

OLIFANTS RIVER GAME RESERVE SHAREBLOCK LIMITED

Registration No. 1970/012498/06

HOW OWNERSHIP & USAGE WORK

The following explanations, based on the *Articles of Association* and the *Use Agreement*, set out the rules for the Ownership and Usage of shareblock units at Olifants River Game Reserve.

1. SHAREHOLDERS

- Each unit may have 1, 2 a maximum of 3 natural persons (i.e. people) as shareholders (**or Members**) each of whom must own a minimum of 2 shares.
- Where an entire unit (i.e. all 6 shares) is owned by a body corporate such as a Trust, Company or Closed Corporation, that legal entity is entitled to nominate 1, 2 or a maximum of 3 **Representative Shareholder/s**.
- Where 4 shares in a unit are registered in the name of a single legal entity, that legal entity may nominate 1 or 2 **Representative Shareholder/s**.
- Where 2 or 3 shares in a unit are registered in the name of a single legal entity, that legal entity may nominate 1 **Representative Shareholder**.
- **Representative Shareholders** may only be changed once a year to be effective on 1 March of the forthcoming year unless, through sale (including transfer of shares to heirs in the case of death) there is a change of ownership, in which case completion of the *Sales Documentation Pack* will identify the new nominated shareholders from the date of sale.
- **Members** and **Representative Shareholders** (only one per legal entity) are solely responsible for the statutory and financial obligations of their units as well as compliance with the *Rules and Regulations* by **ALL** their Users.
- **Members** and all **Representative Shareholders** otherwise enjoy the full rights of ownership defined in the *Articles of Association* and the *Use Agreement*.

2. USERS

- **Members** are automatically defined as **Users** provided they are over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- **A Member** who owns all 6 shares may nominate up to a maximum of 5 additional **Users** (inclusive of spouse, children and parents) provided they are all over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- **A Member** who own 4 shares may nominate up to a maximum of 3 additional **Users** (inclusive of spouses, children and parents) provided they are all over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- **A Member** who owns 3 shares may nominate up to a maximum of 2 additional **Users** (inclusive of spouses, children and parents) provided they are all over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- **A Member** who owns 2 shares may nominate 1 additional **User** (inclusive of spouses, children and parents) provided he or she is over 21 years of age and has signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.

- **Representative Shareholders** are not automatically classified as **Users** but they may nominate themselves as **Users** provided they are over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- A single **Representative Shareholder** of a legal entity that owns all 6 shares in a unit may nominate up to a maximum of 6 **Users** (inclusive of him/herself, spouses, children and parents) provided they are all over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- A **Representative Shareholder** of a legal entity that owns 4 shares in a unit may nominate up to a maximum of 4 **Users** (inclusive of him/herself, spouses, children and parents) provided they are all over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- A **Representative Shareholder** of a legal entity that owns 3 shares in a unit (or both of the 2 **Representative Shareholders** of a legal entity that owns 6 shares) may nominate up to a maximum of 3 **Users** each (inclusive of him/herself, spouses, children and parents) provided they are all over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- A **Representative Shareholder** of a legal entity that owns 2 shares in a unit (or all of the 3 **Representative Shareholders** of a legal entity that owns 6 shares) may nominate up to a maximum of 2 **Users** each (inclusive of him/herself, spouses, children and parents) provided they are all over 21 years of age and have signed the *Use Agreement*, a copy of *Rules and Regulations* and the user *Nomination Acceptance Form*.
- **Users** may only be changed once a year to be effective on 1 March of the forthcoming year unless, through sale (including transfer of shares to heirs in the case of death) there is a change of ownership, in which case completion of the *Sales Documentation Pack* will identify the new nominated shareholders from the date of sale. A **User's** nomination may be withdrawn at any time but the notice period runs until 1 March the following year.
- **Users** enjoy the full rights of usage defined in the *Articles of Association*, the *Use Agreement* and the *Reciprocal Traversing Agreement* but not the rights of ownership. Specifically, **Users** may visit the reserve unaccompanied by a **Member** or **Representative Shareholder**.

3. CONTRIBUTIONS TO THE MEMBERS' LEVY FUND

- In order to recover the fixed costs of operating the Reserve, each unit is required to pay a monthly levy equal to that payable by every other unit.
- In order to recover the remaining net costs of operating the Reserve, which vary according to utilisation, each unit is also required to pay a *User* and *Super User* levy each month and a *Guest* levy in the month that a visit takes place, based on the number of nominated **Users** and/or **Members** in each unit.
- *User* levies are payable by the first 3 **Users/Members** (who are not spouses, parents or children of a **Member** or **Representative Shareholder**) to reflect the intention of the *Use Agreement* that there should never be more than 3 persons as the ultimate owners of a unit.
- *Super User* levies are payable by up to a maximum of a further 3 **Users** (who are not spouses, parents or children of a **Member** or **Representative Shareholder**) to cater for the higher utilisation of units effectively owned by a syndicate of unrelated people.
- *Guest* levies are payable by nominated **Users** who are spouses, parents or children of a **Member** or **Representative Shareholder**, provided always that the total number of **Users/Members** in a unit cannot exceed the maximum of 6 in any year.
- **Member** and **User** levies are based on the forecast net operating costs of the Reserve for each financial year commencing 1 March and are advised to members in February of that year.
- The current levy structure is set out in the schedule of rates which is available from the Office or on the Website.