

Annexure D
Cession of Tax Refund Amount

IMPACT CASH MANAGEMENT FUND

DEED OF CESSION

entered into between

IMPACT INVESTMENT CASH MANAGEMENT FUND

Herein referred to as "the Cessionary"

and

(Identity Number/Registration Number _____)

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 and transfer as set out in this document;
 - 1.2.2. **"Ceded Rights"** means the Tax Refund Amount as defined in the Loan Agreement;
 - 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. **"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 under and in terms of the Subscription Agreement.
- 2.2. The Lender required security for the Loan and, as a holder of Subscription Shares, the Borrower was willing, as part of such security, to cede R280 000 or an amount equal to his VCC Tax Refund, whichever is the highest (i.e. the Tax Refund Amount) to the Lender, in part repayment of the Loan. For the avoidance of doubt, the Parties agree that this amount can be funded in any manner and that a VCC Tax Refund received from SARS is merely one way of obtaining the funds necessary to honour the Loan Agreement and this cession.
- 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 part repayment of the Loan, the Cedent hereby cedes the Ceded Rights to and in favour of the Cessionary and undertakes to transfer the Tax Refund Amount to the Cessionary within 7 (seven) days of the VCC Tax Refund being paid by SARS or, in the case of a provisional taxpayer, within 7 (seven) days of receiving the Section 12J Certificate from the VCC.
- 3.2. Further to the undertaking in clause 3.1, the Cedent undertakes to submit a tax return to SARS within 3 (three) weeks of the start of the tax season 2020 and (if applicable) within 3 (three) weeks of the start of the tax season 2021. Provisional Taxpayers dates will not be the same, but rather at first or second period as per SARS requirements.
- 3.3. It is the intention of the Parties that the cession in terms of clause 3.1 operates as an outright cession, in terms of which the Cessionary will become the owner of the Ceded Rights.
- 3.4. This Agreement and the cession and transfer 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 AND TERMINATION

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 this Agreement.

5. BREACH

5.1. The Cedent hereby confirms that failure to comply with the provisions of this Agreement constitutes a breach of the Loan Agreement, which in turn constitutes an Obligations Default for the purposes of the "Cession of VCC Shares" in Annexure "C".

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

6. LIMITATION OF THE CESSIONARY'S LIABILITY

6.1. The Cessionary will not be liable to the Cedent for any loss or damage that the Cedent may suffer or sustain due to –
6.1.1. the Cessionary exercising any of its rights under this Agreement;
6.1.2. the Cessionary, in its capacity as Borrower, exercising any of its rights under the Loan Agreement;
or
6.1.3. any omission or delay by the Cessionary, including its failure to insure or protect the Cedent's interests in the Ceded Rights.

7. INDEPENDENT ADVICE

7.1. 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** _____ **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** _____ **day of** _____ **20** _____

in the presence of the undersigned witness:

AS WITNESSES:

CEDENT'S SPOUSE

Name: _____

Name: _____

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

in the presence of the undersigned witness:

AS WITNESSES:

FOR THE CESSIONARY

Name: _____

Christopher John Hart

Duly authorised