

Acorn Agri and Food Limited
Registration number: 1998/001018/06

**Acorn Agri and Food Share Administration Agreement between
Acorn Agri and Food Limited
(Herein after referred to as “the Company” or “Acorn Agri and Food”)**

And

.....
Name of shareholder/participant

.....
**ID number/registration number/trust number
(Herein after referred to as “the shareholder” or “participant”)**

1. Recordal and Introduction

- 1.1. This document contains the Acorn Agri and Food Share Transfer and Procedures Rules.
- 1.2. In this document the expression “Acorn Agri and Food” or “shares” refers to shares issued by Acorn Agri and Food Limited, a public company with registration number 1998/001018/06, incorporated in terms of the laws of South Africa. The expressions buyer, seller, investor, shareholder, parties or party refer to potential buyers and sellers of Acorn Agri and Food shares.
- 1.3. The purchase and sale of Acorn Agri and Food shares is negotiable between shareholders of Acorn Agri and Food and/or potential investors. Investors should however note that Acorn Agri and Food is an unlisted public company and that the rules of the Johannesburg Stock Exchange (“JSE”) and the provisions of the Financial Markets Act, 19 of 2012 (“FMA”) do not apply to the trading of its shares.
- 1.4. Acorn Agri and Food shares are traded over-the-counter (“OTC”). OTC share transactions refer to share sale transactions negotiated directly and bilaterally between willing Buyers and willing Sellers of shares. Acorn Agri and Food through its Share Administration Desk (“SAD”) will facilitate the identification of willing buyers and sellers and transfer shares in terms of transactions negotiated and concluded between buyers and sellers. As shares are traded OTC, the provisions of the FMA does not apply to Acorn Agri and Food or transactions in its shares and no protection is offered to the buyer or seller in terms of the FMA.
- 1.5. Acorn Agri and Food will act as administrator to execute the transaction negotiated and concluded between the buyer and seller in terms of the transfer of shares and the updating the Acorn Agri and Food securities register. Acorn Agri and Food will however only perform the transfer of shares if the terms and conditions of this agreement have been complied with including, but not limited to the submission of all the required documents to SAD, the payment of the purchase price by the buyer, the payment of the required fees and securities transfer tax (“STT”) to Acorn Agri and Food.
- 1.6. Acorn Agri and Food will keep record and publish information relating to the price and volume of past share transactions on the Website.
- 1.7. Parties who have inside information must not directly or indirectly deal in Acorn Agri and Food’s shares. Parties who trade in breach of this requirement indemnify any other party and the Company against all and any loss, including without limitation, pure economic loss, or any damages they may

suffer as a consequence of or arising from such breach. Inside information means specific or precise information, which has not been made public and which has been obtained or learned as an insider and if it were made public would likely have a material effect on the price or value of the shares.

- 1.8. By signing this document you confirm that you have read this agreement, understand the contents thereof and agree to the terms and conditions thereof.

2. Registration

- 2.1. New shareholders and participants, who are not yet registered with the SAD, must first register before purchasing any shares. The registration process entails the completion and submission of the relevant registration form for individuals or entities, the signing of this agreement and the submission of the required FICA (Financial Intelligence Centre Act, 38 of 2001, as amended) documents.
- 2.2. Shareholder will be provided with a unique reference number.

3. Communication

- 3.1. Communication with the Company may be directed through one of the following channels:
 - Facsimile: 028-212 1759
 - Telephone: 028 214 3800
 - Email: shares@overbergagri.co.za
 - Post: P O Box 50, Caledon, 7230
- 3.2. Shareholders and potential investors should take note that conversations with personnel from Acorn Agri and Food or the SAD will be recorded and may be used for purposes of proof of communication between Acorn Agri and Food and shareholders or potential investors and for dispute resolution purposes. By signing this document, you acknowledge and accept that this is standard practice and agree thereto.
- 3.3. Where electronic communication is used, Acorn Agri and Food will not be liable to the shareholder, Broker, potential investor, Representative, Authorised Representative or any other party in respect of any direct, indirect or consequential liability, loss, damage or cost of any kind or nature arising by virtue of the fact that an electronic medium has been used as a form of communication.
- 3.4. Shareholders and potential investors acknowledge that there are certain risks involved with the use of electronic communication, e.g. emails or facsimile, and hereby indemnify Acorn Agri and Food in respect of any loss or damages resulting from the use thereof.
- 3.5. Shareholders, Brokers, potential investors, Representatives and Authorised Representatives acknowledge that personal information is processed by Acorn Agri and Food as provided for in the Protection of Personal Information Act, 4 of 2013, and by signing this document, consent thereto.
- 3.6. Shareholders, Brokers, potential investors, Representatives and Authorised Representatives further agree that their identity and contact particulars may, on request, be revealed to a potential or actual investor or shareholder and any other party who has a legitimate interest in the identity of actual or potential buyer or seller.
- 3.7. In support of our stance on conservation, where possible electronic communication will be used.
- 3.8. The Company will not be held liable to the shareholder or any other party concerning the transmission of electronic communication in respect of loss, damages, or consequential damages whether due to malfunctioning or the interruption of communication systems or infrastructure.

4. Procedure for buying and selling of shares

- 4.1. Buying and selling of shares requires careful consideration and the shareholder and potential shareholders is required to give due consideration to the decision to sell and/or buy shares in the Company.
- 4.2. When cautionary statements are issued by the Company, these should be considered carefully. Cautionary statements will be published on the website.
- 4.3. During certain periods the securities register may be closed as provided for in the Company's Memorandum of Incorporation or internal policies. Notice of the closure of the securities register will be published on the website.
- 4.4. Should investors or shareholders wish to buy or sell shares they may contact the SAD to record their intention to buy or sell shares and to obtain the contact details of any prospective seller or buyer. Acorn Agri and Food will provide investors with an internet based service which will allow such investors to indicate their intention to buy or sell shares.
- 4.5. Parties who wish to buy or sell shares may at any time contact any potential investor or shareholder directly without contacting the SAD or recording their intention to buy or sell shares through the SAD, provided that the relevant shares will only be transferred onto the securities register if all the terms and conditions of this agreement have been met.
- 4.6. Potential shareholders or existing shareholders who wish to buy or sell shares with the assistance of the SAD must notify Acorn Agri and Food accordingly and notify the Company of the number of shares he intends buying or selling, the price thereof and the period for which the intended sale or purchase will remain on the database if no immediate sale takes place.
- 4.7. Prior to the recording of any information onto the database, Acorn Agri and Food must be in possession of, inter alia, the following documentation:
 - required FICA documents of the prospective buyer and the seller; and
 - registration forms of the prospective buyer and seller.
- 4.8. Please note: Acorn Agri and Food personnel and officials will under no circumstances give advice regarding transactions, investments or prices. Details of share prices and transactions will however be published on its website.
- 4.9. Once the SAD identifies a potential buyer for shares offered by a shareholder, a notice will be generated of the potential transaction that is subject to negotiation between the buyer and the seller. The SAD will remove the relevant offer to sell and bid to purchase from the website and issue the potential buyer and potential seller with a proposed sale of shares agreement ("Sale of Shares Agreement"). During this period, the buyer and seller must directly and bilaterally negotiate the unit price per share and the quantity of shares to be purchased, amongst each other.
- 4.10. The Sale of Shares Agreement must be completed with *inter alia* the following details once the buyer and seller have agreed to a purchase price in respect of the quantity of shares offered:
 - Name, identity number / registration number and contact details of buyer and seller;
 - Number of shares to be purchased or sold;
 - The price at which the shares are sold;
 - The banking details of the seller.
- 4.11. The SAD will only reinsert the information, pertaining to the potential transaction, onto the Acorn Agri and Food database upon being notified that the potential transaction was not concluded between the relevant buyer and seller and specifically so instructed by the parties.
- 4.12. Buyers and sellers can ask Acorn Agri and Food for details (identity and contact particulars) of the relevant buyers and sellers in order to negotiate transactions directly with each other and it is not a requirement that a buyer or seller have his intention to buy or sell recorded by the SAD. A potential

buyer or seller can on the basis of information available on the website, ask the SAD for the details (identity and contact particulars) of a potential buyer or seller who has recorded his intention and contact them directly in order to negotiate the sale and purchase of shares. Should the parties require it; the SAD will provide the buyer and seller with a standard (pro forma) Sale of Shares Agreement which can be used to conclude transactions between each other.

- 4.13. In order for a transaction to be concluded, all relevant counterparties must sign a Sale of Shares Agreement (either on the same document or in identical counterparts) and return originals or copies to the SAD within **two (2) business days** of the SAD having sent the Sale of Shares Agreements to the parties.
- 4.14. A transaction is deemed to be concluded on the date that the counter party signing last has signed the Sale of Shares Agreement, on condition that Acorn Agri and Food receives the Sale of Shares Agreement within the **two (2) business days** referred to above. If a copy of the signed Sale of Shares Agreement has not been returned to the SAD within this period by any relevant counterparty, the transaction in question will not be concluded by Acorn Agri and Food, unless specifically otherwise agreed upon between all the relevant parties. The SAD shall be entitled to act upon copies received via fax or email.
- 4.15. Parties to the Sale of Shares Agreement will remain responsible for the retention and safeguarding of their own documents.
- 4.16. Once the signed Sale of Share Agreement has been received by SAD, the buyer must pay the agreed upon purchase price within **five (5) business days**. Unless the shares have been ceded to the Company, the purchase price must be paid into the nominated bank account of the seller. If the shares have been ceded to the Company, the buyer will be instructed to pay the purchase price into the Overberg Agri bank account.
- 4.17. Under no circumstances will Acorn Agri and Food be liable for any damages should the prospective buyer and seller not successfully conclude their negotiations or conduct themselves in accordance with this agreement.
- 4.18. Acorn Agri and Food will levy the relevant STT from the buyer and pay the tax over to SARS as provided for by the Securities Transfer Tax Act, 25 of 2007. Buyers of Acorn Agri and Food shares will be notified of the amount of STT payable in respect of any successful transaction. Acorn Agri and Food shall be entitled to recover this amount from the buyer within **five (5) business days** of written demand.
- 4.19. If the SAD has been requested to assist the parties to publish their intention to buy or sell shares, the remainder of any shares partially bought or sold will remain on the database until cancelled by the buyer or seller.
- 4.20. Acorn Agri and Food will only register the transfer of the shares from the seller to the buyer in the securities register once the following has been received by the SAD:
 - This agreement, signed by the parties to the transaction (if not already signed);
 - the Sale of Shares Agreement signed by the buyer and the seller, or in counterparts (if applicable);
 - applicable transfer form (CM 42);
 - the original share certificate(s);
 - proof of payment of the relevant STT by the buyer within **five (5) days** after being so notified by Acorn Agri and Food;
 - payment of the administration fee (determined from time to time and published on the Website) by the buyer and seller within **five (5) days** after being so notified by Acorn Agri and Food; and

- proof of payment of the share purchase price. Payment must be made directly by the Buyer to the seller, unless the shares are ceded to Overberg Agri.

4.21. All the concluded transactions will be displayed on the website. A historical snapshot indicating previous prices will also be available on the website for viewing purposes.

5. Changes and cancellations

5.1. If a shareholder recorded its intention to buy or sell shares on the database, and he wish to change the number and/or price of shares he intends to purchase or sell, he must notify the SAD immediately. The original instruction will be cancelled and a new instruction will be recorded onto the database.

5.2. If the instruction was received outside the relevant SAD business hours as defined in paragraph 6, it will only be implemented at the start of the next business day.

6. SAD business hours

6.1. The capturing of information onto Acorn Agri and Food's database will be performed between 09h00 and 16h00 on business days.

6.2. All information will be captured based on "time priority" (i.e. capturing information in the order in which it was received). Information will be extracted from the database and placed on the website from time to time. Shareholders and investors will be able to determine via the Website whether there are prospective sellers or buyers of shares, the numbers of shares for sale or to purchase and the relevant prices.

7. Authorised Representatives

7.1. Organisations and trusts

7.1.1. Organisations and trusts must appoint and authorise an individual to act and trade on its behalf and to sign documents and execute its decisions ("Authorised Representative").

7.1.2. Acorn Agri and Food must be provided with a signed resolution or extract of the minutes of a meeting, acceptable to Acorn Agri and Food, in its sole discretion, authorising a person to act as its representative. This authorisation will remain valid until it is cancelled in writing and such cancellation is submitted to the SAD.

7.1.3. The Authorised Representative will also act as the contact person and receive all notices on behalf of the organisation or trust, unless otherwise instructed in writing by Acorn Agri and Food.

7.1.4. Acorn Agri and Food is entitled to assume the due appointment of the Authorised Representative and that such Representative has the necessary authority and capacity to sell and/or buy Acorn Agri and Food shares.

7.1.5. The Authorised Representative must ensure that any transaction conducted in terms of this agreement is effected in accordance with the Sale of Shares Agreement and this agreement. The requirement of direct and bilateral negotiation must be adhered to and take place between the Authorised Representative and the counterparty.

7.2. Individuals

7.2.1. An individual may appoint a representative to trade on his behalf ("Representative").

7.2.2. The Company must be provided with a written power of attorney before the authorised Representative of the individual will be acknowledged by the Company.

7.2.3.A power of attorney will remain valid until it is cancelled in writing and the cancellation is submitted to the Company.

7.2.4.The Representative will also act as the contact person and receive all notices on behalf of the individual. The onus is on the Representative to provide the Company with his contact details.

7.2.5.The Representative must ensure that any transaction conducted in terms of this agreement is effected in accordance with the Sale of Shares Agreement and this agreement. The requirement of direct and bilateral negotiation must be adhered to and take place between the Representative and the counterparty.

7.3. Brokers

7.3.1.Brokers registered in terms of the FMA as "authorised users" of an exchange, are entitled to act on behalf of their clients and sign all documents on behalf of said clients, and also to instruct Acorn Agri and Food as to payment of any dividends.

7.3.2.The Broker shall be responsible for the direct negotiation and settlement of all transactions and shall make its clients aware of their settlement obligations.

7.3.3.The Broker shall be responsible for compliance with the provisions of the FICA, in respect of its clients.

7.3.4.Before entering into any sale transaction in respect of Acorn Agri and Food's shares, such shares must be registered in the name of the Broker's nominee company and the Broker is fully responsible for all actions of the nominee company, unless the Broker is only acting on behalf of a client and said client wishes to register the shares in his own name.

7.3.5.The Broker shall enter all orders for shares received from its clients into the Acorn Agri and Food data base and shall not offset willing buyers and willing sellers within its own client base.

7.3.6.The Broker shall be responsible for the collection of the relevant fees, STT and any other duties levied by the Government from its clients and effect payment thereof to Acorn Agri and Food.

7.3.7.The Broker shall report all relevant share transactions to its clients by means of a contract note. It is the responsibility of the Broker to provide its clients with statements confirming their shareholding and value thereof, and all other documents regarding Acorn Agri and Food including integrated annual reports.

7.3.8.The Broker shall provide Acorn Agri and Food with the names and details of the beneficial shareholders before settlement date. The Broker agrees that his identity and the identity of the beneficial shareholder may be revealed to a potential buyer or seller of the Company's shares and to any other party who has a legitimate interest in the identity of buyers and sellers.

7.3.9.Dividends will be paid into the bank account of the nominee company unless Acorn Agri and Food was, prior to the record date, instructed otherwise in writing.

8. Warranty and indemnity

8.1. The buyer, seller, shareholders, Brokers, potential investors, Representatives and Authorised Representatives and any other party subject to this agreement accept that Acorn Agri and Food cannot be held responsible for the actions and/or negotiations by or between them, or any losses sustained by any of them.

8.2. The seller confirms that the shares offered for sale is his property and, unless otherwise indicated in writing, that the shares are free of any encumbrance whatsoever.

8.3. If the shares are subject to any encumbrance, the shareholder accepts that it is his sole responsibility to obtain permission from the security holder to sell the shares and to obtain

instructions for the payment of the proceedings if shares have been ceded to a third party. The proceeds must be paid to Overberg Agri if the shares are ceded to Overberg Agri.

- 8.4. The buyer accepts that he is responsible for the full payment of the purchase price, administration fees and STT and that Acorn Agri and Food cannot be held responsible for the payment thereof. Acorn Agri and Food also does not guarantee the payment by the buyer of the purchase price within any specific period.
- 8.5. The buyer warrants that he has the necessary funds to complete the transaction and that the funds are from a legitimate source and not the proceeds of any illegal activity.
- 8.6. The parties accept that Acorn Agri will not transfer the shares from the seller to the buyer until:
 - 8.6.1. the registration process has been finalised;
 - 8.6.2. all funds, fees and taxes have been paid in full; and
 - 8.6.3. all the required documentation has been received by the Company.
- 8.7. Until the shares have been transferred on the securities register of the Company, the shares will be reflected in the name of the seller and he will be entitled to the dividends and rights associated with those shares and for all other purposes, the sellers will be considered the legitimate owner thereof.

9. Identity of parties

- 9.1. By signing this agreement, the shareholder and participant agrees that his identity may, on request, be revealed to a potential buyer or seller of the Company's shares and to any other party who has a legitimate interest in the identity of potential buyers or sellers.

10. Share certificates

- 10.1. Share certificates are kept in custody by the Company.
- 10.2. Duplicate share certificates will be sent to the buyer upon receipt of a request in this regard.

11. Fees

- 11.1. Acorn Agri and Food will levy a fee per transaction as published on its website from time to time from the buyer and seller respectively, whether the services of a Broker have been used or not, to cover its administration expenses. The fees may be changed from time to time by notice on website.
- 11.2. By signing this document, the parties agree to the payment of the said fees.

12. Dividends

- 12.1. Dividends will be paid into the bank account reflected on the registration form, unless otherwise instructed in writing.
- 12.2. Dividends are paid to the shareholder reflected on the Company's securities register on the record date.

13. Cancellation of this agreement

- 13.1. This agreement may be cancelled in writing.
- 13.2. Any and all transactions not finalised at the time of the cancellation of this agreement, will be cancelled.
- 13.3. Transactions in the process of finalisation will be finalised and the buyer and seller will remain liable for all costs and fees thereof.

14. Serving of documents

- 14.1. The Company's *domicile citandi et executandi* for the purpose of serving documents and notices is: Unit D, The Beachhead, 10 Niblick Way, Somerset West, 7130.
- 14.2. The shareholder's *domicile citandi et executandi* for purposes of serving documents is the address indicated on the registration form.

15. Cession of shares

- 15.1. The shareholder acknowledges that all the rights, title and interest, including dividends of the Company's shares may be ceded *in securitatem debiti* as provided for in the Company's Memorandum of Incorporation and that the sale of any or all the shares may be prevented in terms thereof.
- 15.2. In the event that shares that are subject to a potential transaction are ceded to the Company, the purchase price related to those shares must be paid by the buyer to the Company.

16. Nature of this document

- 16.1. This document is an agreement between the Company and the other person ("Participant") signing this agreement, relating to the Participant's participation in the SAD procedures as Buyer, Seller, Broker, Representative or Authorised Representative, as the case may be. This agreement further constitutes a stipulation by the Participant for the benefit of all other Participants (who have signed or may in future sign documents substantially similar to this document) as third parties (*stipulatio alteri*) and such other Participants may at any time and in any manner accept the benefits hereof and enforce compliance with this document against the Participant, or claim loss (including without limitation, in the case of a breach of the insider trading prohibition set out above, pure economic loss) or damages from the Participant, in the event of a breach of the requirements hereof by the Participant. Such stipulation for the benefit of other Participants shall, as between a particular Buyer and Seller, take precedence over any agreement that they may have concluded between them, in connection with the relevant sale.

For Acorn Agri and Food Limited, duly authorised:

Signed at on this day of 20.....

.....
Authorised signature

.....
Witness

.....
Witness

For the shareholder/participant, duly authorised:

Signed at on this day of 20.....

.....
Authorised signature

.....
Witness

.....
Witness