***Sample family Trust***

**DEED OF TRUST**

between

XXX

("the Founder")

and

XXX

And

Trustees

("the first Trustees")

**PREAMBLE**

1. It is the intention and desire of the Founder to create a Trust for the welfare and benefit of one or more of the beneficiaries referred to in this Trust.
2. The Founder and Trustees hereby agree that the said Trust be established, on the terms and conditions as more fully set out hereunder.

1.            DEFINITIONS

1.1       For the purposes of this deed, unless the context indicates otherwise:

1.1.1      the "Trustees" means the first Trustees and\or those further persons appointed as Trustees under this deed;

1.1.2      "the beneficiaries" means that person or those persons who may from time to time be selected by the Trustees in their entire and absolute discretion to be a beneficiary in respect of benefits, payments or distributions of the income, profits, losses or capital profits or capital gains, capital losses, Trust Property or capital or both under the Trust, from amongst members of the classes consisting of:

1.1.2.1   XXX

1.1.2.2   The future spouse of XXX

1.1.2.3   The descendants of XXX

1.1.2.4   The parents of XXX

1.1.2.5   Any trust established for the benefit of any of the aforementioned;

1.1.2.6   Failing the existence of any members of the classes set out in the sub-clauses supra, only in that event, the Founder's heirs as determined in accordance with the Intestate Succession Act, No 81 of 1987, as amended,

1.1.3      "vest or vesting" in relation to a beneficiary, means the vesting of

benefits or distributions as the Trustees in their absolute sole and

unfettered discretion, may in terms of this deed determine. Any such

benefits, payments or distributions of the income, profits, losses or

capital profits or capital gains, capital losses or Trust property shall then

vest in a beneficiary;

1.1.4      "the Trust" means the Trust created in terms of this deed;

1.1.5      "the Trust property" means:

1.1.5.1   the settlement referred to in clause 2 below;

1.1.5.2   any other monies, property or assets which the Trustees, in their capacity as such, may acquire by donation, inheritance, purchase, investment, re-investment, loan, exchange or otherwise, and

1.1.5.3   the undistributed, accumulated or capitalised income, profits or capital profits or gains of the Trust as at the end of each financial year of the Trust;

1.1.6      "company" includes a close corporation and a "share" in a company includes a member's interest in a close corporation and further shall mean a private, public, and/or public listed company incorporated in the Republic of South Africa or in any other country in any part of the world;

1.1.7      "person" means natural persons, duly registered Trusts, juristic persons,

associations, foundations, funds, companies, partnerships, the state or any organ of the state and close corporations;

1.1.8 "welfare", besides the ordinary meaning of the word, also means the benefit, comfort, maintenance, education (including tertiary education), advancement in life and pleasures of the person concerned and shall include but not be limited to the cost of living, travelling, vacations, medical, dental and similar services, entertainment, tax, general care and provision, insurance, accommodation, motor vehicles, establishment in a business or a profession of the person concerned and all matters and purposes which the Trustees, in their discretion, consider to be in the interest or for the advantage of such person;

 1.1.9     the words "capital", "capital gain", "capital profit", "capital losses", "losses", "operating loss", "assessed loss", "nett loss", "profits", and "income" shall be given their widest meaning and shall include assets of any kind and the word "distribute" and/or "pay" and its derivatives shall mean and include the words pay, deliver, use, benefit, make-over, give, possess or transfer and their respective derivatives;

1.1.10    the word "descendants" shall be given its widest meanings and shall include descendants (born or to be born) and adopted children; (the intent and purpose being that for all purposes under this Trust an adopted child shall be deemed to be the lawful issue of the person or persons who adopted him/her).

1.1.11    any reference in this Trust to any Statutory or Legislative Act shall be a reference to such Act in effect on the date of signature of this Trust, or to any amendment or replacement of such Act; and

1.1.12    words importing the masculine gender shall include the female gender, and the singular shall include the plural and vice versa.

2.            SETTLEMENT

The Founder irrevocably settles on the Trustees as the initial subject matter, assets to the value of R500.00 to be held by them for the welfare and benefit of the beneficiaries upon the terms set out in this deed, which settlement the Trustees accept. The initial subject matter shall be capable of being added to and increased from time to time.

3.            THE TRUST

|              The trust shall be known as THE \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_TRUST.

OBJECTIVES OF THE TRUST

4.1          The principal objectives of the Trust are:

4.1.1      to preserve, maintain and enhance the Trust property; and

4.1.2      at the sole, absolute and unfettered discretion of the Trustees to distribute or pay any income, capital profits or capital of the Trust, subject to the provisions hereof, for the welfare of any beneficiary.

4.2          The Trustees are hereby empowered to exercise the powers afforded to them in

terms of this deed to utilize and apply the Trust property to any other objective

whatsoever.

TRUST ASSETS TO VEST IN TRUSTEES

5.1          Upon the Founder ceding, selling or transferring any assets, investments or other property to the Trustees, he/she shall be excluded from any right, title and interest therein and the control thereof and all right, title and interest therein, including every right of negotiation, shall vest in the Trustees in their fiduciary capacities, subject to the under mentioned terms, provisions, conditions and Trust instructions.

5.2          Howsoever or wherever the capital, income and/or assets of the Trust may be held or registered, they shall be held for the Trust and at no time shall the Trustees be deemed to acquire for themselves or on their personal account any contingent and/or vested right or interest in the capital, income, Trust property and/or assets of the Trust save insofar as the Trustee may be a beneficiary of the Trust.

5.3       The Trustees undertake:

5.3.1      to indicate clearly in their bookkeeping that the Trust property or any capital profits, capital gains, profits or income of the Trust is held by them in their capacities as Trustees;

5.3.2      if applicable, to register Trust property or keep the Trust property registered in such a manner to make it clear from the registration that it is a Trust asset;

5.3.3      to make any account or investment at a financial institution identifiable as a Trust account or Trust investment;

5.3.4      in respect of any other Trust asset to make such asset clearly identifiable as a Trust asset; and

5.3.5      to open a separate Trust account at a banking institution or building society and to deposit all money which they may receive in their capacity as Trustees therein.

6.            THE TRUSTEES

6.1          There shall at all times be not less than two Trustees of the Trust, the first Trustees accept their appointment as such.

6.2          If at any time there be fewer than two Trustees in office the remaining Trustee shall during such time act only to fill the vacancy in such office.

6.3          Subject to 6.2 above and 6.4 below, any vacancy in the office of Trustee shall be filled from time to time by such person as shall be nominated by the Trustees remaining in office.

6.4         As far as he is capable of doing so, upon any Trustee ceasing to be a Trustee the Founder shall nominate a replacement Trustee. Upon the Founder ceasing to be a Trustee, her father, DIEDERICK JOHANNES KRIEL, shall be appointed a Trustee of the Trust.

6.5          In the absence of the appointment of a Trustee in terms of the powers granted under 6.3 and 6.4, the beneficiaries, assisted by their guardians if necessary, shall be empowered to appoint a Trustee to take the place of a deceased or retired Trustee.

6.6          On the written acceptance of his/her appointment as a Trustee, a succeeding Trustee shall be vested with all the powers and subject to all the duties of a Trustee, as if he had been one of the first Trustees of this Trust.

6.7          The Trustees in office from time to time shall at all times have the right to nominate and appoint such additional Trustee or Trustees as they may decide, provided that their decision to do so shall be unanimous.

6.8          The Trustees for the time being in office may appoint from amongst themselves an administrative Trustee who shall be entitled to charge fees for services rendered to the trust as administrative trustee, alternatively that any such other experts or suitably qualified people may be appointed as Trustees or managers or consultants or employees to assist in the running and administration and operation of the Trust.

6.9          A Trustee need not be a South African citizen or be resident or domiciled in South Africa or be incorporated as a legal person in South Africa. No Trustee shall have the power, on his own, to appropriate or dispose of any property of the Trust, as he sees fit, for his own benefit or for the benefit of his estate, nor shall he have or be competent to obtain such power directly or indirectly by the exercise, whether with or without notice, of any power exercisable by him or with his consent, nor shall he be party to any decision which directly affects the distribution of capital to him or his estate, which decision may be taken by unanimous consent by the other Trustees. In the event of the board of Trustees consisting of only two Trustees, then a distribution of capital to such Trustee who is a beneficiary shall be made by the Trustees unanimously.

7.            ALTERNATE TRUSTEES

7.1          A Trustee shall be entitled to appoint another person (approved by the other Trustees in writing) to act as his alternate during his temporary absence or temporary unavailability to act as Trustee. An alternate Trustee, while so acting, shall have all the duties, functions and powers of the Trustee he represents.

7.2          In the event of all serving Trustees being so absent or incapable of performing their duties, they are entitled by mutual power of attorney to nominate another person or persons to temporarily act in their place and stead as Trustees of the Trust.

8.            TRUSTEE VACATING OFFICE

8.1       The office of any Trustee shall be vacated if such Trustee:

8.1.1      resigns (which he shall be entitled to do) after giving written notice to the Master of the High Court and the Trustees for the time being of the Trust;

8.1.2      dies;

8.1.3      becomes of unsound mind or incapable of managing his affairs as defined in the Mental Health Act, Act 18 of 1973 as amended, or for any other reason becomes incapable of acting as a Trustee or unfit so to act;

8.1.4      is sequestrated or liquidated, whichever is applicable;

8.1.5      he is declared a prodigal or placed under curatorship by any competent court;

8.1.6      is not authorized to act as such by the Master of the High Court;

8.1.7      is removed from office by order of court or the Master of the High Court;

8.1.8      becomes disqualified in terms of the Companies Act in force from time to time, to act as a Director of a company.

9.            POWERS OF TRUSTEES

9.1          The Trustees shall have the power to deal with the Trust property, capital and/or income and or capital profits or gains of the Trust for the benefit and purposes of the Trust, in their discretion, for which purposes they are granted the widest powers and authority, including and without prejudice to the generality of the aforegoing, the following specific powers and authorities:

9.1.1      to open and operate any banking account or facility and/or building society account or facility, apply for any credit or debit cards and to draw and issue cheques and to receive cheques, deposits, promissory notes and/or bills of exchange, and attend to any of the latter by electronic, telephonic or internet means;

to acquire, dispose of, invest in, let or hire, exchange, and/or barter movable, immovable or incorporeal property and to sign and execute all requisite documents and to do all things necessary for the purposes of effecting and registering, if needs be, the transfer according to law of any such property. In exercising any powers of sale, whether conferred in this sub-clause or otherwise, they shall be entitled to cause such sale to be effected by public auction or by private treaty and in such manner and on such terms and conditions as they in their sole and absolute discretion may deem fit and in exercising any powers of lease they shall be entitled to cause any property to be let at such rental, for such period and on such terms and conditions as they, in their sole and absolute discretion may deem fit;

9.1.3      to invest in shares, stocks, debentures, debenture stock, unit trusts, warrants, options, bonds, gilts, securities, promissory notes, bills of exchange and other negotiable instruments, in the event of a company or a unit trust scheme prohibiting, in terms of its articles or regulations, the transfer of shares or units into the name of the Trust as such, the shares or units shall be registered in their personal names or in the names of their representatives and shall be held as nominees on behalf of the Trust;

9.1.4      to retain and allow the Trust property or any part or parts thereof to remain in the present state of investment thereof for so long as they think fit;

9.1.5      to lend money on such terms and at such interest, and to such persons (including beneficiaries and any Trustee of the Trust, or any director or shareholder of any company in which the Trust, any Trustee or beneficiary is interested, directly or indirectly or to companies in which the Trustees in their representative capacities or any beneficiary, holds shares, directly or indirectly) as the Trustees may determine, and with or without security as the Trustees may determine;

9.1.6      to dispose of and otherwise vary any Trust investment;

9.1.7      in their sole and absolute discretion, to borrow money for the purposes of discharging any liability of the Trust and/or for the purpose of paying income tax and/or for the purpose of making payment of capital and/or income, and or capital profits or gains to any beneficiary and/or for the purpose of making a loan to any beneficiary and/or for the purpose of making an investment and/or for the purposes of preserving any asset or investment of the Trust and/or for the purposes of conducting any type of business or in order to provide any type of services on behalf of the Trust and/or any other purpose deemed necessary or desirable by the Trustees, at such time or times, at such rate of interest or other consideration for any such loan and upon such terms and conditions as they may deem desirable. Such borrowings may be made from any suitable person or persons and, should they consider it advisable to do so, the Trustees may secure the payment of any such loan by pledging or mortgaging the Trust property or any part thereof or by any other security device. Any such loan or loans may be extended, renewed or repaid from time to time as the Trustees may deem to be in the best interest of the Trust;

9.1.8      obtain and utilise in the name of the Trust, membership in and any credit facilities from any agricultural or other society and for this purpose to encumber the Trust property or any part thereof by way of pledge, hypothec or mortgage as security;

9.1.9      the Trustees shall be entitled to make donations for charitable, ecclesiastical, educational or other like purposes either from the income, capital profits or gains or the capital of the Trust;

9.1.10    to mortgage, pledge, hypothecate or otherwise encumber any property, asset, income or capital, or capital profits or gains forming part of the Trust property and to execute any act or deed relating to alienation, partition, exchange, transfer, mortgage, hypothecation or otherwise, in any deeds registry, mining titles office or other public office dealing with

9.1.11    servitudes, usufructs, limited interests or otherwise; and to make any applications, grant consents, and agree to any amendments, variations, cancellations, cessions, releases, reductions, substitutions or otherwise generally relating to any deed, bond, or document for any purpose and generally to do or cause to be done any act whatsoever in any such office;

9.1.12    to appear before the Registrar of Deeds, Registrar of Claims, conveyancer or other proper officer and to execute any Mortgage Bond or Deed of Hypothecation as security for loans of money or as security for any other indebtedness or obligation contracted on the trust's behalf

9.1.13    To appear before any Notary Public and to execute any Notarial Deed;

9.1.14    collect rent, cancel leases, and to evict a lessee from property belonging to the Trust;

9.1.15    to improve, alter, repair and maintain any movable and immovable property of the Trust and further to improve and develop immovable property by erecting buildings thereon or otherwise, to expend the capital or income, profits or capital profits of the Trust for the preservation, maintenance and upkeep of such property or buildings, to demolish such buildings or effect such improvements thereto as they may consider fit;

9.1.16    to sue for, recover and receive all debts or sums of money, goods, effects and things, which are due, owing, payable or belong to the Trust; institute any action in any forum to enforce any benefits or rights on behalf of the trust;

9.1.17    to allow time for the payment of debts due to them and grant credit in respect of the whole or any part of the purchase price arising on the sale of any assets constituting portion of the Trust property, in either case with or without security and with or without interest, as they may think fit;

9.1.18    to institute or defend, oppose, compromise or submit to arbitration all accounts, debts, claims, demands, disputes, legal proceedings and matters which may subsist or arise between the Trust and any person;

9.1.19    to attend all meetings of creditors of any person indebted to the Trust whether in sequestration, liquidation, judicial management or otherwise, and to vote for the election of a Trustee and/or liquidator and/or judicial manager and to vote on all questions submitted to any such meetings of creditors and generally to exercise all rights of or afforded to a creditor;

9.1.20    to exercise the voting power attached to any share, stock, stock debenture, interest, unit or any company in which the share, stock, stock debenture, security, interest or unit is held, in such manner as they may deem fit, and to take such steps or enter into such agreements with other persons as they may deem fit, for the purposes of amalgamation, merger of or compromise in any company in which the shares, stock, debenture, interest, or unit are held;

9.1.21    to subscribe to the memorandum and articles of association of and apply for shares in any company and to apply for the registration of any company;

9.1.22    to determine whether any surplus on the realisation of any asset or the receipt of any dividends, distribution or bonus or capitalisation shares by the Trust be regarded as income or capital of the Trust;

9.1.23    to appoint or cause to be appointed or to remove any one or more of themselves or their nominees as directors or officers of any company whose share form portion of the trust property, with the right to receive and retain remuneration for their services as directors and other officers;

9.1.24    to consent to any re-organisation, arrangement or reconstruction of any company, the securities of which form, from time to time, the whole or any part of the Trust property and to consent to any reduction of capital or other dealings with such securities as they may consider advantageous or desirable;

9.1.25    to exercise and take up and realise any rights of conversion or subscription attaching, or appertaining to any share, stock, interest, debenture or unit forming part of the Trust property;

9.1.26    to guarantee the obligations of any person, to enter into indemnities and to bind the Trust as surety for, and/or co-principal debtor in solidum with any person and/or company in respect of any debt or obligation of that person and/or company, whether for consideration or gratuitously on such terms as they consider fit, including the renunciation of the benefits of excussion and division. The Trustees shall be entitled in respect of any obligations or liabilities so assumed by them to pledge, mortgage, cede in security or otherwise encumber all or any of the Trust property in such manner and subject to such terms and conditions as they shall deem fit as collateral for such obligations.;

9.1.27    to give receipt, releases or other effectual discharges for any sum of money or thing recovered or received;

9.1.28    to engage the services of professional practitioners, agents, independent contractors and tradesmen for the performance of work and rendering of services necessary or incidental to the affairs or property of the Trust;

9.1.29    to enter into any partnership, joint venture, conduct of business or other association with any other person, firm, company or trust for the doing or performance of any transaction or series of transactions within the powers of the Trustees in terms hereof, and/or to acquire and/or hold any assets in co-ownership or partnership with any person;

9.1.30    to determine whether any sums disbursed are on account of capita! or income or capital profits or gains or partly on account of one and partly on account of the others and in what proportions, and the decision of the Trustees, whether made in writing or implied from their acts shall be conclusive and binding upon all the beneficiaries;

9.1.31    to effect an assurance policy on the life of the Founder, a Trustee and/or a beneficiary, to effect a short term insurance policy, or to take cession of such policy and to pay the premiums for such policy out of the income, capital profits or gains or capital of the Trust. To continue any such policy and/or to surrender, redeem, dispose of, encumber and borrow against any such policy, with the right generally to deal with any such policy as they in their discretion deem fit. If during the currency of the Trust a person so assured should die while the assurance policy on his life is still in operation, the proceeds of such policy shall form part of the Trust property;

9.1.32    to contract on behalf of the Trust and to ratify, adopt or reject contracts made on behalf or for the benefit of the Trust, either before or after its creation;

9.1.33   to employ and pay out of the Trust any other person or other persons to do any act or acts, although the Trustees or any of them could have done any such act or acts;

9.1.34    to conduct or carry on any business or to provide any type of services on behalf of and for the benefit of the Trust, and to employ the Trust property and income or any capital profit or gain, in the conduct of any such business;

9.1.35    to hold the whole or any part of the Trust property in the name of the Trust, or in their names, or in the names of any other persons nominated by them for that purpose;

9.1.36    in the event of the Trustees obtaining the necessary authority, to incorporate any company, or establish a Trust in any place in the world at the expense of the Trust with limited or unlimited liability for the purpose of inter alia, acquiring the whole or any part of the assets of the Trust. The consideration on the sale of the assets of the Trust, or any part thereof, to any company incorporated pursuant to this sub-clause, may consist of wholly or partly paid debentures or debenture stock or other securities of the company, and may be credited as fully paid and may be allotted to or otherwise vested in the Trustees and be capital monies in the hands of the Trustees;

9.1.37    in the event of the Trustees obtaining the necessary authority, to hold the Trust property or any part thereof in or to transfer the administration and management of the Trust property or any part thereof to any country in the world;

9.1.38    in the Trustees sole discretion to allow any beneficiary, or their parents and/or their guardians and/or the Founder and/or his/her spouse, free of charge, to occupy or use any immovable or movable property forming part of the Trust;

9.1.39    to pay out of the income, capital profits or, at their discretion, out of the capital or the Trust property all rates, taxes, duties and other impositions lawfully levied or imposed on the Trust property or income or capital profits or gains of the Trust or any part thereof or on any beneficiary hereunder on account of his interest in the Trust hereby created or which may be imposed on the Trustees in respect of matters arising out of the Trust;

9.1.40    to pay out of the income, capital profits or out of the Trust property all and/or any expenses (including legal fees) incurred in the administration of the Trust or any expenditure incurred pertaining to any activity undertaken by the Trust, or on behalf of any Trustee or beneficiary;

9.1.41    to accept and acquire for the purpose of the Trust any gifts, bequests, grants, donations or inheritance from any person or estate, or payments from any person, firm, company or association that may be given, bequeathed or paid to them as an addition or with the intention to add to the funds hereby donated to them. Any additions so accepted and acquired shall be deemed to form part of the Trust property to be administered and dealt with subject to the terms of this deed;

9.1.42    to be entitled to treat as income, or capital profits or gains any periodic receipts although received from wasting assets, and shall not be required to make provision for the amortisation of the same. They shall also be entitled to determine in such manner as they may consider fit what shall be treated as income and what shall be treated as capital profits or gains in respect of any liquidation, dividend or return of capital in the case of companies whose shares are being held as portion of the Trust property by the Trustees; and generally to decide any question which may arise as to how much constitutes capital profits or gains and how much constitutes income by apportioning in such manner as they may consider fit;

9.1.43    to do all or any of the above things and to exercise all or any of the above rights and powers in the Republic of South Africa or in any other part of the world.

**10.          ADMINISTRATION OF TRUST**

Subject to their giving effect to the terms of this deed, the Trustees shall, in administering the Trust, adopt such procedures and take such administrative steps as they shall from time to time deem necessary or desirable.

**11.          MEETINGS OF TRUSTEES**

11.1        The Trustees may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit. Any Trustee shall be entitled on reasonable written notice to the other Trustees to summon a meeting of the Trustees. Ail Trustees for the time being in the Republic of South Africa shall be given reasonable notice of any meeting of the Trustees.

11.2        The meetings may be held either by the quorum of Trustees being physically present as stipulated in clause 11.4 below, or by the quorum of Trustees interacting by way of any means of electronic communication or such other advanced means of communication as decided by the Trustees which shall include but not be limited to radio, telephone, closed circuit television or other electronic means of audio or audio/visual communication. The meeting shall be deemed to be held on the day on which and at the time at which the meeting in the manner prescribed in terms of this clause was held. In the event that a meeting is held where the physical presence of the Trustees are required, the venue of such meeting shall be decided upon by the Trustees.

11.3        At or for each meeting of Trustees, the Trustees present, in person or by alternate, shall elect  a chairperson. The Trustees present shall each have one vote.

11.4        Subject to 6.2 above, the quorum necessary at any such meeting shall be two Trustees, provided that for so long as XXX is a Trustee, her presence (in person or by alternate) shall be necessary to constitute a quorum, save that in the event there are only two Trustees nominated to the board of the Trust both their presence shall be necessary to constitute a quorum.

11.5        If there is no quorum, the Trustees may adjourn the meeting for 24 hours or such longer period as they shall determine, and at the continuation of the said adjourned meeting those Trustees who are present shall form a quorum provided that the absent Trustees have received reasonable notice of the adjournment and continuation of the meeting.

11.6        The Trustees themselves shall determine policy and procedures to be followed at meetings.

11.7        The Trustees shall keep minutes of all meetings of Trustees concerning the affairs of the Trust.

11.8        The Trustees shall meet at least once a year and shall decide upon the use and/or allocations of capital gains, capital profits, capital losses, operating losses, assessed losses, nett losses and profits earned or losses incurred or accrued by the Trust, and in accordance with clause 20.1, within their sole, absolute and unfettered discretion to determine, whether they are to distribute and pay any benefits to any beneficiary or to hold any capital gains, capital profits, capital losses, operating losses, assessed losses, nett losses, profits for the Trust.

11.9        Any Trustee shall be entitled in writing to appoint any other person (including one of the other Trustees) to act and vote on his behalf at all or any specified meetings of the Trustees.

11.10     A written resolution signed by all Trustees for the time being, or their respective alternates, shall be as effective as a resolution taken at a meeting of Trustees.

12.          EXECUTION OF DOCUMENTS

All negotiable instruments, contracts, deeds and other documents which require to be signed on behalf of the Trust shall be signed in such manner as the Trustees shall from time to time determine; provided that all such negotiable instruments, contracts, deeds and other documents shall be signed by XXX or her alternate, should she be a Trustee at the time.

13.          DISAGREEMENTS BETWEEN TRUSTEES

13.1        Unless otherwise provided for in this deed, in the event of any disagreements arising between the Trustees at any time, the view of the majority shall prevail and be of the same force and effect as if it were a unanimous decision of all the Trustees. Should there be an equality of votes, the chairperson shall not have a second or casting vote,

13.2        In the event there are only two Trustees nominated to the board of the Trust, all decisions to be taken by them, to be effective, must be by unanimous consent. Any issue, event, resolution or motion which is not unanimously agreed upon shall constitute a dispute, disagreement or deadlock and shall be resolved as set out below.

13.3        Any dispute, disagreement or deadlock which may arise between the Trustees shall be submitted to a referee who shall be an advocate or an attorney of no less than ten years standing and who, failing agreement between the Trustees on the appointment within 10 days after the deadlock will have arisen, shall be nominated by the chairperson or acting chairperson of the Bar Council alternatively the president or acting president of the Law Society {whichever applicable) where the majority of the Trustees may be resident. Any Trustee shall be entitled to appear personally or by a single agent, duly appointed, but without any legal or other professional assistance before the referee, and the proceedings shall be conducted as informally as possible. The referee in his discretion shall determine the procedure to be followed and is empowered to make an award in regard to his costs and any other costs incurred in the proceedings, including an order that some or al! of the costs be paid out of the Trust property or income. The provisions of the Arbitration Act, 1965, or any statute which replaces it, shall not apply. The decision of the referee shall be final and binding on the Trustees and no Trustee or beneficiary shall make such decision the subject of any legal proceedings.

14.          TRUST ACCOUNTS

The Trustees shall cause to be kept complete and accurate records of all receipts, expenditure, assets and liabilities of the Trust. Promptly after the last day of FEBRUARY {or as at such other date as the Trustees shall from time to time determine) in each year, the Trustees shall cause to be prepared (in accordance with generally accepted accounting principles) financial statements for such period consisting of a balance sheet, a statement of income, capital profits and/or gains and expenditure and a statement of the Trust property and liabilities at the close of such period. The Trustees shall have the right (but shall not be obliged) from time to time to appoint a practicing Chartered Accountant (SA) to act as the auditor of the Trust, who shall report on the financial statements in the customary manner.

15.          REMUNERATION

The Trustees may from time to time determine a reasonable remuneration which shall be paid to them for the administration of the Trust.

16.          PROFESSIONAL FEES AND BROKERAGE

Any Trustee engaged in any profession shall be entitled to charge for services rendered to the Trust at a rate to which he or his firm would have been entitled in the ordinary course of his profession or business.

17.          REIMBURSEMENT OF EXPENSES

All bona fide costs and expenses incurred by the Trustees in the administration of the Trust or the exercise of the powers conferred upon them, shall be paid by the Trustees out of the Trust income, capital profits and/or Trust property as decided by the Trustees.

18.          DELEGATION OF POWERS

The Trustees shall at all times be empowered to employ an attorney, accountant, independent contractor, or agent (including a committee) to transact all or any business required or permitted to be done in pursuance of this Trust and to effect payment out of the Trust property, capital profits or the income of the Trust of all charges and expenses so incurred.

19.          LIMITATION OF TRUSTEES' LIABILITY

19.1      Subject to the provisions of The Trust Property Control Act:

19.1.1   each Trustee is absolved from all responsibility in the event of the bona fide exercise of his powers resulting in any loss of Trust property or capital, capital profit or income from time to time under administration;

19.1.2    no Trustees shall be answerable for any act, omission, negligence, fraud or improper investment of any Trustee or of any attorney, accountant, independent contractor or agent employed by the Trustees, except for his/her own personal and wilful fraud or dishonesty;

19.1.3    if the Trustees should bona fide make any payment to any person assumed by them to be thereto entitled hereunder, and it is subsequently found that some other person or persons is or are entitled thereto under this Deed, the Trustees shall nevertheless not be responsible for the monies so paid;

19.1.4    a Trustee shall not be liable for any act of dishonesty committed by another Trustee unless he was privy thereto and a Trustee shall not be bound to take any proceedings against a co-Trustee for any breach or alleged breach of Trust committed by such co-Trustee; and

19.1.5    the Trustees shall be indemnified out of and by the Trust against all claims and demands that may be made upon them arising out of the bona fide exercise of any of the powers conferred under this deed, subject, however, to the provisions of section 9 of the Trust Property Control Act 57 of 1988.

DISTRIBUTIONS

20.1        Pending the distribution of the Trust property as hereinafter provided, none of the income, losses, operating loss, assessed loss, nett loss, capital profits and or capital gains or capital losses of the Trust shall be deemed to be attributable to the share or the prospective or contingent share of any beneficiary, save that the Trustees, may in their absolute, sole and unfettered discretion distribute, pay or make over any income, losses, operating loss, assessed loss, nett loss, capital profits and or capital gains, or capital losses to any beneficiary without maintaining equality as between the beneficiaries, and further to utilise such income, losses, operating loss, assessed loss, nett loss, capital profits and or capital gains, or capital losses to pay or apply from time to time in such proportions as the Trustees may, in their sole and absolute discretion, consider desirable for the benefit and welfare of all or any one or more of the beneficiaries, without any obligation to maintain equality as between the beneficiaries. The Trustees shall be entitled to accumulate the whole or any part of such income, losses, operating loss, assessed loss, nett loss, capital profits and or capital gains, or capital losses for any period they shall think fit and either retain the same uninvested (without responsibility for any loss) or invest the same in any of the securities or investments hereinbefore authorised.

20.2        The Trustees shall use, pay, distribute or apply the whole or portions of the Trust capital and Trust property, in such proportions and at such time or times as they in their sole, absolute and unfettered discretion determine, for the benefit of or to all or any one or more of the beneficiaries, without the necessity to maintain equality between the beneficiaries; provided that, without the unanimous consent of all the Trustees for the time being, capital distributions shall not be made to a beneficiary who is also a Trustee.

20.3        Further and subject to clauses 20.1 and 20.2 above, the Trustees shall in their sole, absolute and unfettered discretion determine whether any distribution which represents the payment or distribution of any capital profit or gain arising out of the disposal of Trust property, asset or capital of the Trust, constitutes the vesting of an interest in the capital profit or gain in respect of that disposal for purposes of para 80(2) of the Eighth Schedule to the Income Tax Act 58 of 1962 irrespective of whether the amount actually distributed is lower or higher than the amount of the capital gain determined in respect of that disposal in terms of the Eighth Schedule to the Act.

In the event of all the Trust property, income and/or capital of the Trust having already been used, paid or applied, the Trustees shall terminate the Trust upon the written agreement of the then Trustees and beneficiaries of the Trust, and effect final distributions in terms of 20.1, 20.2 and 20.3 above. Should perchance, any of the remaining beneficiaries die prior to the date of vesting of the Trust property, their share shall be paid to his/her issue by representation per stirpes in equal shares (if however, such issue has not attained the age of 25 years the beneficiary's share shall be held over until such issue attains the said 25 years). If any beneficiary shall die before attaining a vested interest hereunder without leaving issue then the share of the Trust property which would have gone to such beneficiary shall devolve upon the remaining beneficiaries in equal shares or their issue by representation per stirpes. Should, perchance, all the beneficiaries be deceased and there be income or capital of the Trust or any Trust property on hand, the Trustees shall, in order to terminate the Trust, pay or deliver such income or capital to or on behalf of the heir or heirs (testate and/or intestate, as determined by the Trustee, having regard to the respective financial circumstances of such heirs) of one, some or all of the beneficiaries, in such proportions as the Trustees in their discretion determine.

21.        PAYMENT OF BENEFITS

21.1        Any benefits payable or distributed to a beneficiary, whether before or after such benefit or distribution vests in a beneficiary, may be wholly or partly paid to such beneficiary personally, applied for the benefit of such beneficiary or invested on behalf of such beneficiary in any one or more investments, or held under the control of the Trustees as the Trustees consider appropriate. Any such payment, distribution or investment may be affected wholly or partly in cash or by the delivery of assets.

21.2        In making a distribution or payment at any time to any beneficiary of any portion of the Trust property, income or capital profit or gain in terms of this deed, the Trustees shall be entitled to make any such distribution or payment either in cash or in specie or partly in cash and partly in specie. The Trustees may in their sole and absolute discretion grant the use of any Trust property to any beneficiary with or without consideration therefore. The Trustees' valuation of any asset distributed by them in specie in terms hereof shall be final and binding on all interested parties. For the purpose of this clause the word "specie" shall be deemed to include any capital asset at that time held as portion of the Trust property which is in a form other than cash money.

21.3        If any beneficiary shall be a minor, the Trustees shall not be obliged to pay any income or capital profits or gains of the Trust, or any Trust property, to which such beneficiary may be entitled, into the Guardian's Fund, but the Trustees may either retain such amounts and deal with them as part of the Trust property during the minority of such beneficiary, or they shall be entitled to pay over such amounts either to such minor beneficiary or to his parents or guardian as they in their sole and absolute discretion think fit, and the receipt of such parent or guardian shall constitute a complete discharge to the Trustees of all their obligations to the minor beneficiary in regard to the amounts so paid over.

21.4        Notwithstanding anything to the contrary contained in this Deed, unborn children shall not be recognised as having any rights under this Deed or to the Trust property or any part of the Trust property and the Trustees shall not be required to take any account of unborn children in their administration of the Trust or any decision affecting the Trust including any decision to terminate the Trust.

**BENEFITS OF TRUST EXCLUSIVE TO BENEFICIARY**

Any benefit to which any beneficiary shall become entitled (and any assets acquired by virtue thereof and the income and fruits of such benefit and assets) shall be and remain the sole property of the beneficiary concerned and shall not fall into any community of property nor be subject to any marital power or right of administration of the spouse of such beneficiary or any other person, nor be taken into account for any accrual, or any claim by a life partner or common law husband or wife.

23.        ENCUMBRANCE OR DISPOSAL OF BENEFITS

23.1        No beneficiary shall be entitled to any benefits, rights, awards or any hope of and claim or entitlement to any income or capital profits or gains of the Trust or Trust property, until any such benefit, right, award or hope vests in a beneficiary. Nothing herein contained shall create or confer upon any beneficiary any right or claim to any benefit or award or delivery of any assets hereunder.

23.2        Any benefit, right, award, spes, claim or entitlement a beneficiary may have in terms of this trust shall not be capable of being pledged or in any way encumbered, ceded, assigned, dealt with, disposed of or alienated whether voluntarily or as a result of attachment in execution, insolvency or death as the case may be, and no such pledge, encumbrance, cession assignment, dealing, disposal or alienation (whether purported or accomplished) shall have any legal effect or be recognised by the Trustees. A beneficiary for the purpose of this clause 23 shall include (but without limitation) the executor and/or administrator and/or trustee of the estate of testamentary trust of a deceased beneficiary, the trustee of any inter vivos trust established for the benefit of a beneficiary, the trustee of an insolvent estate of any insolvent beneficiary, the judicial manager or liquidator or any beneficiary which is a company and any other person entitled to exercise any rights in respect of the property of any beneficiary who is under any legal disability of any kind

23.3        No rights or hopes of the beneficiaries under this Trust and no part thereof shall be attachable by any creditor of any beneficiary or vest in his Trustee in insolvency and if, prior to any vesting, payment or award being made to any beneficiary, he shall have committed or suffered any act, default or process of law, whereby such rights or hopes or any part thereof would, but for the provisions of this clause, become vested in or payable to any other party or parties or if any beneficiary shall be declared insolvent or assign his estate in favour of his creditors or if an attachment is made or execution is levied on or against the rights or hopes of any beneficiary or any part thereof then and in any or all of such cases such rights and hopes of the beneficiary concerned under

this Trust shall immediately and entirely thenceforth cease and those rights and hopes shall thereupon and subject to the provisions below, vest in the Trustees to be dealt with by them, subject to the conditions of paragraphs 23.3.1 and 23.3.2, namely:

23.3.1    no such beneficiary shall be obliged to repay to the Trust any amounts previously paid or advanced to him by the Trust;

23.3.2    the Trustees shall be entitled, in their discretion, to continue to hold in this Trust for the lifetime of the beneficiary concerned (or such lesser period as they may decide on) the share or part of the share of the Trust Property and capital to which he would, but for the provisions of this clause 23, have been or become entitled and to pay, or without detracting from the other powers conferred on them and subject to such conditions as they may decide to impose, to advance to or to apply for the benefit of him or his brothers and sisters, his spouse, descendants or dependents for his or their maintenance, such portion of the amount so held by them or of the income accruing there from as they in their discretion shall deem fit, and in the case of a Trust;

23.3.2.1    if the Trustees do continue to hold the said share of the Trust

Property or capital in Trust as aforesaid then, notwithstanding that the rights and hopes of the beneficiary shall have ceased and determined and notwithstanding anything to the contrary herein contained, such rights and hopes shall, on the beneficiary's death, devolve upon the parties entitled thereto by substitution determined as at the date of the beneficiary's actual death.

23.4        No beneficiary shall be entitled to anticipate any benefits conferred by virtue of this Trust or any rights accruing thereunder, nor shall a beneficiary be entitled to cede, assign or pledge the same.

23.5        The Trustees shall be entitled to acknowledge and accept or refuse to recognise and to treat as null and void any cession, assignment or pledge of the rights or hopes of any beneficiary hereunder. The Trustees may refuse to make any payment otherwise than direct to or on behalf of or for the benefit of the person entitled thereto under this Trust deed.

DIVISION INTO SUB-TRUSTS

24.1        The Trustees shall have power in their absolute discretion, both generally and specifically in the exercise of their powers under clauses 20, 21 and 23 above, to create a sub-Trust of this Trust or create another Trust for the benefit of any beneficiary or group of beneficiaries, with the same Trustees as this Trust may then have or such other Trustees, and the Trust deed establishing the sub-Trust shall contain substantially the same terms mutatis mutandis of this Trust, and to which the Trustees may allocate the whole or such portion of the Trust property, capital profit, gain and/or income as they in their absolute discretion shall think fit.

24.2        The Trustees of this Trust will be relieved of any further responsibility of any part of the Trust property which is transferred to such further Trust created in terms of the provisions of clause 24.1 or clause 24.4.

24.3        If a beneficiary repudiates any benefits which have or may accrue to him in terms of this Trust, the Trustees shall have the power, in their sole discretion, to substitute his descendants for him, and the Trustees are further empowered to create a further Trust or Trusts for such substituted beneficiaries in accordance with the applicable provisions of clause 24.1.

24.4        Notwithstanding anything in this Trust, if the Trustees in their sole and absolute discretion deem it in the interests of a beneficiary or beneficiaries, then instead of distributing the capital profit and/or any income, accumulated income or Trust property on termination of the Trust to the beneficiary or beneficiaries, such beneficiary's share shall be put in a Trust (whether a pre-existing Trust, or a

Trust created in terms of the provisions of clause 24.1) in which the beneficiary is beneficially interested, or into a Corporation/Company in which the beneficiary is beneficially interested. A beneficiary shall be deemed to be beneficially interested:

24.4.1    in a Trust (which shall mean and include any Trust created by any Deed of Trust, Settlement, Declaration of Trust, Will, Codicil or other Instrument in any part of the world) if any capital, capital profit or gain or income comprised in that Trust is or may become liable to be transferred, paid, applied or appointed to him or for his benefit either pursuant to the terms of the Trust or in consequence of the exercise of any power or discretion thereby conferred upon any person; or

24.4.2    in a Corporation (which shall mean and include any corporation, company, establishment, partnership, firm or other entity established or incorporated or registered or carrying on business anywhere in the world) if the capital, capital profits or gains or income of the Corporation is or may become transferred, paid, applied or appointed to him or for his benefit either directly or indirectly and whether by reasons of his shareholding or the terms of any Trust which is the shareholder or in consequence of the exercise of any power or discretion conferred upon any person under any Trust which is a shareholder or otherwise howsoever.

It is expressly provided in respect of any income, capital profits or gains or capital paid to a Trust or Corporation in terms of this clause that the beneficiary concerned shall have no rights in respect of the income, capital profit or capital gain or capital so paid to the Trust or Corporation other than his interest as beneficiary or shareholder of such Trust or Corporation.

26.        EXCHANGE CONTROL

26.1      Notwithstanding anything to the contrary in this deed contained:

26.1.1    no distribution shall be made by the Trustees to any person who is not for the time being a resident of the Republic of South Africa where such distribution or any consequent payment or delivery would constitute a contravention of the laws of the Republic of South Africa relating to currency or exchange control, and

26.1.2    at all events and until otherwise unanimously resolved by the Trustees in writing, the extent of the participation in benefits under the Trust of persons who are not for the time being residents of the Republic of South Africa for the purposes of such laws shall be limited so that neither the Trust nor any company in which it has any direct or indirect interest may or could be:

26.1.2.1                classified or otherwise treated under such laws as a non¬resident of the Republic, or

26.1.2.2                precluded or restricted in any way under such laws from borrowing money or receiving credit in the Republic.

27.        TRUSTEES' DISCRETION

The discretionary powers vested in the Trustees in terms of this Deed shall be complete, exclusive and absolute and any decision made by them pursuant to any such discretionary powers shall be binding and unchallengeable by any beneficiary affected thereby or by any other person.

28.          EXEMPTION FROM SECURITY

The Trustees for the time being of the Trust, whether originally or subsequently appointed, shall not be required to furnish security to the Master of the High Court of South Africa or any other official under The Trust Property Control Act 57 of 1988 or any other legislation which may now be or which may hereafter become of force and effect, for the performance of their duties as Trustees, unless the majority of Trustees determine otherwise.

29.          AMENDMENTS

29.1        While the Founder is alive or in existence, the provisions of this Trust Deed may be amended or varied with the written agreement of all the Trustees for the time being.

29.2        After the death of the Founder or termination , the provisions of this Trust Deed may only be amended or varied with the written agreement of the then Trustees and beneficiaries (duly assisted by their guardians if necessary) of the Trust.

29.3        No amendment to this Trust shall be of any force and effect to the extent that any benefit shall be conferred by such amendment on the Founder or his/her estate, nor shall any variation give the Founder, or any Trustee the power to appropriate or dispose of any Trust property, on his awn, as he sees fit, for his own benefit or for the benefit of his estate, whether such power is exercisable by him or with his consent, and whether such power could be obtained directly or indirectly by the exercise, with or without notice, of power exercisable by him or with his consent.