

11 March 2017

Valued client

Good day

CORPORATE SECRETARIAL ELECTRONIC SHARE OR MEMBERS' REGISTER AND MINUTES

All directors of companies and co-operatives, members of close corporations, and trustees of trusts, please read further:

If you are not a director of a company or co-operative, or member of a close corporation, or trustee of a trust, you do not need to read further.

This is compulsory reading for all directors of companies and co-operatives, members of close corporations, and trustees of trusts.

Only relevant to South African circumstances.

No afrikaans version of this e-mail available.

In terms of the South African Companies Act No 71 of 2008, as amended by the Companies Amendment Act No 3 of 2011 and the Companies Regulations of 2011, which came into effect on 1 May 2011, all South African companies are required to keep inter alia a share or members' register and minutes of all meetings.

The Close Corporations Act No 69 of 1984 does not require a members' register to be kept, but post-2011 changes to the Act, aligning the Close Corporations Act with the "New" Companies Act, require minutes to be kept of all meetings. Prior to 2011, members had the option whether to keep minutes of meetings or not. Our firm implemented minute books for all existing close corporation prior to 2011.

While the Trust Property Control Act No 57 of 1998 does not specifically set a requirement with regard to minutes of meetings, most Trust Deeds require minutes to be kept of all meetings. The regulations of these minutes of meeting have followed path with the earlier-mentioned Companies Act over the years. Our firm subsequently implemented or expanded the minute books for all existing trusts prior to 2011.

Section 24(1)(a) of the Companies Act require that "Any documents, accounts, books, writing, records or other information that a company is required to keep in terms of this Act or any other public regulation must be kept in written form, or other form or manner that allows that information to be converted into written form within a reasonable time".

Following this legislative relief to allow for electronic share or members' registers and minutes, and following CIPC already producing all other corporate secretarial forms in electronic format, and taking into consideration the advantages of electronically filed documents, and following our firm's general move towards a paperless office, our firm plans to convert all corporate secretarial documents, including all share or members' registers and minute books, into electronic form. This will be done in a phased-in approach over the coming months.

Please inform our firm by latest on the following dates should you wish our firm not to proceed to convert your corporate secretarial documents into electronic form:

- By 31 March 2017 should you wish our firm not to convert the minute books of the company or co-operative into electronic form.
- By 31 March 2017 should you wish our firm not to convert the minute books of the close corporation into electronic form.
- By 31 March 2017 should you wish our firm not to convert the minute books of the trust into electronic form.
- By 13 April 2017 should you wish our firm not to convert the share register of the company into electronic form.
- By 28 April 2017 should you wish our firm not to convert the members' register of the company or co-operative into electronic form.
- By 31 May 2017 should you wish our firm not to convert the share certificates and transfer forms of the company into electronic form.
- By 31 May 2017 should you wish our firm not to convert the members' certificates and transfer forms of the company or co-operative into electronic form.
- By 31 May 2017 should you wish our firm not to convert the Memorandum and Article of Association and Certificate of Incorporation of the (pre-2011) company into electronic form.
- By 31 May 2017 should you wish our firm not to convert the Constitution and Certificate of Incorporation of the co-operative into electronic form.

Please contact us, should you require any further advice or assistance.

Regards

Mr Johan de Kock

at

SUN JOMAR ACCOUNTANTS

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