

IMPACT CASH MANAGEMENT FUND

CESSION IN SECURITATEM DEBITI AND PLEDGE

entered into between

IMPACT INVESTMENT CASH MANAGEMENT FUND

Herein referred to as "the Cessionary"

and

(Identity No: /Registration No: _____)

Herein referred to "the Cedent"

1. INTERPRETATION

In this Agreement:

- 1.1. any expression not defined in clause 1.2 but defined in the Loan Agreement will have the meaning assigned to such expression in the Loan Agreement;
- 1.2. the following expressions bear the meanings assigned to them below and cognate expressions bear corresponding meanings:
 - 1.2.1. **"this Agreement"** means the cession in securitatem debiti and pledge agreement set out in this document;
 - 1.2.2. **"Ceded Rights"** means the Cedent's right, title and interest in and to the Subscription Shares, that is VCC Shares as per the Client Agreement definition;
 - 1.2.3. **"Loan Agreement"** means the written loan agreement between the Cessionary (as the Lender) and the Cedent (as the Borrower) to which this Agreement is attached;
 - 1.2.4. **"Obligations Default"** means a default of the Cedent's obligations in terms of the Loan Agreement;
 - 1.2.5. **"Parties"** means the parties to this Agreement, being the Cessionary (Lender) and the Cedent (Borrower), and **"Party"** means any one of them as indicated by the context;

2. INTRODUCTION

- 2.1. In terms of the Loan Agreement, the Cessionary (the Lender) has lent the Capital Amount to the Cedent (the Borrower). The sole objective of the Loan is to use and apply the Capital Amount for the purpose of acquiring Subscription Shares, that is VCC Shares, under and in terms of the Subscription Agreement.
- 2.2. The Lender required security for the Loan and the Borrower was willing, as part of such security, to cede in securitatem debiti and pledge the Ceded Rights on the terms and conditions set out in this Agreement.
- 2.3. The provisions of the Loan Agreement will apply to this Agreement in the same way as they apply to the Loan Agreement.

3. CESSION

- 3.1. As security for the Loan, the Cedent has ceded in *securitatem debiti* and has pledged to and in favour of the Cessionary the Ceded Rights on and with effect from the Advance Date.
- 3.2. This Agreement and the pledge and cession incorporated herein are without prejudice and are in addition to, and not in substitution of, any other security which may have been granted by the Cedent and/or any other Party to the Cessionary. The validity and/or operation of any such other security will not be affected by this Agreement.

4. DURATION

- 4.1. This Agreement comes into effect on the Advance Date and will terminate once the Cedent has fulfilled all his obligations under and in terms of the Loan Agreement and its annexures.

5. DELIVERY AND REPORTING

- 5.1. Within two (2) weeks of receipt thereof, the Cedent will deliver to the Cessionary all documents and/or instruments that evidence title to, or otherwise relate to, the Ceded Rights not already delivered to the Cessionary.
- 5.2. The Cedent authorises the Cessionary to notify the VCC of this Cession.

6. WARRANTIES

- 6.1. The Cedent warrants, represents and undertakes in favour of the Cessionary that:
 - 6.1.1. the Cedent is or will be the sole and beneficial owner of the Ceded Rights and, insofar as any of the Ceded Rights are exercisable, will be entitled to exercise the Ceded Rights;
 - 6.1.2. the Cedent has not ceded, pledged, hypothecated or otherwise encumbered the Ceded Rights in any way whatsoever;
 - 6.1.3. the Cedent will not alienate or encumber, or attempt to alienate or encumber, any of the Ceded Rights;
 - 6.1.4. the Cedent will, if an Obligations Default occurs, render to the Cessionary such assistance as the Cessionary may require for the purpose of enforcing this Cession. Accordingly the Cedent will, at all reasonable times and on reasonable notice and whether or not an Obligations Default has occurred, give the Cessionary free and unrestricted access to all records and documents relating to the Ceded Rights and the Cessionary will be entitled to extract information from and take copies of such records and documents for the purpose of enforcing its rights in respect of any Ceded Rights;
 - 6.1.5. after an Obligations Default has occurred and while it is continuing, the Cedent will not exercise or purport to exercise any right attaching to or constituting part of the Ceded Rights without the written consent of the Cessionary;
 - 6.1.6. the Cedent will not amend or purport to amend any of the terms or rights constituting part of or pertaining to the Ceded Rights without the written consent of the Cessionary; and
 - 6.1.7. the Cedent will immediately advise the Cessionary if any of the provisions of this Agreement are, or may be, breached.

7. OBLIGATIONS DEFAULT

- 7.1. If an Obligations Default occurs then, without prejudice to the Cessionary's other rights in terms of this Agreement or the Loan Agreement or at law, the Cessionary will be entitled (but not obliged), without notice to the Cedent and without first obtaining any order of court:
 - 7.1.1. to exercise any rights of the Cedent afforded to it pursuant to the Ceded Rights or any portion thereof;
 - 7.1.2. to recover and retain and give a valid receipt for any amount due in terms of or in respect of any of the Ceded Rights directly from the Cedent or any other person; and/or

7.1.3. to grant any indulgence, leniency, extension of time and/or to compromise, release, abandon or waive any right or *spes* which relates to or constitutes part of the Ceded Rights, including any right against the Cedent, any right against any surety or guarantor and any right in terms of any other form of security.

7.2. The Cedent hereby acknowledges that, should an Obligations Default occur within the initial 5-year Investment Period and the Cessionary exercises its rights in terms of this Agreement, the Cedent will be seen as having disposed of the VCC Shares, which will result in a recoupment of the VCC Tax Refund.

8. LIMITATION OF THE CESSIONARY'S LIABILITY

8.1. The Cessionary will not be liable to the Cedent for any loss or damage that the Cedent may suffer or sustain due to –

8.1.1. the Cessionary exercising any of its rights under this Agreement; or

8.1.2. any omission or delay by the Cessionary, including its failure to insure or protect the Cedent's interests in the Ceded Rights.

9. INDEPENDENT ADVICE

9.1. The Cedent acknowledges that it has been free to secure independent legal, tax, accounting and/or other advice as to the nature and effect of all of the provisions of this Agreement and that it has either taken such independent legal, tax, accounting and/or other advice or dispensed with the necessity of doing so.

SIGNED AT _____ **on this the** _____ **day of** _____ **20** _____

in the presence of the undersigned witness:

AS WITNESSES:

FOR THE CEDENT

Name: _____

Name: _____

Duly authorised

IF MARRIED IN COMMUNITY OF PROPERTY:

SIGNED AT _____ on this the _____ day of _____ 20 _____

in the presence of the undersigned witness:

AS WITNESSES:

CEDENT'S SPOUSE

Name: _____

Name: _____

SIGNED AT _____ on this the _____ day of _____ 20 _____

in the presence of the undersigned witness:

AS WITNESSES:

FOR THE CESSIONARY

Name: _____

Christopher John Hart

Duly authorised