



EMPOWERLOGIC
Your Logical Empowerment Solution

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The Directors
ARC Fund

21 May 2019

Dear Directors

BEE Ownership Certificate for ARC Fund

We have performed a verification of the BBBEE ownership scorecard of ARC Fund. The scorecard has been calculated in accordance with the Amended Codes of Good Practice for Broad Based Black Economic Empowerment Gazetted on 11 October 2013 and the rules applicable to Private Equity Funds.

Our verification procedures were performed in accordance with the Verification Manual gazetted on 18 July 2008 and are adequate to confirm the equity ownership scorecard of ARC Fund.

Details of the black ownership composition are set out in the certificate and ownership scorecard presented in Appendix hereto.

The Rights of Ownership, i.e. Economic Interest, Voting Rights and Net Value, awarded to ARC Fund in terms of this verification are based on them meeting the criteria for deeming it's shareholding in a Measured Entity (investee company) as being 100% owned by Black People in accordance with par 3.10 of B-BBEE Code 100.

We have applied Code 100, par 3.10.9 in accordance with which the Private Equity Fund Manager can facilitate direct Black shareholding at the time of entering into the transaction should the target company not meet the requirement of at least 25% Black Shareholding at the time that the transaction is concluded.

Further to report ELC8617-2 revised 21 May 2019, we can confirm that the ARC Fund is 100% as per the Private Equity Fund Rule, Code 100, par 3.10 and that the Economic Interest to which BDG's, EOS, BBOS and Co-op's are entitled of 27.31% is broken down as follows:-

Description & Percentage
Black Youth - 21.21%
BBOS (inclusive of 21.21 % Black Youth above) - 24%
Other Designated Groups - 3.31%

BDG,s, EOS and BBOS defined as follows as per the Codes of Good Practice:

BDG:

"Black Designated Groups" means:
(a) unemployed black people not attending and not required by law to attend an educational institution and not awaiting admission to an educational institution;
(b) Black people who are youth as defined in the National Youth Commission Act of 1996;
(c) Black people who are persons with disabilities as defined in the Code of Good Practice on employment of people with disabilities issued under the Employment Equity Act;
(d) Black people living in rural and under developed areas;
(e) Black military veterans who qualifies to be called a military veteran in terms of the Military Veterans Act 18 of 2011;

BBOS:

"Broad-Based Ownership Scheme" means a ownership scheme which meets the rules set out in Annexe 100B; •
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EOS:

"Employee Ownership Scheme" means a worker or employee scheme;

Black New Entrant:

"Black New Entrants" means Black participants who hold rights of ownership in a Measured Entity and who, before holding the Equity Instrument in the Measured Entity, have not held equity instruments in other Entities which has a total value of more than R50,000,000, measured using a standard valuation method;

Yours faithfully
EmpowerLogic (Pty) Ltd

Per Prebashini Govender
Verification Committee

BEE Ownership Certificate

**Issued to
ARC Fund**

Entity Name ARC Fund

Exercisable Voting Rights by Black People	100.00%	Exercisable Voting Rights by Black Women	24.46%
Economic Interest to which Black People are entitled	100.00%	Economic Interest to which Black Women are entitled	24.46%
Economic Interest to which BDG's, EOS, BBOS and Co-op's are entitled	27.31%	Involvement in the ownership by Black New Entrants	23.46%
A - Net Value	100.00%		

**Black Owned: >=51% and 8 points for Net Value*

**Black Women Owned: >=30% and 8 points for Net Value*

51% Black Owned *	Yes	30% Black Women Owned *	No
Black Designated Groups	27.31%	Normal Flow Through Principle Applied	

Issue Date 17 May 2019
Expiry Date 16 May 2020
Certificate Number ELC8617-2 replacing ELC8617
Version Final - Revised 21/05/2019
Applicable Scorecard Amended Codes - Generic
Applicable BBEE Codes Amended Generic Codes Gazetted on 11 October 2013



EmpowerLogic (Pty) Ltd

Reg. No. : 1995/000523/07

BBBEE Verification Agency

Per Prebashini Govender

Member - Verification Committee

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SANAS Accredited



BVA018

This certificate supersedes any previous certificates issued to the Measured entity. This certificate is the result of an independent and impartial verification of the BBBEE status of the measured entity measured against the Codes of Good Practice on Broad Based Black Economic Empowerment. This certificate has been issued in accordance with the EmpowerLogic Verification Certificate Policy. EmpowerLogic uses the Law Trust advanced electronic signature system (AeSign) which is compliant with the Electronic Communications and Transactions Act no 25 of 2002. The validity of the certificate is ensured as long as the digital signature details corresponds with the Technical Signatory's details as displayed on the certificate.

BEE Ownership Scorecard

Issued to

ARC Fund

Indicator	Weight	Actual	Base	Target	Result	Points
	25				100.00%	25.00
Exercisable Voting Rights by Black People	4	100.00%	100.00%	25%+1	100.00%	4.00
Exercisable Voting Rights by Black Women	2	24.46%	100.00%	10.00%	100.00%	2.00
Economic Interest to which Black Women are entitled	2	24.46%	100.00%	10.00%	100.00%	2.00
Economic Interest to which BDG's, EOS, BBOS and Co-op's are entitled	3	27.31%	100.00%	3.00%	100.00%	3.00
Involvement in the ownership by Black New Entrants	2	23.46%	100.00%	2.00%	100.00%	2.00
A - Net Value	8	100.00%	100.00%	5.00%	100.00%	8.00
B - Economic Interest		100.00%	100.00%	25.00%	100.00%	

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