

FRANCHISE AGREEMENT

The parties to this agreement are as follows:

STANDARD BANK AFRICA a division of THE STANDARD BANK OF SOUTH AFRICA LIMITED

(Registration number: 1962/000738/06)

("the Franchisor")

And

STANBIC BANK BOTSWANA LIMITED

(Registration number 91/1343)

("the Franchisee")

(Both referred to as the "Parties")

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ANNEXURES

- A. Definitions for clauses 2.12 and 2.13
- B. Trade Marks
- C. Services, Costs and Disbursements Excluded – clauses 5.6 and 7.3
- D. Trade Mark Recordal Document
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1. RECORDAL

- 1.1 The Franchisor is a leading provider of banking and financial services operating in numerous countries throughout the world with a strong footprint in Africa.
- 1.2 The Franchisor has expended considerable time, skill, effort and money in designing, developing and refining a Business System relating to the aforesaid services in Africa used in relation to its reputable STANDARD BANK and STANBIC trade marks and brands and is the owner of all Intellectual Property rights used in connection with this Business System.
- 1.3 The Franchisee operates a banking and financial services business in the Territory and for this purpose wishes to use the Franchisor's Business System.
- 1.4 The Franchisor hereby licenses such use of the Business System to the Franchisee, subject to the terms and conditions of this Agreement.

2. DEFINITIONS

Unless otherwise determined by the context, the parties defined in the heading to this Agreement shall retain such definitions and the following words shall have the meanings reflected in the following definitions:

- 2.1 **Agreement:** means this agreement and all annexures hereto, as well as the Reference Guide, all as amended from time to time;
- 2.2 **Business Day:** means a day on which banks generally are open in Gabarone and Johannesburg (excluding Saturdays, Sundays and official public holidays in Botswana and South Africa) for a full range of business;
- 2.3 **Business System:** means the system designed, developed and refined by the Franchisor for the rendering of banking and financial services and/or products, including the Intellectual Property, the Reference Guide and any improvements, updates or variations made to the Business System by the Franchisor, from time to

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time and the support services provided by the Franchisor from time to time to the Franchisee in order to assist the Franchisee to apply and implement the Franchised Business;

- 2.4 **Commencement Date:** means 1 January 2011, notwithstanding the date of signature of this Agreement by the parties, provided that the regulatory approvals as stipulated in clause 3.4 have been granted by the applicable regulatory authorities;
- 2.5 **Copyright:** means all rights of copyright (including moral rights) whether existing now or in the future, including those rights in and to the Reference Guide, Know-How, logos, systems and procedures, whether incorporated in the Reference Guide or in any other documentation, the Franchisor's brand guidelines, existing customer and business data base and any additions thereto from time to time, marketing and promotional materials, transactional and business system and related software and other documentation and materials pertaining to the Business System and the Franchise System, including, without limitation, any software program developed and used for the Business System and Franchise System from time to time;
- 2.6 **Financial Reporting Requirements and Standards:** means those financial reporting requirements and standards as stipulated in clause 10;
- 2.7 **Franchised Business:** means the banking and financial service business, operated by the Franchisee within the Territory at the Premises using the Business System, including access to the well known STANDARD BANK and STANBIC Trade Marks as approved by the Franchisor in accordance with the provisions of this Agreement;
- 2.8 **Franchise System:** means the entire franchise operation developed and controlled by the Franchisor within Africa, but excluding South Africa, including all franchised businesses using the Business System;
- 2.9 **Goodwill:** means the goodwill arising out of the use of the Business System, in particular the Intellectual Property by the Franchisor and/or its franchisees, including the Franchisee, as well as any goodwill attaching to the Premises from time to time;



- 2.10 **Intellectual Property:** means and includes without limitation: Know-How, Copyright, Goodwill, Trade Dress, Trade Marks and Trade Secrets;
- 2.11 **Know-How:** means and includes, without limitation, all confidential, technical and commercial information relating to the operation of the Franchise System, the Franchisor's business and the Business System, existing from time to time, including, without limitation, information contained in the Reference Guide or other documents, together with unrecorded information known to the Franchisor and to individuals who are office bearers, employees, partners, directors, members or shareholders of the Franchisor, as well as information known to franchisees of the Franchise System. The foregoing, without any limitation whatsoever, includes the promotional, merchandising, administrative, transactional, logistical, operational, distribution, wholesale and business methodologies, practices, processes and systems of the Franchisor and of the Franchise System;
- 2.12 **Net Interest Income:** means as defined in paragraph 1.1 of Annexure "A";
- 2.13 **Non-Interest Revenue:** means as defined in paragraph 1.2 of Annexure "A";
- 2.14 **Premises:** means the premises of the Franchisee consisting of the head office and the banking branch network of the Franchisee located within the Territory, which banking branch network (subject to the business requirements of the Franchisee) may be amended from time to time with the approval of the Franchisor;
- 2.15 **Reference Guide:** means the Franchisor's operations, business format and training manual and procedures and brand guidelines, in electronic, digital or hard copy form, as amended from time to time and supplemented by further directions, specifications and regulations, written or otherwise, giving details of the Business System and Intellectual Property;
- 2.16 **Services:** means the banking and financial services provided by the Franchisee to its clients using the Business System;
- 2.17 **Territory:** means Botswana;
- 2.18 **Trade Dress:** means and includes, without limitation, the get-up of any signage,

goods, labels, packaging, materials, equipment and vehicles, as well as the particular form of design, layout and décor of the Premises, used in the Franchise System and from which the Franchised Business is conducted and any dress, uniforms or attire worn by any of the employees of the Franchisor or the Franchisee, from time to time;

2.19 **Trade Marks:** means the trade marks reflected in Annexure "B", together with such future trade marks and domain names notified to the Franchisee or as reflected in the Franchisor's brand guidelines as amended or reduced from time to time. In the event that the Franchisor re-brands part of or its entire Business System, such new trade marks shall be included in this definition and shall be used strictly in accordance with the directions of the Franchisor;

2.20 **Trade Secrets:** means and includes, without limitation, all confidential information of whatever nature relating to the Franchised Business and/or the Franchise System and/or the Intellectual Property and/or the Business System.

3. GRANT OF LICENCE

3.1 With effect from the Commencement Date, the Franchisor hereby grants to the Franchisee an exclusive licence in the Territory to operate the Franchised Business at the Premises, render the Services and use the Business System subject to the terms and conditions of this Agreement and the applicable law.

3.2 In the event that the Franchisee no longer wishes to continue with the Franchised Business, the Franchisee warrants that it shall not compete in any way with the Franchisor or any franchised business which forms part of or is related to the Franchise System so as to, *inter alia*, protect the Franchise System as well as the Business System.

3.3 The Franchisor does not warrant the validity of any registered or unregistered Intellectual Property and makes no warranty concerning the use of the Intellectual Property or that it is fit for purpose. The Franchisor warrants that it is the owner of the Franchise System and that it has the right to license the Franchised Business to the Franchisee.

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- 3.4 This Agreement shall only come into force on the Commencement Date, provided that any exchange control and/or any other regulatory approvals and/or board approval required by either the Franchisor and/or by the Franchisee for any obligations under this Agreement have been obtained.

4. THE FRANCHISEE OPERATIONS

- 4.1 In return for the grant set out under clause 3, and subject to the provisions of this Agreement, the Franchisee agrees to use its best endeavours to maximize the provision and rendering of Services within the Territory.
- 4.2 The Franchisee shall use its best endeavours to conduct the Franchised Business in such a way as to avoid conflict with the Franchisor and in accordance with the Business System and the Reference Guide.
- 4.3 The Franchisee shall not conduct any business other than the Franchised Business.

5. THE ROYALTY FEE

- 5.1 The royalty fee payable in terms of this Agreement is as compensation for the following ("the Royalty Fee"):
- 5.1.1 the right to acquire and operate the Franchised Business;
 - 5.1.2 assistance with the set up, development, training and establishment of any aspect of the Franchised Business as set out in this Agreement;
 - 5.1.3 the ongoing use of the Business System; and
 - 5.1.4 the ongoing support of the Franchisor to assist the Franchisee with the application, the development, expansion and maintenance of the Franchise System, as set out in this Agreement.

- 5.2 The Franchisee shall pay a royalty to the Franchisor of 3% (per annum) of the Franchisee's actual Net Interest Income and Non-Interest Revenue on a quarterly basis in arrears, from the Commencement Date of this Agreement. The Franchisee shall furnish a Royalty Fees calculation within 7 (seven) Business Days after the end of each month to the Franchisor. Upon receipt of such calculation the Franchisor will then determine and assess the amount due by the Franchisee, which shall be reflected in the invoice prepared by the Franchisor on a quarterly basis. The invoice shall be sent to the Franchisee within 10 (ten) Business Days after the end of each quarter. The Franchisee shall pay the Royalty Fee by no later than the end of the month of the date of the invoice.
- 5.3 In respect of any Royalty Fee or other amount payable at any time to the Franchisor, the Franchisor may require any information or documentation from the Franchisee reasonably required to enable the Franchisor to determine whether the Royalty Fee has been correctly assessed and/or determined and/or calculated by the Franchisee, and such information or documentation shall be furnished promptly by the Franchisee, and in any event no later than 10 (ten) Business Days from receiving written notice.
- 5.4 The final Royalty Fee for the year shall be based on the audited financial statements furnished by the Franchisee. If there is any difference between the Royalty Fees already paid and the final Royalty Fee calculated, based on the audited Net Interest Income and the audited Non-Interest Revenue, then the Franchisee shall pay the shortfall amount, or if there is an overpayment, the Franchisor shall refund the Franchisee accordingly, as the case may be.
- 5.5 The Franchisor shall have the right to review the Royalty Fee within 24 (twenty four) months of the Commencement Date and give the Franchisee 1 (one) month's written notice to vary the Royalty Fee. Any variation shall be subject to the maximum rate permitted in terms of the applicable regulatory requirements and a benchmarking royalty fee range assessment conducted by a reputable auditing/tax firm.
- 5.6 All disbursements pertaining to the items referred to in Annexure "C", as amended from time to time, which may be paid by the Franchisor on behalf of the Franchisee and the services referred to in clause 7.3 shall be excluded as part of the Royalty

Fee to be paid by the Franchisee in terms of this clause 5.

- 5.7 The provisions of this clause do not limit the Franchisor's rights in terms of clause 16 in any way.

6. PAYMENTS

- 6.1 Subject to the provisions of clause 6.4, any amounts due and payable in terms of this Agreement shall be paid in full by the Franchisee as stipulated and without any deduction or set-off whatsoever.
- 6.2 All payments made by the Franchisee in terms of this Agreement shall be made in a currency to be stipulated by the Franchisor at the time of payment, free of the cost of transfer or exchange of the monies, subject only to the Franchisee complying with the relevant tax laws within the Territory. Any foreign exchange fluxion between the date of invoice as referred to in clause 5.2 and the date of payment shall be for the account of the Franchisee.
- 6.3 The Franchisee shall be liable for the payment of value added tax (VAT) or any other applicable indirect taxes imposed in the Territory on all the amounts mentioned in this Agreement.
- 6.4 If the Franchisee is liable to deduct withholding tax in respect of the payment which is imposed on the Franchisor, the Franchisee shall be entitled to deduct such withholding tax from such payment, subject to any relief (that may be) provided under an applicable double taxation agreement between the Government of the Territory and the Government of the Republic of South Africa. If such withholding tax is withheld by the Franchisee, it shall be required to provide the Franchisor with official confirmation from the revenue authorities in the Territory that such payment has been made to the revenue authorities in accordance with the tax laws applicable in the Territory within 1 (one) month of payment of the applicable Royalty Fee.
- 6.5 The Franchisee undertakes, without delay to take all steps that may be necessary to obtain the requisite regulatory payment approval from the relevant regulatory

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authority and/or the withholding tax confirmation certificate from the relevant revenue authority.

6.6 Interest shall be payable for each overdue day on any overdue amounts owing in terms of this Agreement and for any late submission of the withholding tax confirmation certificate to the Franchisor, as referred to in clause 6.4 above, at the prime overnight rate of The Standard Bank of South Africa Limited save and except, where such late payment of the Royalty Fee is due to the delay in obtaining the regulatory payment approval or where the Franchisee is unable to obtain the withholding tax confirmation certificate; provided that:

6.6.1 such delay in obtaining the regulatory payment approval or inability to obtain the withholding tax confirmation certificate, is not due to any act or omission caused by the Franchisee in any manner whatsoever, as reasonably determined by the Franchisor; and

6.6.2 interest shall be levied in accordance with clause 6.6, if the Franchisee has still failed to obtain the requisite regulatory payment approval or the withholding tax confirmation certificate within 12 (twelve) months from date of submission of the applicable documents to the relevant regulatory authority. If this occurs, interest shall be levied in accordance with clause 6.6, with effect from the expiry of the 12 (twelve) month period referred to herein, on any overdue amounts owing in terms of this Agreement and for any late submission of the withholding tax confirmation certificate to the Franchisor.

6.7 All amounts shall be deposited into bank accounts designated by the Franchisor in writing from time to time.

7. OBLIGATIONS OF THE FRANCHISOR

7.1 The Franchisor shall, provided that payment of the Royalty Fee referred to in clause 5 above has been duly made and that any suspensive conditions have been fulfilled or waived, disclose the Business System to the Franchisee and where relevant



make available or provide access to the Intellectual Property licensed to the Franchisee in terms of this Agreement.

7.2 The Franchisor shall reasonably assist and advise the Franchisee in respect of the Franchised Business including:

7.2.1 imparting the Know-How;

7.2.2 the Trade Dress;

7.2.3 suitable building, layout, design, electrical, sign writing and other similar such contractors;

7.2.4 equipment, sources of supply of equipment, furnishing, materials and other items and products required by the Franchisee in and for the Franchised Business;

7.2.5 the structure and method of operation of the Franchised Business in accordance with the Business System and in the Reference Guide; and

7.2.6 developing and providing new service methods and products and continue to develop, promote and protect the goodwill and reputation associated with the Trade Marks and the Franchise System, to the best of the Franchisor's abilities.

7.3 The Franchised Business shall exclude the services and disbursements as set out in Annexure "C", which services may be amended from time to time by the Franchisor in consultation with the Franchisee. The fee in respect of these services shall be charged separately as agreed between the parties.

7.4 The Franchisor, in consultation with the Franchisee, shall, from time to time, as necessary, determine which of the Franchisee's office bearers, employees and directors, shall undergo training in the Business System. Compulsory training (as determined by the Franchisor) provided by the Franchisor from time to time shall be for the account of the Franchisor. Depending on the type of other, non compulsory training, the costs of such training shall either be for the account of the Franchisee

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or the Franchisor.

7.5 It is agreed that the Franchisor shall oversee the marketing and promotion of the brand in respect of the Trade Marks within the Territory and the nature and extent of such marketing and promotional activities shall be in consultation with the Franchisee. All marketing, promotions and advertising shall be strictly in compliance with the Franchisor's branding guidelines as set out in the Reference Guide, from time to time.

7.6 All of the Franchisor's obligations shall be carried out by the Franchisor as the Franchisor deems necessary in order to enable the Franchisee to effectively and efficiently conduct the Franchised Business. None of the Franchisor's obligations shall however be construed as to limit the Franchisee's own management skills and efforts required in order to operate the Franchised Business, which shall be encouraged.

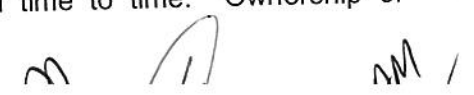
8. OBLIGATIONS OF THE FRANCHISEE

8.1 Subject to the compliance with applicable local legislation, the Franchisee shall operate the Franchised Business strictly in accordance with the Business System and shall ensure strict adherence to the Reference Guide supplemented by any specifications and directions, written or otherwise, as may be laid down or given by the Franchisor from time to time.

8.2 The Franchisee shall ensure that the Franchised Business conforms to the Business System. All goodwill generated by the conduct of the Franchised Business shall inure to the benefit of the Franchisor.

8.3 The Franchisee shall upon the commencement of the Franchised Business and from time to time thereafter engage all staff and other persons required for the effective operation of the Franchised Business in compliance with this Agreement. The Franchisee shall ensure that all staff members who are not required to be trained by the Franchisor in terms of this Agreement, are nevertheless adequately trained in the Business System to the reasonable satisfaction of the Franchisor where it is necessary for the performance of their duties.



- 8.4 The Franchisee shall not divulge or permit to be divulged to any person any aspect of the Business System, otherwise than for the purposes of this Agreement. The Franchisor undertakes to ensure that the Franchisee's office bearers, employees, directors, consultants, contractors, non-public members or shareholders comply with the confidentiality obligations stipulated herein. The Franchisee undertakes to ensure that consultants and contractors sign a confidentiality agreement prior to rendering any services to the Franchisee.
- 8.5 The Franchisee shall ensure it has sufficient finance to conduct the Franchised Business and that it has sufficient working capital at all times.
- 8.6 Subject to the Franchisee's governance requirements, the Franchisee shall as part of the annual budget forecasting process submit to the Franchisor for its review and approval, competent business and marketing plans for the next financial calendar year, as reasonably required by the Franchisor in accordance with the requirements and time lines stipulated by the Franchisor, from time to time.
- 8.7 The Franchisee shall not do, cause or permit anything to be done which may adversely affect the Intellectual Property or the Franchisor's rights in the Intellectual Property. The Franchisee shall forthwith bring to the attention of the Franchisor any infringement of the Intellectual Property that may come to its attention. The Franchisee shall give all reasonable assistance to the Franchisor to enable the latter to further or defend its rights in the Intellectual Property in its own discretion.
- 8.8 The Franchisee acknowledges and confirms that the Franchisor is or shall be the owner of all rights of whatever nature in the Intellectual Property including all additions, modifications, changes or updates to the Business System, and that it has no claims of any nature to any element of the Business System.
- 8.9 The Franchisee shall not at any time attack or challenge the rights of the Franchisor to the Intellectual Property or induce or procure any other person to attack or challenge such rights, whether directly or indirectly.
- 8.10 Subject to the business requirements of the Franchisee, the Franchisee shall, at its own cost, use and display such point of sale or advertising or promotional matter as the Franchisor may stipulate and/or provide from time to time. Ownership of
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Copyright in all material generated by advertising campaigns shall vest solely in the Franchisor. The Franchisee shall be obliged, at its reasonable expense to participate and co-operate in all promotional and marketing activities which the Franchisor arranges in respect of the Services and/or the Territory, except for sponsorships arranged at a Standard Bank Group level, which shall be for the account of the Franchisor.

- 8.11 The Franchisee shall comply in conducting the Franchised Business with all applicable laws, by-laws and regulations of any competent authority and ensure that this Agreement is compliant with all local laws and enforceable, at its own cost.
- 8.12 The Franchisee shall, at its own cost, redecorate, refurbish, refresh or rebrand the Premises and the Franchised Business when reasonably required to do so by the Franchisor in order to ensure that the Premises are in the same condition as those of other franchisees utilising the Business System, in particular in accordance with the Reference Guide and Trade Dress, as updated from time to time.
- 8.13 The Franchisee shall not induce other franchisees' employees employed by other franchisee banks which are part of the Franchise System, to leave their employment and take up employment with the Franchisee.
- 8.14 On reasonable notice to the Franchisee, the Franchisee shall permit the Franchisor or its duly authorised representative at all reasonable times to carry out such inspections or investigations which the Franchisor may reasonably consider necessary for the purposes of ascertaining whether the provisions of this Agreement are being complied with. The Franchisee shall ensure that it and its employees co-operate fully in such inspections or investigations.
- 8.15 The Franchisee hereby indemnifies the Franchisor and shall keep it indemnified, for the duration of this Agreement and thereafter, against all claims of whatever nature, whether criminal or civil, together with any legal fees and costs incurred by the Franchisor, arising out of the operation of the Franchised Business by the Franchisee and its failure to comply with the terms of this Agreement.
- 8.16 The Franchisee shall give notice, in the form and location acceptable to and stipulated by the Franchisor from time to time that the Franchisee is using the
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Intellectual Property under license from the Franchisor. The form of such notice is currently acceptable to the Franchisor and is included as part of the Franchisor's brand guidelines which is included in the Reference Guide.

- 8.17 The Franchisee shall at all times ensure that the name, reputation and good standing of the Franchised Business and the Franchise System is promoted and never impaired in any way. In addition, the Franchisee shall not do anything or refrain from taking any action that might reasonably be expected to result in harming the Goodwill, validity of or value associated with the, Business System and/or the Franchise System.
- 8.18 Without being entitled to any remuneration therefor, the Franchisee agrees and undertakes that any and all conceptions, inventions, confidential information, procedures, technical information, techniques and other intellectual property, which it may receive by way of assignment, invent, discover, or work out during the term of this Agreement (whether during regular working hours or not) which relate to the activities of the Franchisor or Franchise System, shall be for the benefit of and become the sole property of the Franchisor. The Franchisee undertakes to, without charge, assign, transfer and make over or procure such transfer to the Franchisor all the intellectual property rights in this regard in the future as and when the Franchisor so requires. The Franchisee hereby undertakes, when called upon to do so by the Franchisor, to, without charge, sign all documentation and do any and all things necessary to obtain and/or record such intellectual property and/or the assignment thereof to the Franchisor.
- 8.19 For the duration of this Agreement the Franchisee undertakes to always use its full legal name, followed by, if relevant, the trading name mentioned in Annexure "B" paragraph B, in all correspondence and/or dealings with third parties relating to or associated with the Franchised Business.
- 8.20 The parties agree and record that the Reference Guide forms part of the Business System and is essential for the efficient operation of the Franchised Business and the whole Franchise System.
- 8.21 The Franchisee shall in accordance with the Franchisor's requirements and directions from time to time co-operate fully with the Franchisor's marketing and

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sales departments.

- 8.22 The Franchisee shall do all necessary and appropriate local area marketing in order to promote the Franchised Business and the Services.
- 8.23 The Franchisee shall comply with the Franchisor's requirements, directions and specifications regarding updates, variations, enhancements, refurbishments and other changes to the Business System and Franchised Business as communicated to the Franchisee by the Franchisor from time to time.

9. SHAREHOLDERS AND CHANGE OF OWNERSHIP

- 9.1 In the event that there is any change of shareholding or change of ownership or composition or control of the Franchisee for whatsoever reason, the Franchisor shall be entitled to terminate this Agreement on the giving of 60 (sixty) days written notice to the Franchisee.

10. FINANCIAL REPORTING REQUIREMENTS AND STANDARDS

- 10.1 Subject to the regulatory requirements of the Territory, the Franchisee shall keep accurate and proper books of account in accordance with International Financial Reporting Standards ("IFRS") as issued from time to time by the International Accounting Standards Board ("IASB"), which books of account shall be audited at least once a year and open to inspection by the Franchisor at all reasonable times.
- 10.2 The Franchisee shall, at the Franchisor's request, furnish the Franchisor with financial information relating to the Franchise Business which the Franchisor may reasonably require from time to time. Such financial information shall be in accordance with the Standard Bank Group accounting policies and reporting standards as determined from time to time and applicable regulatory requirements.



11. INSURANCE

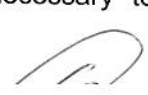
- 11.1 The Franchisee shall take all reasonable steps to ensure that it obtains the requisite regulatory approval in order to participate in the Franchisor's group insurance cover arrangements for the Franchised Business. The insurance cover shall be for the own account of the Franchisee.
- 11.2 Upon demand, the Franchisee shall produce proof to the Franchisor's satisfaction that it has paid all premiums due in respect of the policies referred to above. If the Franchisee fails to pay any premium, the Franchisor shall have the right to pay such premium on the Franchisee's behalf and recover such amount together with interest at the rate provided in clause 6.6, reckoned from the date of payment by the Franchisor of any such premium until the date of repayment of such amount to the Franchisor, from the Franchisee upon demand.

12. LAWS AND LICENSES

- 12.1 The Franchisee shall ensure that all grants, approvals and/or licenses which may be required for the operation of the Franchise Business have been timeously obtained and that they remain valid for the duration of this Agreement.
- 12.2 The Franchisee shall comply with all relevant laws, rules and regulations pertaining to the Franchised Business.
- 12.3 The Franchisee expressly acknowledges that any failure by it to comply with any such laws, rules or regulations shall have an adverse effect on the Franchisor.
- 12.4 For the purposes of recording the trade mark licence at the relevant trade mark office or registry the Franchisee agrees to duly execute the formal Trade Mark Recordal Document an example of which attached as Annexure "D" immediately on request by the Franchisor.

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13. INTELLECTUAL PROPERTY

- 13.1 The Franchisee shall not in any way represent that it has any rights of any nature in the Intellectual Property including the Trade Marks (save and accept as provided in terms of the provisions set out in this Agreement) and all use of the Trade Marks and Intellectual Property shall inure to the benefit of the Franchisor.
- 13.2 The Franchisee shall not register or use any of the Intellectual Property including the Trade Marks, or any part thereof, or any trade mark which is deceptively or confusingly similar to the Trade Marks as part of its Franchised Business or trading name or the name of any subsidiary entity or other entity with which it is associated either directly or indirectly and if it does so, it shall procure that such name is changed upon demand by the Franchisor, failing which the Franchisor is hereby authorized to do so.
- 13.3 When using the Trade Marks, the Franchisee shall cause them to be reproduced exactly and accurately and in accordance with specifications and directions laid down by the Franchisor in its brand guidelines as amended and from time to time as set out in the Reference Guide.
- 13.4 Upon termination of this Agreement for whatever reason:
- 13.4.1 The Franchisee shall immediately cease any further use of the Intellectual Property, specifically including the Trade Marks and undertakes that it shall immediately hand over to the Franchisor or its duly authorised agent or delete or destroy at the sole discretion and direction of the Franchisor any and all material bearing the Trade Marks, or any Trade Dress of any sort which it obtained from or was authorised to use by the Franchisor;
- 13.4.2 The Franchisee undertakes to do all such acts as may be necessary to procure the cancellation of itself as a registered user of the Trade Marks in terms of the Trade Mark Recordal, Annexure "D", on request by the Franchisor. For this purpose the Franchisee hereby appoints the Franchisor as its agent in rem suam to do all such acts and to sign all such documents as may be reasonably necessary to procure such
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cancellation;

- 13.4.3 The Franchisee shall on demand hand over to the Franchisor all dies, blocks, labels, advertising matter, packaging, signage, printed matter, the Reference Guide, material or equipment whatsoever, featuring or embodying the Trade Marks or Intellectual Property which were obtained from or which the Franchisee was authorized to use by the Franchisor; and
- 13.4.4 The Franchisee shall not disparage nor do anything calculated to disparage or damage, nor refrain from doing anything which has the effect of disparaging or damaging the Franchisor's Goodwill, reputation or Intellectual Property.
- 13.5 The Franchisor warrants that it is the owner of the Intellectual Property and it hereby indemnifies the Franchisee against any third party claims for infringement that may be made in relation to the Franchisee's use of the Intellectual Property.

14. REFERENCE GUIDE

- 14.1 The Franchisor shall provide the Franchisee from time to time with amendments, variations and updates in respect of the Reference Guide.
- 14.2 All of the provisions of the Reference Guide, any new edition of the Reference Guide, and any amendments to or revisions, variations and/or updates of the Reference Guide form part of this Agreement, save that in the event of any conflict between the terms of this Agreement and provisions in the Reference Guide, this Agreement shall prevail.
- 14.3 The Franchisor shall remove all access to the Reference Guide on termination of this Agreement. The Franchisee shall, on termination of the Agreement for whatsoever reason, return the Reference Guide, together with any copies thereof intact to the Franchisor. The Franchisee shall not make any unauthorized copies of the Reference Guide.
- 

14.4 The Reference Guide and any similar or associated documentation shall be used exclusively for the Franchised Business by the Franchisee and shall:

14.4.1 At all times be and remain the sole and exclusive property of the Franchisor;

14.4.2 Be kept by the Franchisee in a safe place approved by the Franchisor and inaccessible to anyone other than the Franchisee;

14.4.3 Be regularly and promptly updated by the Franchisee by the insertion therein as directed of such updating material as is supplied from time to time by the Franchisor;

14.4.4 Not be displayed or disclosed or made available by the Franchisee to any other person without the express prior written consent of the Franchisor and then only in strict compliance with the Franchisor's directions with regard thereto;

14.4.5 Not, for any reason whatsoever, be copied, loaned, sold, hired out or in any manner circulated or distributed or disseminated without the express prior written consent thereto of the Franchisor and then only in strict compliance with the Franchisor's directions with regard thereto.

15. NO CESSION, ASSIGNMENT, SALE OR LEASE

15.1 The rights and obligations of the Franchisee are personal and may not be ceded, assigned, let or otherwise encumbered or disposed of in any manner whatsoever without the prior written consent of the Franchisor, nor may the Franchisee at any stage appoint any sub-franchisee without prior written consent.

15.2 In particular, the Franchisee shall not sell or assign any right whatsoever in or to the Franchised Business without the prior written consent of the Franchisor.

15.3 The Franchisor may on written notice to the Franchisee, in its discretion, cede, delegate and assign any of its obligations and rights under this Agreement.



16. TERMINATION OF THIS AGREEMENT BY THE FRANCHISOR

- 16.1 Notwithstanding any provision to the contrary (but subject to the regulatory requirements of the central bank of the Franchisee), the Franchisor shall be entitled in addition to its other remedies in law or in terms of this Agreement to terminate this Agreement forthwith on written notice to the Franchisee in the event of any of the following:
- 16.1.1 The Franchisee failing to pay to the Franchisor, by the due date, any sums due and owing to the Franchisor hereunder and failing so to pay within 60 (sixty) days of written notice by or on behalf of the Franchisor, calling upon the Franchisee to make payment;
- 16.1.2 The Franchisee in any other way breaching any material terms or conditions of this Agreement, and failing so to remedy the breach within 30 (thirty) days of written notice by or on behalf of the Franchisor, calling upon the Franchisee to remedy the breach complained of;
- 16.1.3 If the Franchisee commits an act of insolvency or takes steps to place itself, or is placed in liquidation, whether voluntary or compulsory, provisionally or finally, or is placed under a provisional or final winding-up or judicial management order or curatorship or if the Franchisee makes an assignment for the benefit of any of its creditors, or if the Franchisee attempts to enter into any compromise with any of its creditors, or fails to satisfy or take steps to have set aside any judgment taken against the Franchisee;
- 16.1.4 If, while this Agreement is in place, the Franchisee, for whatever reason loses its banking licence or is otherwise not able to render all or some of its Services through regulatory default, breach, failure to comply or qualify or the like;
- 16.1.5 If the Franchisee commits the same breach more than twice in any 12 (twelve) month period; or
- 

16.1.6 If, as contemplated in clause 9.1, there is any change of shareholding or change of ownership or composition or control of the Franchisee for whatsoever reason, the Franchisor shall be entitled to terminate this Agreement on the giving of 60 (sixty) days written notice to the Franchisee.

16.2 Should the Franchisee commit a breach of any provision of this Agreement, which is not a material breach as set out in clause 16.1.2 and fail to remedy such breach within 15 (fifteen) Business Days of receiving a written notice from the Franchisor requiring the Franchisee to do so, the Franchisor shall be entitled to invoke the provisions of clauses 16.1 and 16.1.2.

17. CONSEQUENCES OF TERMINATION

17.1 The terminating of this Agreement, for whatever reason, shall not affect the rights of a party which may have accrued as at the date of termination, and shall further not affect any rights and obligations which specifically or by their nature survive the termination of this Agreement.

17.2 In the event of the termination of this Agreement for whatever reason, the Franchisee shall not dispose of any item bearing the Trade Marks without prior written consent of the Franchisor and such consent may be given on such conditions as the Franchisor may deem fit, including the condition that the Trade Marks be removed or obliterated from the item concerned.

17.3 Subject to the provisions of clause 13.4, at the termination of this Agreement for any reason whatsoever, the Franchisee shall, if it remains in occupation of the Premises, at the sole discretion of the Franchisor, forthwith change the appearance of the Premises both inside and outside, at its own cost, in accordance with the Franchisor's directions and to the extent required by the Franchisor within a reasonable period, (but not later than 1 (one) month following termination) to prevent the Premises being mistaken in appearance by members of the public for a Franchised Business or having any link with the Franchise System or the Franchisor.



17.4 Nothing contained in this clause 17 shall prejudice any other rights or remedies which the Franchisor may have at law or in terms of this Agreement and arising out of the termination of this Agreement.

17.5 The Franchisee hereby undertakes to maintain the confidentiality of the Intellectual Property indefinitely.

18. DISCLOSURE

The Franchisee confirms that full and accurate written disclosure of all information material to the franchise relationship was given to the Franchisee by the Franchisor within a reasonable time. The Franchisee confirms that the items reflected in the Disclosure Document (Annexure "E") pertaining to, inter alia, the Franchisor's corporate details have been furnished to the Franchisee by the Franchisor prior to the conclusion of the Agreement.

19. ACKNOWLEDGEMENT BY THE FRANCHISEE

19.1 By signing this Agreement, the Franchisee acknowledges that:

19.1.1 The Franchisee has read this Agreement in its entirety and is familiar with the terms of this Agreement;

19.1.2 The Franchisor has not made nor has the Franchisee received or relied upon any representations or guarantees, whether express or implied regarding revenues, sales, turnover or prospects of success of the Franchised Business nor as to the extent to which the Franchisor shall continue to develop or expand the Franchise System;

19.1.3 The Franchisee recognises the importance of operating the Franchised Business in strict conformity with the Business System;

19.1.4 Investment in the Franchised Business involves business risks and that the success of the Franchised Business is primarily dependent on its

business abilities and efforts; and

19.1.5

The Franchisee is familiar with and endorses and shall actively support the Franchisor's vision, mission and core business values.

20. NOTICES

20.1

The parties choose as their domicilium citandi et executandi (address for purpose of legal proceedings and legal notices) their respective addresses set out in clause 20.2 below, at which addresses all processes and notices arising out of or in connection with this Agreement, its breach or termination may validly be served upon or delivered to the parties.

20.2

For the purpose of this Agreement the parties' domicilium citandi et executandi is-

20.2.1

as regards the Franchisor at:

Standard Bank Africa Finance

5 Simmonds Street, 3rd Floor, Entrance 2

Johannesburg, 2001

South Africa

Fax No.: 011 631 1001

Tel No.: 011 636 1889

E-mail: arina.mcdonald@standardbank.co.za

Attention: Chief Financial Officer of Standard Bank Africa division

20.2.2

as regards the Franchisee at:

Stanbic House

Plot 50672, Off Machel Drive

Fairgrounds

Gaborone

Botswana

Attention: Managing Director

Fax No.: +267 361 8140

Tel No.: +267 361 8000

or at such other physical address, not being a post office box or poste restante, of which the party concerned may notify the other in writing.

20.3 Any written notices required in terms of clause 20.1 shall only be satisfied if such notice is given in a written, paper based form.

20.4 Any other written notices in connection with this Agreement shall be addressed:

20.4.1 as regards the Franchisor at:
Standard Bank Africa Finance
5 Simmonds Street, 3rd Floor, Entrance 2
Johannesburg, 2001
South Africa
Fax No.: 011 631 1001
Tel No.: 011 636 1889
E-mail: arina.mcdonald@standardbank.co.za
Attention: Chief Financial Officer of Standard Bank Africa
division

20.4.2 as regards the Franchisee at:
Private Bag 00168
Gaborone
Botswana
Attention: Managing Director
Fax No.: +267 361 8140
Tel No.: +267 361 8000

or at such other address of which the party concerned may notify the other in writing.

20.5 Any notice given in terms of this Agreement shall be in writing and shall -

20.5.1 if delivered by hand be deemed to have been duly received by the addressee on the date of delivery;

20.5.2 if posted by prepaid registered post be deemed to have been received by the addressee on the 8th (eighth) business day following the date of

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such posting;

20.5.3 if transmitted by facsimile be deemed to have been received by the addressee 1 (one) business day after despatch;

20.5.4 if sent electronically, shall be deemed to have been received on the first business day following the successful transmission thereof as evidenced by the electronic confirmation of receipt (unless the contrary is proven). It is recorded for the avoidance of doubt that a legal notice sent by a party shall not be regarded as valid legal notice, if sent electronically in terms of this clause 20.5.4.

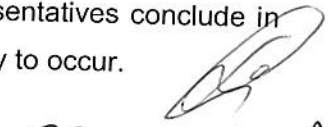
20.6 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by a party at its chosen domicilium address set out above, shall be an adequate written notice of communication to such party.

21. GOVERNING LAW

The laws of the Republic of South Africa shall govern the validity, interpretation and performance of this Agreement and the courts of South Africa shall have sole jurisdiction.

22. DISPUTE RESOLUTION

22.1 If a dispute of any nature arises between the Franchisee and Franchisor, including in regard to the interpretation of, the effect of, the Franchisee and Franchisor's respective rights or obligations hereunder, a breach of or the termination of this Agreement, then, upon written request of either the Franchisee and Franchisor, each of the Franchisee and Franchisor will appoint a senior representative whose task it will be to meet for the purposes of resolving such dispute. Such representatives will discuss the matter in dispute and negotiate in good faith in an effort to resolve the dispute on amicable terms within 14 (fourteen) days. No formal proceedings may be commenced until the designated representatives conclude in good faith that an amicable resolution of the matter is not likely to occur.



- 22.2 Should the representatives of the Franchisee and Franchisor be unable to resolve a dispute in accordance with the foregoing, such dispute will be submitted to and decided by a court of competent jurisdiction or, upon agreement between the Franchisee and Franchisor, by arbitration in terms of this clause 22.
- 22.3 The arbitrator shall be appointed by the parties, and failing agreement, shall be nominated by the Chairman for the time being of the Johannesburg Bar Council.
- 22.4 The arbitration shall be held at Johannesburg.
- 22.5 The arbitration shall be held in accordance with the Arbitration Act 42 of 1965 of the Republic of South Africa and any statutory modification or re-enactment thereof.
- 22.6 The arbitrator shall be entitled to: -
- 22.6.1 determine and settle the formalities and procedures, which shall be in an informal and summary manner, that is, it shall not be necessary to observe or carry out either the usual formalities or procedure or the strict rules of evidence;
 - 22.6.2 investigate or cause to be investigated any matter, fact or thing which he considers necessary or desirable in connection with any matter referred to him for decision;
 - 22.6.3 decide the matters submitted to him according to what he considers just and equitable in all the circumstances, having regard to the purpose of this Agreement; and
 - 22.6.4 make such award, including an award for specific performance, an interdict, damages or a penalty or the costs of arbitration or otherwise as he in his discretion may deem fit and appropriate.
- 22.7 The arbitration shall be held as quickly as possible after it is demanded, with a view to it being completed within 30 (thirty) days after it has been so demanded.

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- 22.8 This clause is severable from the rest of this Agreement and shall therefore remain in effect even if this Agreement is terminated.
- 22.9 This clause 22 shall not preclude the Franchisee and Franchisor from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the decision of the arbitrator.
- 22.10 The Franchisee and Franchisor hereby consent to the non exclusive jurisdiction of the High Court of South Africa in respect of the proceedings in this clause 22, where applicable, and the above Court shall have jurisdiction to enforce any award made by an arbitrator under this clause 22.

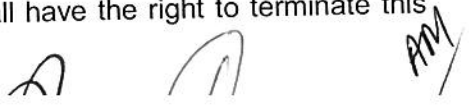
23. CONFIDENTIALITY

- 23.1 Except as otherwise provided in this clause 23, the terms and conditions of this Agreement, all data, reports, records and other information of any kind whatsoever developed or acquired by any party in connection with this Agreement ("the confidential information") shall be treated by the parties as confidential. No party shall reveal or otherwise disclose such confidential information to any third party without the prior written consent of the other party hereto. The foregoing restrictions shall not apply to the disclosure of necessary confidential information to employees and advisors of the parties. Any third party, including advisors that may become privy to such information shall first undertake in writing to protect the confidential nature thereof.
- 23.2 The confidentiality undertaking in this clause 23 shall not apply in respect of confidential information within the public domain or a party's knowledge at the commencement of this Agreement or to disclosure required to satisfy the order of a court of competent jurisdiction or to comply with the provisions of any law or regulation in force from time to time.
- 23.3 The parties shall not at any time during the term of this Agreement, release any statement to the press, or make any other public statement of any nature which could reasonably be expected to be published in any media regarding the relationship or the subject matter of this Agreement, without the prior written



consent of the other party, which consent shall not be unreasonably withheld. The provisions of this clause 23 shall survive the termination and expiry of this Agreement.

24. GENERAL

- 24.1 No waiver by a party of any breach, failure or default in performance by the other party, and no failure, refusal or neglect by a party to exercise any right hereunder or to insist upon strict compliance with or performance of the other party's obligations under this Agreement, shall constitute a waiver of the provisions of this Agreement and a party may at any time require strict compliance with the provisions of this Agreement.
- 24.2 This Agreement constitutes the entire agreement between the parties who acknowledge that there are no other oral or written understandings or agreements between them relating to the subject matter of this Agreement. This Agreement supersedes and replaces the management support services agreement and the software licence and services agreement between the parties. No amendment, cancellation or other modification of this Agreement shall be valid or binding on a party hereto unless reduced to writing and executed by both parties hereto, (save and except, for updates pertaining to amendments which may be required from time to time as referred to in Annexure "A" and "C" and the Reference Guide).
- 24.3 All the provisions of this Agreement shall be severable and no provision shall be affected by the invalidity of any other provision of this Agreement. If any part or portion of this Agreement has been deemed to have been struck out and/or be declared a prohibited practice or the like the effect of which is to adversely affect the rights of the Franchisor to receive payment of any nature or, in the Franchisor's sole opinion, adversely affect the Business System, Franchised Business or Franchise System, either of the parties may call on the other to within 5 (five) Business Days enter into *bona fide* negotiations in an attempt to agree to an amendment of this Agreement or a new agreement which shall put the parties substantially in the same position as they were before. In the event that the parties cannot reach such agreement within 14 (fourteen) Business Days from entering into negotiations as contemplated, the Franchisor shall have the right to terminate this
- 

Agreement on 30 (thirty) days' written notice to the Franchisee.

- 24.4 Whenever a personal pronoun is used in this Agreement, it is understood that such usage shall include both singular and plural, masculine, feminine and neuter and refer in appropriate cases to juristic persons as well as natural persons.
- 24.5 If either party is prevented or restricted directly or indirectly from carrying out all or any of its obligations under this Agreement by any cause beyond the reasonable control of that party, including, without limitations, acts of God, civil commotion, riots, insurrection, acts of government, fire, explosion, the elements, epidemics, governmental embargoes or like causes ("force majeure"), the party so affected shall, to the extent so prevented, be relieved of its obligations hereunder during the period of such events and shall not be liable for any delay or failure in the performance of any obligations hereunder or loss or damage either general, special or consequential which the other party may suffer due to or resulting from such delay or failure; provided always that written notice of the occurrence constituting force majeure shall be given within 24 (twenty four) hours by the affected party.
- 24.6 The headings of the clauses are intended for convenience only and shall not affect the interpretation of the Agreement.
- 24.7 No provision herein shall be construed against or interpreted to the disadvantage of any party by reason of such party having or being deemed to have structured, drafted or introduced such provision.
- 24.8 This Agreement may be signed in counterparts and the copies signed in counterpart shall constitute the Agreement. This shall include faxed copies of this document.
- 24.9 Notwithstanding anything to the contrary contained in this Agreement, the parties shall not be liable to each other for any indirect or consequential loss or damage, including without limitation, loss of profit, revenue, anticipated savings, business transactions or goodwill or other contracts whether arising from negligence or breach of contract.

SIGNED at Johannesburg on this 18th day of November 2011.

(Signature) Arina McDonald
(Franchisor)

For: (insert full name)

Name of Signatory: Arina Mc Donald

Capacity: Chief Financial Officer of Standard Bank Africa division

SIGNED at Sabonne on this 7th day of December 2011.

(Signature) Phiso Tafa
(Franchisee)

For: (insert full name)

Name of Signatory: LENA GABARANI

Capacity: Managing Director

Phiso Tafa
CHAMPION
STAGBIC BALL
BULGARIAN

ANNEXURE A

DEFINITION TERMS FOR CLAUSES 2.12 AND 2.13

1. For the purposes of the definitions stipulated in clauses 2.12 and 2.13, the following definitions shall have the following meaning, (which may be amended from time to time on written notice to the Franchisee):
 - 1.1. **Net Interest Income:** means interest income on financial assets (including dividend income on preference share investments that form part of lending activities) classified as held-to-maturity, loans and receivables and available-for-sale financial assets in terms of the effective interest rate method as required by IFRS, less interest expense (but excluding that which has been capitalized on qualifying assets) on financial liabilities classified to be carried at amortised cost in terms of the effective interest rate method as required by IFRS; and for purposes of this definition includes:
 - 1.1.1. fair value gains and losses (including interest income and interest expense) on dated financial assets and financial liabilities designated at fair value through profit or loss;
 - 1.1.2. fair value gains and losses on realised dated available-for-sale financial assets;
 - 1.1.3. interest income on impaired loans;
 - 1.1.4. fair value gains and losses on hedged items, whose interest income or expense is otherwise included in net interest income, including fair value gains and losses on hedging instruments in terms of a fair value hedge accounting relationship; and
 - 1.1.5. fair value gains and losses on hedging instruments that are designated in a cash flow hedge accounting relationship to hedge a hedged item, whose interest income or expense is otherwise included in net interest income.
 - 1.2. **Non-Interest Revenue** means non-interest revenue consisting of net fee and commission revenue, trading revenue and other revenue each of which is defined as follows:
 - 1.2.1. Fee and commission revenue, which includes:
 - transactional fees, account servicing fees, investment management fees, sales commission; and



- placements fees, loan commitment fees and syndication fees to the extent not included in interest income; and
 - the fair value (including premiums) of issued financial guarantees.
- 1.2.2. Fee and commission expense, which includes mainly transaction and service fees relating to financial instruments, which are expensed as the services are received;
- 1.2.3. Trading revenue, which includes fair value gains and losses arising from changes in the fair value of trading assets and liabilities, together with related interest income, expense and dividend income; and
- 1.2.4. Other revenue, which includes:
- fair value gains and losses (including dividends) on undated financial assets and liabilities designated at fair value through profit or loss;
 - fair value gains and losses (including dividends) on realised undated available-for-sale financial assets; and
 - underwriting profit (including premium income, commission and policy fees earned, net incurred claim losses and broker commission paid) from short-term insurance operations and related insurance activities.

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ANNEXURE B

PART A - TRADE MARKS REFERRED TO IN CLAUSE 2.19

Title	Device
AccessLine	
ACHIEVERPLAN	
AUTOBANK	
AutoBank E	
AUTOCASH	
AUTOCLUB/AUTOKLUB	
AutoMoney	
BONUSPLUS	
BUSINESS GROWTH PLAN	
BUSINESS ONLINE	
C.A.R.S.	
C.A.T.S.	
C.A.T.S.	
C.A.T.S.	
CARTAX	
CATS AFRICA	
CollectPlus	
E LOAN	
E PLAN	
EXECUTIVE BANKING & STANBIC BANK Device	Executive Banking
FLAG DEVICE	
FLAG Device (2006)	
FLAG SHIELD DEVICE	
FLEETSAVER	
FOUR HANDS DEVICE	
FOUR HANDS DEVICE	



Title	Device
GARAGE	
Inspired.Motivated.Involved	
InsuraRate	
KGATELOPELE	
MOTORCARD/MOTORKAART	
MOTORCARD/MOTORKAART	
MOVING FORWARD	
MULTINET (special form)	MultiNet
MULTINET (special form)	MultiNet
PayPlus	
PLUSPLAN	
PRESTIGEPLAN	
PureSave	
SBG	
SBG & FLAG Device (2006)	 SBG
SBG BANK	
SDPS	
SecuraRate	
STANBIC	
STANBIC & FLAG Device (2006)	 Stanbic
STANBIC BANK & FLAG Device (2006)	 Stanbic Bank
STANBIC BANK LETSEMA SOCIETY SCHEME	
STANBIC BOTSWANA CLASSIC CHEQUE & DEVICE	
STANBIC DIRECT	
STANDARD BANK	
STANDARD BANK BEST + DEVICE	
STANDARD BANK FACTORS	
STANNIC MOTOR-PLAN	
STANNIC MOTOR-PLAN	
STANNIC PERSONAL MOTORCARD	
TELE INSURANCE BROKER	
TradePlus	
TransactPlus	
TRAVEL WALLET	

PART B – TRADING NAME (IF APPLICABLE) AS REFERRED TO IN CLAUSE 8.19

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ANNEXURE C

SERVICES EXCLUDED FROM THE FRANCHISED BUSINESS AS REFERRED TO IN CLAUSE 7.3 AND EXCLUDES THE COSTS STIPULATED 8.10, 8.12 AND 11.1

The following services/costs and/or disbursements are excluded from the Franchised Business as referred to clause 7.3 and the costs stipulated 8.10, 8.12 and 11.1 in the Agreement:

1. Services rendered by the Franchisor, any other franchisees which are part of the Franchise System and/or any related party in the following areas:

- 1.1. The Agriculture Department within Business Banking

Where the Franchisor's Agriculture department originates, structures and/or assists with a viability study for a specific client transaction, the parties shall agree on the terms of their collaboration separately, observing the arm's length principle and taking into account the degree and extent of the functions performed by either party, risks assumed and resources employed by the related parties involved in the client transaction.

- 1.2. Investment Banking

Whenever the Franchisor's and other franchisee's Investment Banking staff are directly involved and work jointly with the Franchisee's staff on specific client related deals and transactions, in any capacity, and whether from their premises in South Africa or the Franchisee's premises, the parties will agree on the terms of their collaboration separately. It is envisaged that the parties shall follow the general arm's length principles, in particular:

- Lending transactions:

The interest and fees (if any) generated on specific lending transactions shall be split according to the degree and extent of the functions performed by either party, risks assumed and resources employed by all related parties involved in the lending transaction.

- Fee based transactions:

The fees generated on specific fee based transactions shall be split according to the degree and extent of the functions performed by either party, risks assumed and resources employed by all related parties involved in the fee based transaction.



1.3. Global Markets

Whenever a specific client trading transaction involves either the Franchisor or another franchisee and the Franchisee performing certain functions, assuming certain risks and/or employing certain resources, whether the parties are trading jointly or enter into a back-to-back related party transaction subsequently to the client trade, the parties shall agree on the terms of their collaboration separately, observing the arm's length principle, taking into account the degree and extent of the functions performed by the respective parties, the risks assumed and resources employed by the respective parties.

1.4. Transactional Products and Services

- Regional custody arrangements are subject to a separate agreement; and
- Arrangements as part of the Gateway guarantee programme co-ordinated by the Franchisor and as agreed upon by the related parties; and
- Access to the New Business On-Line system by the Franchisee's customers.

1.5. The following Information Technology services shall be charged for separately, as agreed between the Franchisor and Franchisee:

- Systems implementations, functionalities, developments and capabilities for new systems and new business, as agreed between Franchisor and Franchisee;
- Enhancements to functionalities and capabilities for existing systems as agreed between Franchisor and Franchisee;
- Large upgrades (specific new implementations, upgrades or refreshes for the enablement of business);
- Software customisation and development to align software to Franchisee-specific requirements;

1.6. The following costs shall be for the account of the Franchisee:

- IT personnel and resources hired by the Franchisee; and
- Recurring license fees billed by third parties to the Franchisee that are for the benefit of the Franchisee.

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2. Regional Centres of Excellence/Shared Resources

Fully loaded costs charged by regional centres or resources housed within the Franchisor or other franchisees shall be for the account of the Franchisee, unless specifically agreed with the Franchisor or other franchisees.

3. The following costs and/or disbursements shall be for the Franchisee's own account:

3.1. Marketing

- The infrastructure and maintenance required to view the Blue Wave television broadcasts (television sets, satellites, television licenses, etc);
- Direct expenses relating to brand/health surveys for country-specific initiatives (including agency costs). Brand/health surveys for global campaigns/ initiatives/sponsorships initiated by the Franchisor would be paid for by the Franchisor;
- Promotional items ordered by the Franchisee from the Franchisor's Group Marketing department; and
- Any expenses relating to the Franchisee's marketing campaigns in the Territory, activation costs in respect of sponsorships arranged at a Standard Bank Group level and in-country activation costs in respect of corporate and social investment programs initiated by the Franchisor.

3.2. Training

Direct expenses (such as telephone, laundry, drinks, etc) incurred by delegates attending training provided by the Global Leadership Centre run by the Franchisor in Johannesburg, South Africa.

3.3. Travel and Accommodation

All expenses relating to Franchisee staff travelling to the Franchisor in Johannesburg, to other franchisees or to any related party for business and training, except for accommodation provided by the Global Leadership Centre for staff training.


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3.4. International Assignees:

In respect of Internationally Mobile Executives (secondments to Franchisee for six months or longer):

- Salaries and bonuses (if applicable) paid to Internationally Mobile Executives as well as the applicable taxes on both salary, bonus and any other taxable fringe benefits provided and paid for by the Franchisee on behalf of such persons;
- Relocation costs;
- The costs of international medical aid, international pension and other sundry and administrative costs borne by the offshore employment company for Internationally Mobile Executives (the primary employer) is to be recovered from the Franchisee;
- Tax and immigration-related services provided by third parties for Internationally Mobile Executives; and
- Any other statutory remittances for Internationally Mobile Executives.

3.5. In respect of Expatriates:

- Salaries (and applicable taxes thereon) and bonuses (tax on bonuses is for the Expatriate's own account in terms of any bonus payment made by the Franchisee) paid;
- Costs and any taxes in terms of any fringe benefit entitlement provided to Expatriates by the Franchisee (e.g. relocation/storage costs, accommodation, motor vehicle, education, home leave flights);
- Medical aid and pension contributions paid in the Expatriate's home country;
- Immigration and tax services relating to Expatriates; and
- Any other statutory remittances for Expatriates.

3.6. Any Other Costs (Disbursements)

Costs incurred at the request of the Franchisee in respect of third party suppliers, which have been paid by the Franchisor on behalf of the Franchisee shall be claimed from the Franchisee.

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ANNEXURE D

TRADE MARK RECORDAL DOCUMENT

(please note that this is an example document for recordal only and may change to suite local Trade Mark Registry requirements)

THIS AGREEMENT made the _____ day of _____ 20____

Between:

THE STANDARD BANK OF SOUTH AFRICA LIMITED, (Registration Number 1962/000738/06),
a company duly incorporated with limited liability according to the company laws of the Republic of
South Africa

(hereinafter referred to as the "Proprietor") of the one part

and [_____], (Registration Number??), a company duly incorporated with limited liability
according to the company laws of [_____]

(hereinafter referred to as the "User") of the other part.

WHEREAS the Proprietor is the registered proprietor of Trade Mark Nos. [_____] in [_____]
("the Trade Marks") in respect of the goods and services covered by the registration(s) (hereinafter
referred to as the "Goods and Services").

Handwritten signature and initials. The signature is a stylized cursive 'S' followed by 'B'. To the right are the initials 'AM'.

AND WHEREAS the User is desirous of using the said trade mark(s) and of being registered as a registered user of the Trade Mark(s).

NOW IT IS HEREBY AGREED AS FOLLOWS:

1.

The Proprietor hereby authorises the User to use the said Trade Mark(s) upon or in relation to the Goods and Services in accordance with specifications laid down, directions given and information supplied by the Proprietor from time to time and subject to strict quality control, and will join with the User in making application to the Registrar of trade marks for the purpose of securing the registration of the User as a registered User of the Trade Mark(s).

2.

The User is to be recorded as the sole registered user and may be removed from the Register as a registered user upon written notice to the registry by the Proprietor. The registered user agreement is entered into pursuant to a franchise agreement between the Proprietor and User dated [] ("the Franchise") and shall terminate automatically upon termination of the Franchise. If or to the extent that this Agreement conflicts with or is inconsistent with the provisions of the Franchise, the provisions of the Franchise will prevail.

3.

The User shall immediately cease any further use of the Trade Marks and undertakes that it shall immediately hand over to the Proprietor or its duly authorised agent or delete or destroy at the sole discretion and direction of the Proprietor any and all material bearing the Trade Marks, or any Trade Dress of any sort which it obtained from or was authorised to use by the Proprietor.

4.

The User undertakes to do all such acts as may be necessary to procure the cancellation of itself as a registered user on request. For this purpose the User hereby appoints the Proprietor as its agent in rem suam to do all such acts and to sign all such documents as may be reasonably necessary to procure such cancellation.



IN WITNESS WHEREOF the parties hereto have caused this Agreement to be signed and executed the day and year first above written.

For and on behalf of: the Proprietor

Name of signatory in print:

Designation:

For and on behalf of: the User

Name of signatory in print:

Designation:

  AM

ANNEXURE E

FRANCHISOR DISCLOSURE DOCUMENT AS REFERRED TO IN CLAUSE 18

1 GENERAL CONTACT INFORMATION

- | | | |
|-----|---------------------------|--|
| 1.1 | Entity registered name: | The Standard Bank of South Africa Limited |
| 1.2 | Entity registered number: | 1962/000/738/06 |
| 1.3 | Registered Address: | 9 th Floor, Standard Bank Centre, 5 Simmonds Street, Johannesburg |
| 1.4 | Business Address: | 9 th Floor, Standard Bank Centre, 5 Simmonds Street, Johannesburg |
| 1.5 | E-mail address: | InvestorRelations@standardbank.co.za |
| 1.6 | Fax number: | +2711 636 4207 |
| 1.7 | Telephone Number: | +2711 636 9111 |
| 1.8 | Website: | www.standardbank.co.za |

2 GENERAL FINANCIAL INFORMATION

- 2.1 Please refer to the Franchisor's current financial report available on the website referred to in 1.8.

3 GENERAL BUSINESS INFORMATION

The Franchisor is a wholly owned subsidiary of Standard Bank Group Limited (SBG). SBG is a global bank with African roots. The Franchisor is South Africa's largest bank by assets. SBG is distinguished by its operations in 17 African countries. Outside the African continent, SBG's operations span to 15 countries, with an emerging market focus.

SBG is listed on the JSE Limited in South Africa, share code SBK, and the Namibian Stock Exchange, share code SNB. The group had total assets of over ZAR1 320 billion (approximately USD173 billion) at 30 June 2010 and employed more than 52 000 (including Liberty Holdings Limited, a subsidiary company of SBG) people worldwide.



SBG's market capitalisation at 30 June 2010 was ZAR162 billion (approximately USD22 billion).

The Franchisor has played a role in the development of the Southern African economy for more than 145 years. It has done this by constantly aligning its presence in the market place with the evolving needs of the region's economies, and delivering relevant banking and financial services.

The Franchisor's three main pillars of business are Personal and Business Banking, Corporate and Investment Banking and High Net-worth Individuals and Insurance. As part of the Franchisor's business, it has identified opportunities to leverage off its existing infrastructure and specific country knowledge across emerging markets in Africa.

SBG upholds high standards of corporate governance and is committed to advancing the principles and practice of sustainable development.

The long-term ratings for the Franchisor, the single largest operating entity within SBG, are Moody's A3, Standard & Poor's BBBpi, and Fitch Ratings BBB+. The South African sovereign ratings are: Moody's A3, Standard & Poor's BBB+ and Fitch Ratings BBB+.

Handwritten signatures and initials at the bottom right of the page. There are three distinct marks: a stylized signature on the left, a larger, more complex signature in the middle, and the initials 'AM' on the right.

