefit of Eligible Persons.
- 4.2 These Rules govern the Scheme.
- 4.3 The name of the Scheme is the **MAS Share Purchase Scheme**.

### 5 ADMINISTRATION OF SCHEME

- 5.1 The Directors make the Rules and administer the Scheme.
- 5.2 The Directors may appoint a Scheme Manager to manage the Scheme on behalf of MAS, in which case Participants will on demand do all such things and sign all such documents as may be necessary to enable the Scheme Manager to fulfill its role.
- 5.3 The Directors' decision on any matter arising in connection with the Scheme and the Rules is final and binding on MAS, Eligible Persons as defined, members of the Group, and Participants, subject to Rule 20.

## PART III – OPERATION OF SCHEME

### 6 SHARES AVAILABLE FOR THE SCHEME

- 6.1 Subject to Rule 6.2, the aggregate maximum number of Shares –
- 6.1.1 which may be used under the Scheme may not in aggregate exceed the Scheme Allocation; and **[LR - Sch 14.1(b)]**
- 6.1.2 in respect whereof any one Offeree may accept an offer pursuant to the Scheme may not exceed the Share Allocation. **[LR - Sch 14.1(c)]**
- 6.2 The Directors may adjust –
- 6.2.1 the limits in Rule 6.1.1 in such manner as the Auditors may certify to be in their opinion fair and reasonable as a result of sub-division or consolidation of Shares; and

- 6.2.2 the limits in Rule 6.1.2 in such manner as the Auditors certify to be in their opinion fair and reasonable as a result of any (i) issue of additional Shares through a capitalisation of MAS's profits or reserves, or (ii) Rights Issue.
- 6.3 Any adjustment under Rule 6.2.1 or 6.2.2 must give an Offeree entitlement to the same proportion of Shares as that to which he was entitled before the event in Rule 6.2.1 or 6.2.2 which gave rise to the adjustment.
- 6.4 After the adjustment under Rule 6.2.1 or 6.2.2, the Auditors must confirm to the JSE and the LuxSE, in writing, that the adjustment was made in accordance with the terms of the Scheme. **[LR - Sch 14.3(d)]**
- 6.5 In determining the number of Shares which may be acquired by Participants under Rule 6.1, shares bought through the JSE and the LuxSE, or off-market must not be taken into account. The rolling over of shares (including the arrangement whereby Scheme Shares which have already been issued to Participants under the Scheme subsequently revert back and are again included in the number referred to in Rule 6.1.1) is prohibited. **[LR - Sch 14.9(c)] [LR - Sch 14.12]**
- 6.6 MAS may ensure that the Shares are endorsed with the restrictions set out in these Rules.

## 7 ELIGIBILITY

- 7.1 A person is only eligible to participate in the Scheme if he is an Eligible Person.
- 7.2 An Eligible Person may only participate in the Scheme if, and to the extent that an Offer is made to, and is accepted by the Eligible Person or his Qualifying Entity. **[LR - Sch 14.1(a)]**
- 7.3 The Directors, in their sole Discretion, but subject to the Statutes and these Rules (including Rules 8.1 and 9.1) may, from time to time, by resolution, offer Shares and grant credit to Offerees on the basis of their performance, provided that such offers have been approved by MAS's remuneration committee. **[LR - Sch 14.1(f)]**

## 8 OFFERS

- 8.1 The Directors may from time to time offer Shares to Eligible Persons or Qualifying Entities for purchase or subscription under an Offer at the Price.

8.2 The Shares referred to in Rule 8.1 must be sold or issued subject to these Rules and each sale or issue must, without limiting the generality of the above, be on the terms that –

8.2.1 a Participant will receive the Participant Loan from the Subsidiary on account of his accepting an Offer; and **[LR - Sch 14.1(d)(ii) and (iii)]**

8.2.2 they will constitute Scheme Shares.

## 9 TERMS OF OFFER

9.1 Each Offer – **[LR - Sch 14.1(e)]**

9.1.1 must be made at the Price determined as at the Offer Date;

9.1.2 must specify –

9.1.2.1 the name of the Offeree;

9.1.2.2 the number of Scheme Shares offered;

9.1.2.3 the Price payable for the Scheme Shares;

9.1.2.4 the amount and terms of the Participant Loan;

9.1.2.5 the Offer Date;

9.1.2.6 the time period within which the Offeree must accept the Offer which may be no later than two days after the Offer has been made; and

9.1.2.7 any other relevant terms and conditions;

9.1.3 is personal to, and may only be accepted by the Offeree to whom it is addressed, subject to Rule 9.5;

9.1.4 may be accepted in part or in full; and

9.1.5 must, unless otherwise specified in the Offer, be accepted by notice in writing in such form as the Directors may determine, which notice the Offeree must deliver to the Secretary within two days after it is made, failing which the Offer will lapse.

9.2 Each acceptance of an Offer –

- 9.2.1 must specify the number of Shares for which the Offer is accepted;
  - 9.2.2 must specify the details of the Qualifying Entity, if applicable; and
  - 9.2.3 is regarded as complete on MAS's receipt of the acceptance of the Offer in writing within the period specified in the offer.
- 9.3 Each Offer –
- 9.3.1 is governed by the Rules; and
  - 9.3.2 is subject to the following terms, namely, that until the Participant Loan Outstanding has been paid to MAS in respect of the corresponding tranche of Scheme Shares (which for purposes of this Rule 9.3.2 include the Rights Issue Shares and Capitalisation Shares linked thereto) –
    - 9.3.2.1 the Scheme Shares may not in any way be mortgaged, pledged or otherwise encumbered, unless the Directors in their Discretion consent thereto in writing;
    - 9.3.2.2 the Participants are entitled to all Distributions (including Distributions *in specie*) made on the Scheme Shares subject to Rule 10.4;
    - 9.3.2.3 the Unlocked Scheme Shares may be freely sold or transferred by the Participant, provided that the Participant is obliged to use such portion of the proceeds of such sale or transfer as may be required to first settle the Participant Loan Outstanding in respect of such sold or transferred Scheme Shares, and any accrued but unpaid interest in respect of all Scheme Shares;
    - 9.3.2.4 the voting rights attaching to all Scheme Shares owned by Participants under this Scheme and all Rights Issue Shares and Capitalisation Shares linked thereto vest in the Participants and may be exercised by the Participants provided that Scheme Shares will not (i) have their votes at general meetings or annual general meetings of MAS taken into account for the purposes of resolutions proposed under the JSE Listings Requirements, or (ii) be taken into account for purposes of determining categorisations of transactions under section 9 of the JSE Listings Requirements; and
    - 9.3.2.5 on a winding-up of MAS, the proceeds payable in respect of the Scheme Shares must first be applied in discharging the Participant Loan Outstanding.

- 9.4 Despite anything to the contrary in these Rules the risk in and benefits attaching to the Scheme Shares will pass to the Participant on the acceptance of an Offer.
- 9.5 A Participant may nominate a Qualifying Entity to hold his Scheme Shares, provided that –
- 9.5.1 the Qualifying Entity agrees in writing (i) to be bound by these Rules, and (ii) to be jointly and severally liable with the Participant for the payment of any Participant Loan Outstanding as though it were the Participant, with changes required by the context;
- 9.5.2 the relevant Participant furnishes a suretyship or guarantee, in favour of MAS to the satisfaction of the Directors for the obligations of the Qualifying Entity concerned;
- 9.5.3 for as long as there is Participant Loan Outstanding, that Qualifying Entity must remain a Qualifying Entity and, if there is a breach of this Rule 9.5.3, then, on the date of such breach coming to the knowledge of MAS ("**termination date**"), the Participant Loan Outstanding owing in respect of Scheme Shares which have Participant Loan Outstanding owing in respect thereof on the termination date will become payable immediately after the termination date; and
- 9.5.4 if the Participant Loan Outstanding is not repaid in accordance with the above then MAS may, by resolution to that effect, purchase or procure the sale of all of the Scheme Shares of that Participant at the then market value.
- 9.6 If a Participant nominates a Qualifying Entity to hold his Scheme Shares in accordance with Rule 9.5, then any reference to "Participant" in these rules will include a Qualifying Entity unless the context indicates otherwise.

## 10 PARTICIPANT LOANS

### 10.1 *Advance of Participant Loan*

10.1.1 On acceptance of an Offer, MAS will procure that the Subsidiary will lend an amount equal to the Price to the relevant Participant ("**Participant Loan**").

10.1.2 The Participant Loan will be subject to the following terms.

### 10.2 *Term*

The term of each Participant Loan will be 10 years reckoned from the Offer Date.

### 10.3 **Interest**

The outstanding balance of the Participant Loan will bear interest at a rate equal to the weighted average cost of debt funding of MAS over the same period, from the date of the acceptance of an Offer to the date of settlement of the Participant Loan in full, both days included.

### 10.4 **Repayment of Participant Loan**

10.4.1 All Distributions on a Participant's Scheme Shares will automatically be applied as follows:

10.4.1.1 In the case of Participants (Salaried), the Distribution will be applied to settle accrued interest on the relevant Participant Loan Outstanding at the date of the Distribution, and the balance will be paid to the relevant Participant (Salaried).

10.4.1.2 In the case of Participants (Non-Salaried), the full Distribution will be applied to settle accrued interest on the relevant Participant Loan Outstanding at the Distribution, and the balance will be applied to reduce the capital of the Participant Loan.

10.4.2 By his acceptance of an Offer, the Participant authorises MAS to retain and apply the Distributions to settle the capital of, and interest on the Participant Loan Outstanding in accordance with Rule 10.4.1. The Participant must, on demand sign all documents and do all things as may be necessary to enable MAS to do the above, failing which the Participant irrevocably appoints MAS as its agent, in the name of the Participant, do to sign the documents and do all things as may be necessary to give effect to these Rules, but without prejudice to any other rights which MAS may enjoy under these Rules or the common law. **[LR - Sch 14.1(d)(iii)]**

10.4.3 Participants (Salaried) may apply the balance of the Distributions to prepay the Participant Loan Outstanding under Rule 10.5.

10.5 ***Prepayment of outstanding balance***

A Participant may pay the outstanding balance of the Participant Loan Outstanding before the due date for payment thereof.

10.6 ***Right to demand payment after 10 years***

Subject to Rule 10.7, MAS may demand payment of any Participant Loan Outstanding owing in respect of any Scheme Shares at any time after the expiration of 10 years from the Offer Date of such Scheme Shares **[LR - Sch 14.1(d)(iii)]**

10.7 ***Procedure after Scheme Shares fully paid***

10.7.1 At any time after a Participant has, in respect of any Scheme Shares, paid the Participant Loan Outstanding relating to the relevant tranche of Scheme Shares and all accrued interest on the Participant Loan Outstanding owing, such Scheme Shares must be released to the Participant.

10.7.2 MAS may reach alternative arrangements with Participants or the legal representative in the case of cessation of employment pursuant to Rule 12.2.

10.8 ***Non-payment***

10.8.1 If any amount in respect of the Participant Loan Outstanding is not paid by the due date thereof, then the Directors will be entitled (but not obliged) (i) by resolution to that effect, and (ii) subject to, and in compliance with the Companies Act and the JSE Listings Requirements, to buy and procure the sale of all of the Scheme Shares of that Participant at the then market value and, then – **[LR - Sch 14.3(f)]**

10.8.1.1 the consideration paid and received for the Scheme Shares will be applied to settle the outstanding balance of the Participant Loan Outstanding;

10.8.1.2 if the consideration paid and received for the Scheme Shares is less than the Participant Loan Outstanding owing at the time of the purchase or sale, then there will be no further claim against the Participant;

10.8.1.3 if, however, the consideration paid and received in respect of the purchase or sale of the Scheme Shares exceeds the Participant Loan Outstanding owing at the time of the purchase or sale, then such excess must, as soon



as it has been determined, be paid to the Participant;

10.8.1.4 that Participant will stop having any interest in the Scheme Shares in respect of which the balance of the Participant Loan Outstanding was due to be paid and in all Capitalisation Shares and Rights Issue Shares linked thereto; and

10.8.1.5 the Participant will not be liable to MAS for damages suffered in consequence thereof; and

10.8.1.6 for the avoidance of doubt, it is noted that all Locked Scheme Shares that are forfeited and cancelled are in repayment of the proportionate Participant Loan Outstanding owing.

10.8.2 The Participant must, on demand sign all documents and do all things as may be necessary to enable the Directors to do the above. If the Participant fails or refuses to comply with its obligations, the Directors may authorise and direct (and the Participant, by accepting an offer of Scheme Shares, similarly authorises irrevocably and in his name) the Secretary to do all such things necessary and sign all documents on behalf of that Participant necessary to give effect to these Rules, but without prejudice to any other rights which MAS may enjoy under these Rules or the common law.

## 10.9 *Cession and pledge*

10.9.1 By accepting an Offer, the Participant pledges and cedes all his Scheme Shares to the Subsidiary as security for the payment of the Participant Loan Outstanding.

10.9.2 As and when the Participant settles the Participant Loan Outstanding in relation to a tranche of Unlocked Scheme Shares and accrued and unpaid interest in respect of all Scheme Shares, the Subsidiary must release the relevant Unlocked Scheme Shares from the pledge and cession.

10.9.3 While Scheme Shares are pledged and ceded, MAS may (i) require an endorsement to be made on the securities register where the Scheme Shares are in uncertificated form, or (ii) require the Participant to convert the Scheme Shares to certificated form, and deliver the Scheme Share certificates to MAS.

## 11 UNLOCKING OF SCHEME SHARES

### 11.1 *Unlocking*

11.1.1 On the relevant Unlocking Date, the relevant tranche of Scheme Shares will be Unlocked.

11.1.2 The Unlocking of Scheme Shares is conditional on the Participants being Eligible Persons as defined by the relevant Unlocking Date.

### 11.2 *Participants (Non-Salaried)*

The Scheme Shares of Participants (Non-Salaried), will be Unlocked on the dates (each an "**Unlocking Date**") as follows:

<b>Anniversary of Offer Date</b>	<b>% of Scheme Shares Unlocked</b>
First	15%
Second	15%
Third	15%
Fourth	15%
Fifth	20%
Sixth	20%

### 11.3 *Participants (Salaried)*

The Scheme Shares of Participants (Salaried), will be Unlocked on the dates (each an "**Unlocking Date**") as follows:

<b>Anniversary of Offer Date</b>	<b>% of Scheme Shares Unlocked</b>
First	20%
Second	20%
Third	20%
Fourth	20%
Fifth	20%

### 11.4 *Effect of Unlocking*

As and when Scheme Shares are Unlocked, and thereafter, the Participant may -

- 11.4.1.1 retain some or all of the Unlocked Scheme Shares; or
- 11.4.1.2 sell some or all of the Unlocked Scheme Shares subject to the Participant settling –
  - 11.4.1.2.1 the Participant Loan Outstanding for those Shares Schemes in full;
  - 11.4.1.2.2 any accrued but unpaid interest in respect of all Scheme Shares; and
  - 11.4.1.2.3 any tax arising on the Unlocking or sale of the Scheme Shares.

## 12 TERMINATION OF EMPLOYMENT

### 12.1 *Bad Leaver*

If a Participant becomes a Bad Leaver, then –

- 12.1.1 the Participant may retain his Unlocked Scheme Shares;
- 12.1.2 the Participant will forfeit the remaining Locked Scheme Shares; and
- 12.1.3 the Participant Loan Outstanding will immediately become repayable in full, and Rule 10.8 will apply, with changes required by the context. **[LR - Sch 14.1(h)]**

### 12.2 *Good Leaver*

If a Participant becomes a Good Leaver, then –

- 12.2.1 the Participant may retain his Unlocked Shares as at the date he becomes a Good Leaver;
- 12.2.2 the Participant will forfeit the remaining Locked Shares; and
- 12.2.3 the Participant Loan Outstanding will become repayable in full within 18 months of the date upon which the Participant becomes a Good Leaver, and Rule 10.8 will apply, with changes required by the context. **[LR - Sch 14.1(h)]**

## 13 OBLIGATIONS OF PARTICIPANT

Every Participant must at all times strictly comply with these Rules.

## **PART IV – CORPORATE ACTION**

### **14 RIGHTS ISSUES**

- 14.1 Each Participant may participate in any Rights Issue in accordance with the terms of the Rights Issue as if the relevant Shares were not Scheme Shares.
- 14.2 For certainty, the participation includes the entitlement of the Participant to sell any letter of allocation arising from the Rights Issue for the Participant's benefit. However, the net proceeds, if any, of that sale must be applied to reduce the Participant Loan Outstanding.
- 14.3 The Directors may, in its Discretion but subject to the Statutes, lend to a Participant money to enable the Participant to follow his rights under a Rights Issue and the amount so lent will be deemed to form part of the Participant Loan Outstanding.

### **15 CAPITALISATION ISSUES**

- 15.1 Every Participant may participate in any Capitalisation Issue in accordance with the terms of the Capitalisation Issue as if the Participant Loan Outstanding of those Scheme Shares was, at the Record Date, already paid in full.
- 15.2 No Participant may renounce his rights to any Capitalisation Shares, or dispose of his rights. However, the Participant may sell any Capitalisation Share for the sole purpose of applying the net proceeds of the sale to reduce the Participant Loan Outstanding owing in respect of the corresponding Scheme Shares. The Directors may also, in their discretion, require the Participant to sell any Capitalisation Shares for that purpose.
- 15.3 The Capitalisation Shares –
  - 15.3.1 will be allotted and issued subject to the restrictions and provisions of these Rules; and
  - 15.3.2 will, for so long as the Participant Loan Outstanding of the Scheme Shares in respect of which they are issued is not paid in full, be linked to those Shares and will be subject in all respects to the same restrictions and provisions as are attached to the Scheme Shares, with changes required by the context.
- 15.4 Without prejudice to anything contained in this Rule 15, the maximum number of Scheme Shares in respect whereof any one Offeree may accept an Offer pursuant

to this Scheme contained in Rule 6.1.2 will be adjusted to take account of any Capitalisation Issue in such manner as the Auditors (acting as experts and not as arbitrators) certify as being fair and reasonable in the circumstances. If any determination is manifestly unjust, but the court exercises its general power, if any, to correct such determination, the parties will be bound thereby. **[LR - Sch 14.3(b)]**

- 15.5 For the avoidance of doubt, all Capitalisation Shares issued for Scheme Shares will, on issue, be deemed to be Scheme Shares "purchased" by the Participant.
- 15.6 For the avoidance of doubt, all Capitalisation Shares issued in respect of Scheme Shares shall, on issue, be deemed to be Scheme Shares "purchased" by the Purchase Scheme Participant and accordingly shall be pledged to the Funder Company in accordance with the provisions of Rule 10.9.1.
- 15.7 If the Capitalisation Issue provides for an election of cash in lieu of Capitalisation Shares, the Participant must elect cash unless the Directors determine otherwise in their discretion.

## 16 **ADJUSTMENTS ON REORGANISATION OF COMPANY OR SHARE CAPITAL**

- 16.1 If MAS, at any time before a Participant Loan Outstanding has been paid in full – **[LR - Sch 14.1(g)]**
- 16.1.1 is put into liquidation for the purpose of reorganisation of MAS's assets, liabilities or share capital;
- 16.1.2 is a party to a scheme of arrangement affecting the structure of its share capital;
- 16.1.3 reduces its capital or redeems any of its Shares;
- 16.1.4 makes a Distribution, whether by way of the declaration of a Distribution or by way of a disposal at less than fair value, of a capital asset of MAS; **[LR - Sch 14.3(a)]**
- 16.1.5 splits or consolidates its Shares; or
- 16.1.6 is a party to a reorganisation of MAS's assets, liabilities or share capital,

the Directors may adjust the Participant Loan Outstanding as the Auditors, acting as experts and not as arbitrators, certify as being fair and reasonable in the circumstances.

- 16.2 On finalisation of the adjustment under Rule 16.1, the Auditors must confirm to the JSE, in writing, that the adjustment was made in accordance with the terms of the Scheme. **[LR - Sch 14.3(d)]**
- 16.3 If MAS is placed in liquidation otherwise than under Rule 16.1.1 –
- 16.3.1 the full amount owing by each Participant will immediately become due and payable, provided that the Directors may release a Participant from any balance owing by him to MAS; and
- 16.3.2 save as provided in Rule 16.3.1, this Scheme will automatically lapse as from the date on which any application (whether provisional or final) for the liquidation of MAS is lodged at the relevant court the date of liquidation. **[LR - Sch 14.1(e)]**

## 17 TAKEOVER OF COMPANY OR BUSINESSES **[LR - SCH 14.1(G)]**

### 17.1 *Scheme*

- 17.1.1 If control of MAS passes to another person as a result of a takeover, reconstruction, amalgamation, or scheme of arrangement, then each Participant will be entitled but not obliged to dispose of all Vested Scheme Shares on the terms and conditions of the scheme of arrangement, disposal or offer.
- 17.1.2 If the consideration payable for the Shares under the takeover, reconstruction, amalgamation, or scheme of arrangement is payable in –
- 17.1.2.1 cash, the Participant, to the extent necessary, irrevocably authorises MAS to (i) sign any transfer declaration or other document which may require signature in order to implement any such disposal, and (ii) apply such portion of the proceeds of such sale as may be required to discharge the Participant's Participant Loan Outstanding in full, provided that if the aggregate proceeds of the sale is less than the Participant's Participant Loan Outstanding, then the proceeds of the sale must be paid to MAS in full and final settlement of the Participant's Participant Loan Outstanding; or
- 17.1.2.2 securities ("**consideration securities**"), these Rules will continue to apply to the Participants on the basis that all provisions applicable to the Participants' Scheme Shares will immediately apply to the consideration securities issued in consideration for such Scheme Shares; or

- 17.1.2.3 a combination of cash and securities, Rule 17.1.2.1 will apply for those Scheme Shares for which the consideration are paid in cash, and Rule 17.1.2.2 will apply for those Scheme Shares for which the consideration is paid in consideration securities.
- 17.1.3 Nothing in this Rule 17.1.1 will prevent a Participant from paying, in accordance with Rule 10.5, the outstanding balance of the Participant Loan Outstanding at any time before the due date of payment thereof and for the Scheme Shares to be released to the Participant in accordance with Rule 10.7.1, subject to Applicable Laws.
- 17.2 **Offer**
- 17.2.1 If an offer is made to the Shareholders of MAS or a scheme of arrangement between MAS and its Shareholders (or any class of them) is proposed, by virtue of which control of MAS would pass to another person, the Directors will use their best endeavours to procure, insofar as they are able, that the same or a similar offer be made or scheme of arrangement proposed, as the case may be, to all Participants for all Scheme Shares, and the Participants will, subject to payment of the Participant Loan Outstanding in full, be entitled to the transfer of those Scheme Shares pursuant to that offer.
- 17.2.2 If control of MAS passes to another person as a result of a takeover, reconstruction, amalgamation, or scheme of arrangement, all Unvested Shares will Vest automatically and each Participant will be entitled, but not obliged to dispose of all Vested Scheme Shares on the terms and conditions of the scheme of arrangement, disposal or offer.
- 17.3 Despite anything to the contrary in these Rules, no term is implied to prevent MAS from disposing of any of its Subsidiaries or losing control thereof, or any of MAS or the Subsidiaries from disposing of their businesses at any time and each Participant waives any claims he may have as a result thereof.

## **PART V – GENERAL**

### **18 AMENDMENTS TO THESE RULES**

- 18.1 These Rules may be amended from time to time by the Directors, but –

- 18.1.1 the terms or conditions of allotment of any Scheme Shares or of any Offer may not be altered without the consent of the Participants concerned;
- 18.1.2 no amendment in respect of the following matters will operate unless the amendment has been approved by Shareholders passing an ordinary resolution, namely – **[LR - Sch 14.2]**
  - 18.1.2.1 the basis upon which Offers are made;
  - 18.1.2.2 the persons who may become Participants under the Scheme;
  - 18.1.2.3 the voting, distribution, transfer and other rights (including those arising on the liquidation of MAS) attaching to Scheme Shares; **[LR - Sch 14.1(e)]**
  - 18.1.2.4 the total number of the securities which may be used for purposes of the Scheme;
  - 18.1.2.5 a fixed maximum entitlement for any one Participant;
  - 18.1.2.6 the basis for determining the purchase or subscription price of Scheme Shares which is a fixed mechanism for all Participants under the Scheme;
  - 18.1.2.7 the terms of repayment of any loan as set out in these Rules;
  - 18.1.2.8 the treatment of Scheme Shares in mergers, takeovers or corporate actions; and
  - 18.1.2.9 the procedure to be adopted on termination of employment, retirement or death of a Participant.
- 18.2 Despite Rule 18.1, but subject to the JSE Listings Requirements, if it becomes necessary or desirable by reason of any new law at any time after the adoption of these Rules, to amend these Rules so as to preserve the substance of the provisions in these Rules but to amend the form so as to achieve the objectives embodied in these Rules in the best manner having regard to the new law and without prejudice to the Participants concerned, then the Directors may amend these Rules accordingly.



**19 DISCLOSURE BY THE COMPANY IN ITS ANNUAL FINANCIAL STATEMENTS**

MAS must disclose in its annual financial statements such disclosures as may be required under the JSE Listings Requirements and such other securities exchange on which MAS's Shares are listed from time to time. **[LR - Sch 14.3(e) and 14.8]**

**20 DISPUTES**

Any dispute arising under or in respect of this Scheme must be referred to the decision of the Auditors, acting as experts and not as arbitrators, whose decision thereon will be final and binding on the parties to the dispute.

**21 ISSUE OF SHARES TO ANY PARTY**

None of the Participants (nor their representatives or their successors-in-title) will have any action of whatsoever nature (including an action based on an alleged oppression or fraud on minority Shareholders) arising from any issue of Shares to any party by MAS from time to time, provided that such issue was in accordance with all Applicable Laws and regulations, including the JSE Listings Requirements and any other securities exchange on which the Shares of MAS may be listed from time to time.

**22 DISTRIBUTION POLICY [LR - SCH 14.1(E)]**

For certainty, the decision as to whether or not any Distributions are to be declared and paid to Shareholders of MAS, and the amount of any Distributions which may be declared and paid by MAS, subject to MAS's constitution, vest in the Directors of MAS in their Discretion.

**23 TERMINATION OF SCHEME**

The Scheme will terminate as soon as all of the following events have taken place, namely –

- 23.1 the Directors resolve that the Scheme must terminate;
- 23.2 MAS has received payment in full of all amounts owed to it by the Participants which are recoverable; and
- 23.3 if applicable, when MAS has discharged all its obligations to the Participants.

## 24 **DISCLAIMER**

- 24.1 MAS gives no warranties or guarantees either expressed or implied regarding the performance of MAS or the Shares.
- 24.2 By accepting any benefits under an Offer, each Participant acknowledges and agrees that he has been free to secure independent legal and other professional advice (including legal, financial and tax advice) as to the nature and effect of all of the provisions of the Scheme and that he has either taken such independent advice or has dispensed with the necessity of doing so.
- 24.3 The action of MAS in establishing the Scheme, any action taken by MAS under the Rules, and any Rule will not be construed as giving to any person the right to continue being an Eligible Person as defined, or stay in any other contractual arrangement with any member of the Group.
- 24.4 Nothing in these Rules or in any contract between a member of the Group and any person will be construed as giving to the person a right to participate in the Scheme.
- 24.5 If a Participant for any reason stops being an Eligible Person as defined, or in any other contractual arrangement with a member of the Group, he will not be entitled, by way of compensation for loss of office or employment or otherwise, to any sum or any benefit to compensate him for any consequential loss or curtailment of any right or benefit accrued or in prospect under the Rules, and any such loss or curtailment will not form part of any claim for damages for breach of any contract between the member of the Group or compensation for unfair dismissal or any other claim whatsoever.

## 25 **CONFIDENTIALITY**

Each Participant must, in addition to and without prejudice to any obligation imposed elsewhere in these Rules, whether express or implied, at all times keep confidential the terms of the Rules, the Offer, and any information given to him under the Rules.

## 26 **TAX**

- 26.1 A Participant is liable for all taxes howsoever incurred by him, a member of the Group, or MAS in connection with the participation of the Participant in the Scheme (other than penalties and interest incurred by a member of the Group, or MAS as

a result of an act or omission on the part of a member of the Group, or MAS), and the Participant indemnifies a member of the Group and or MAS accordingly.

- 26.2 MAS gives no warranties, either expressed or implied, regarding the manner in which Participants may be taxed on any transactions entered into under or as a result of this transactions contemplated these Rules.

## 27 **WHOLE AGREEMENT**

These Rules as read with the Offer is the whole of the agreement between MAS and the Participant relating to the matters dealt with in these Rules.

## 28 **SEVERABILITY**

- 28.1 All Rules are severable from each other, despite the way in which they have been grouped together or linked grammatically.

- 28.2 If any Rules is or becomes unenforceable, whether due to voidness, invalidity, unlawfulness or for any other reason, then –

- 28.2.1 that Rule must, only to the extent that it is so unenforceable, be treated as not having been written; and

- 28.2.2 the remaining Rules continue to operate.

## 29 **CESSION**

- 29.1 Save as stated in these Rules, a Participant may not dispose of, encumber or delegate any rights or obligations under these Rules.

- 29.2 MAS may cede, transfer or delegate any rights and obligations under these Rules without the consent of the Participants.

## 30 **STIPULATION FOR THE BENEFIT OF MEMBERS OF THE GROUP**

The provisions of these Rules constitute stipulations for the benefit of the members of the Group other than MAS who may accept the benefit at any time.