

ADOPTED PLOT  
PG 13 FON

PROJECT GROW AGREEMENT

between

M.W. BUTHELEZI  
7403095811088

and

SAPPI SOUTHERN AFRICA (PROPRIETARY) LIMITED

TEMPLATE

first in fibre

sappi

# GROW AGREEMENT

between

SAPPI SOUTHERN AFRICA (PROPRIETARY) LIMITED  
("Sappi")

and

M. W. BUTHELEZI

7403095811088

Identity Number

("the Grower")

## PREAMBLE – PART 1:

The Grower requires financial and technical assistance to plant timber on the terms and conditions set out in attached Part 2.

The following information is required to complete the Agreement:

|                                        |                                                                                                                                                                                                                                                                                                          |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>The Documents</b><br>(Clause 1.1.1) | The following documents form part of this Agreement.<br>1. Part 1 – The Preamble;<br>2. Part 2 – The Standard Terms and Conditions;<br>3. The following schedules:<br>3.1 Annexure "A" – the Property;<br>3.2 Annexure "B" – the Loan Agreement;<br>3.3 Annexure "C" – Current Silvicultural Procedures. |
| <b>The Timber</b><br>(Clause 1.1.8)    | hectares of Pinus<br>1.59 hectares of Eucalyptus Gxul<br>hectares of Acacia mearnsii.<br>[Total hectares of Timber: 0]                                                                                                                                                                                   |
| <b>Duration</b><br>(Clause 3)          | The agreement will commence on and shall endure<br>for the period provided in clause 3.                                                                                                                                                                                                                  |

sappi Southern Africa

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M.W.

A.N.

NZ

PLANT

|                                                      |                                                                                                |                                                                                                      |
|------------------------------------------------------|------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Address for Service of<br>Notices<br><br>(Clause 11) | Sappi's address shall be:                                                                      |                                                                                                      |
|                                                      | <u>Postal</u><br>c/o Project Grow Manager<br>Sappi Forests<br>P O Box 7<br>Kwambonambi<br>3915 | <u>Physical</u><br>c/o Project Grow Manager<br>Sappi Forests<br>Waterton Road<br>Kwambonambi<br>3915 |

SIGNED at Kwambonambi this 26<sup>th</sup> day of May 2017

Ndonyela

For **SAPPI SOUTHERN AFRICA (PTY)  
LIMITED**

who hereby warrants that (s)he is duly  
authorised to sign this agreement on its  
behalf

Full names

Nobuhle Ndonyela

Designation

Forestry Manager

SIGNED at SOKHULU this 08 day of NOVEMBER 2016

As Witnesses :

1. AS

Full  
Names: ASANDA NOMVALO

2. \_\_\_\_\_

Full  
Names: .....

MW

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## PART 2

### STANDARD TERMS AND CONDITIONS OF GROW AGREEMENT

#### 1. DEFINITIONS

1.1 In this agreement the following words shall have the following meaning assigned to them:

1.1.1 this agreement: the agreement between Sappi and the Grower for certain financial and technical assistance to plant and maintain timber and incorporates Part 1 – the Preamble, Part 2 – the Standard Terms and Conditions, and any attachments;

1.1.2 the Grower: the person referred to in the Preamble;

1.1.3 Part 2: these standard terms and conditions;

1.1.4 Preamble: the document prefixed to this agreement containing the information to complete the agreement;

1.1.5 the Property: the property described in Annexure "A";

1.1.6 Sappi: Sappi Southern Africa (Proprietary) Limited;

1.1.7 the Sappi representative: the Resource Manager or his authorised representative, or such other representative appointed by Sappi from time to time;

1.1.8 the Timber: the hardwood and/or softwood timber described in the Preamble.

## 2. INTRODUCTION

2.1 The Grower is entitled in law to occupy the Property.

2.2 The Grower intends to plant the Timber on the Property, and Sappi is agreeable to:

2.2.1 assisting the Grower financially and technically to plant and maintain the Timber; and

2.2.2 purchasing the Timber

on the terms and conditions of this agreement.

## 3. DURATION

3.1 This agreement will commence on the date in the Preamble and shall endure until:

3.1.1 all timber comprising the first planted crop; and

3.1.2 the first coppice crop from the first planted crop in respect of Eucalyptus species; and

3.1.3 the second crop of *Acacia mearnsii*;

has been delivered to Sappi and Sappi has paid for the Timber and the Grower has settled his indebtedness in terms of this agreement.

#### 4. ASSISTANCE

##### Loan

- 4.1 The Grower shall be entitled to a loan for the reasonable cost of planting, maintaining and weeding the Timber, and the amount shall be agreed by the Sappi representative and the Grower in terms of Annexure "B" attached.
- 4.2 All amounts due by the Grower to Sappi shall be repaid by first setting off any amounts advanced by Sappi to the Grower, which Sappi was not obliged to advance in terms of this agreement, then the amount in terms of clause 4.1 against the purchase price of the Timber payable by Sappi to the Grower for the Timber harvested from time to time, and only thereafter shall any balance of such purchase price be paid to the Grower. No part of the purchase price for the Timber shall be paid to the Grower whilst any amount is owing to Sappi in terms of clause 4.1 provided that Sappi shall be entitled within its absolute discretion (but not obliged) to pay a portion of the purchase price for the Timber to the Grower.
- 4.3 Sappi will provide the Grower on request with the amount of its indebtedness.

##### Seedlings

- 4.4 Sappi will provide sufficient seedlings of the type and variety recommended by the Sappi Research Department to be planted on the Property.
- 4.5 The Grower must give Sappi at least 4 months notice prior to collecting Eucalyptus species or *Acacia mearnsii* seedlings and at least 5 months notice prior to collecting Pinus species seedlings.

## 5. PERMIT, LICENCE AND AUTHORITY

5.1 The permit, licence or other statutory authority or permission which may be required in law for the Timber on the Property must be obtained prior to the commencement of this agreement, including, if applicable, that required from:

- 5.1.1 the Department of Water Affairs and Forestry to engage in stream flow reduction activities;
- 5.1.2 the National Provincial Environmental Authority for a change in land use;
- 5.1.3 the Department of Agriculture to cultivate land.

5.2 A true and complete copy of such permits, licences and/or statutory authorities or permissions must be provided to Sappi on request.

## 6. GROWER'S OBLIGATIONS

6.1 The Grower shall:

6.1.1 allow Sappi, its employees, agents and/or sub-contractors as well as members of the \*\*\* please select \*\*\* Department of Agriculture and/or Department of Water Affairs and Forestry, where applicable, ingress and egress to the Property to inspect the Timber at any time during this agreement;

6.1.2 comply with:

6.1.2.1 Sappi's environmental principles as well as all environmental laws applicable to the Timber;

6.1.2.2 Sappi's silvicultural principles, standards and methods of practice.

A current guideline as amended from time to time of Sappi's silvicultural procedures is set out in attached Annexure "C".

- 6.2 The Timber supplied by the Grower must comply with the specifications of the Mill which will receive the Timber for processing, copies of which are available from Sappi representative.

## 7. PURCHASE PRICE

- 7.1 The Grower shall not sell the Timber to any other person.

- 7.2 The Timber shall be harvested, when, in Sappi's discretion such Timber is ready for felling and Sappi gives notice as provided for in clause 7.3 and the Timber meets the Mill's supply requirements, and the Timber is, in the case of:

- 7.2.1 Pinus species, it is not less than 16 years;

- 7.2.2 Eucalyptus species, it is not less than 8 years nor more than 12 years old;

- 7.2.3 *Acacia mearnsii*, it is not less than 8 years nor more than 12 years old;

unless the parties hereto agree in writing to harvest such Timber earlier or later.

- 7.3 The parties shall, within 60 days of Sappi giving written notice to the Grower that the Timber must be harvested, agree:

- 7.3.1 the felling plan of the Timber to be harvested;

- 7.3.2 the volume of the Timber to be delivered in the first twelve month period of the felling plan;

- 7.3.3 the price payable, per "weighbridge ton" {being a metric ton (1000kg) determined by an assized weighbridge} in the first twelve month period in which the Timber is to be harvested in terms of the felling plan; and failing agreement:
- 7.3.4 the Sappi representative shall determine the felling plan of the Timber to be harvested and the volume to be delivered and his decision will be final and binding on the parties;
- 7.3.5 the price payable by Sappi will be the prevailing price paid by Sappi for timber emanating from the same region as the Grower, and of an equivalent quality purchased in terms of written Grow agreements entered into by Sappi with third parties, at the time the Timber is measured at and delivered to the Mill.
- 7.4 The parties may review the price and volume determined in clause 7.3.2 and 7.3.3, at least once during each 12 month period subsequent to the date on which the volume and price is determined in clause 7.3.2 and 7.3.3. Any adjustment to the volume and the price resulting therefrom shall be reduced to writing and signed by both parties.
- 7.5 The Grower may not cede, transfer or assign an order placed on him by Sappi for the purchase of the Timber to a third party, nor may the Grower sell timber to Sappi in terms of this agreement which is not in the planted area.
- 7.6 Sappi shall be entitled to exclude from the sale any timber that does not comply with the Mill specifications.
- 7.7 No payment which attracts value added tax shall be made by Sappi unless until Sappi has received proof that the Grower is a registered VAT vendor and an original tax invoice in respect thereof.

- 7.8 The risk of loss of or damage to the Timber shall remain with the Grower until it has been weighed and it has crossed the weighbridge in clause 7.3 and the risk of loss of or damage to the Timber that does not comply with the Mill specifications shall at all times remain with the Grower.

## 8. SECURITY

- 8.1 As security for the due fulfilment by the Grower of all his obligations in terms of this agreement, the Grower cedes, assigns and transfers all his right, title and interest in and to the purchase price and any other monies which become due to the Grower in respect of the Timber on the Property.
- 8.2 This agreement constitutes written authority to any third party to which the Timber has been sold to give effect to the terms of this clause and the Grower consents to the payment of the proceeds of such Timber being made directly to Sappi.

## 9. BREACH

Should the Grower breach or fail to comply with any term or condition of this agreement then Sappi's entire indebtedness in terms of this agreement, together with interest thereon at the prime overdraft interest rate of First National Bank, or its successors in title, from time to time, shall immediately become due, owing and payable without demand first having been made, and in addition the Grower shall repay on demand the cost of the seedlings delivered in clause 4.4 and shall pay all legal costs incurred by Sappi on an attorney and client scale, including the cost of tracing fees.

## 10. CESSION

- 10.1 The Grower shall not cede, delegate, assign or sub-contract any of his rights or obligations in terms of this agreement to any personal entity without

the written consent of Sappi first being obtained, which consent shall not be unreasonably withheld.

10.2 The Grower:

10.2.1 shall procure that the provisions of this agreement are binding upon all successive registered owners of the Property until expiry of Sappi's rights in terms of this agreement; and

10.2.2 shall not be entitled to sell or alienate the Property or any portion thereof to any person or entity unless and until the Grower has first delivered to Sappi the written acknowledgement and undertaking in a form acceptable to Sappi of such successors in title that he is bound by the provisions of this agreement, alternatively if the Grower has abandoned the Property or any portion thereof, and on written notice from the tribal authority certifying that the owner has vacated the area and is unable to be traced, then the tribal authority can appoint the Grower's successor-in-title.

11. NOTICES AND ADDRESSES FOR SERVICE

11.1 All notices to the Grower by Sappi in terms of this agreement shall be delivered to the Grower personally or by placing it in his home or by delivery at the monthly Project Grow meetings.

11.2 All notices by the Grower to Sappi shall be hand delivered to the Sappi offices referred to in the Preamble.

12. MISCELLANEOUS MATTERS

12.1 This is the whole agreement between the parties containing all of the express provisions agreed on by the parties with regard to the subject matter hereof. In particular Sappi gives no warranty and makes no

representation regarding the viability or profitability of the Grower's timber farming operations relating to this agreement.

- 12.2 No party may rely on any representation which allegedly induced that party to enter into this agreement, unless the representation is recorded herein.
- 12.3 No agreement varying, adding to, deleting from or cancelling this agreement and no waiver of any right under this agreement shall be effective unless in writing and signed by or on behalf of the parties.
- 12.4 No relaxation by a party of any of its rights in terms of this agreement at any time shall prejudice or be a waiver of its rights (unless it is a signed written waiver) and it shall be entitled to exercise its rights thereafter as if such relaxation had not taken place.
- 12.5 If any provision of this agreement is, or becomes, invalid or unenforceable, it shall be severable from the rest of the agreement, which shall continue to be binding on the parties.
- 12.6 The rule of interpretation that, in the event of ambiguity, the contract be interpreted against the party that drafted it, shall not apply in interpreting this agreement.
- 12.7 Headings of clauses are inserted for the purpose of convenience only and must be ignored in the interpretation of this agreement.
- 12.8 The various documents forming part of this agreement are to be taken as mutually explanatory. In the event of any conflict or inconsistency the provisions contained in the main body of the agreement will prevail.
- 12.9 Each party hereto shall bear and pay any costs incurred by it in connection with the negotiation, drafting, preparation and signature of this agreement.

FINAL

- 12.10 The Grower agrees that Sappi will be entitled to institute any legal proceedings against the Grower in a magistrates court having jurisdiction over the Grower.

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ANNEXURE "A"

DETAILS OF THE PROPERTY

1. Ward Name: EMALALENI APHEZULU
2. Name of Chief: PB MITHYANE
3. Name of Induna: MJ MITHYANE
4. GPS Reading: South ( )° ( )' ( )" East ( )° ( )' ( )"
5. Basis of occupation of land e.g. Freehold Title, Deed of Grant, Permission to Occupy Trust  
Land: TRIBAL LAND
6. Does Applicant live on the Property? Yes ☒ No ☐
7. Details of any servitude or other restrictions on the property:

Any existing servitudes : Yes ☐ No ☒

New servitudes to be registered Yes ☒ No ☐

MZUVUKILE NGUREKO BUTHELEZI & MASIMBONGE S. BUTHELEZI

Date: 08/11/2016

MADODA  
Signature of Grower

Full name of Grower: MADODA WILSON BUTHELEZI

## TRIBAL AUTHORITY

We the \_\_\_\_\_ Tribal Authority hereby state, after having conferred with the duly authorised representative of the \*\*\* please select \*\*\* Department of Agriculture and Forestry and/or Department of Water and Forestry, that we have no objection to ("the Grower") farming commercial timber of 0 hectares in size, on his legally allocated Tribal land and acknowledge that we have read the terms and conditions of the agreement to be entered into between Sappi and the Grower and that the commercial timber is the sole property of the Grower.

Tribal Authority Stamp and Date

Signed: \_\_\_\_\_

TRIBAL AUTHORITY REPRESENTATIVE

sappi Southern Africa

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M.W.  
A.N. No

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ANNEXURE "B"

AGREEMENT

between

SAPPI SOUTHERN AFRICA (PROPRIETARY) LIMITED  
("Sappi")

and

M.W. BUTHELEZI  
7403095811088  
Identity Number  
("the Grower")

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1. INTRODUCTION

- 1.1 Sappi and the Grower entered into a GROW Agreement ("the agreement") dated 08/11/2016 in terms of which amongst others Sappi has agreed to assist the Grower financially and technically to plant and/or maintain 0 hectares of timber on the property described in the agreement.
- 1.2 In terms of the provisions of clause 4.1 of the agreement, the parties are required to agree the work to be done and the amount to be advanced.

2. LOAN

- 2.1 ~~The Grower will carry out the following work to maintain the timber on the property and will be advanced the following amounts in respect thereof for the period to :~~

sappi Southern Africa

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M.W.  
A.N. 

| OPERATION                                              | PLANTING HA<br>2009 - |
|--------------------------------------------------------|-----------------------|
| Seedlings (initial)                                    | NIL                   |
| Fertiliser (approximately)                             |                       |
| Land Preparation<br>-<br>-                             | Low<br>Medium<br>High |
| Discing                                                |                       |
| Ripping                                                |                       |
| Ploughing                                              |                       |
| Pitting                                                |                       |
| Planting                                               |                       |
| Fertilising                                            |                       |
| Weeding Operation – 1 <sup>st</sup> year               | Low<br>Medium<br>High |
| Weeding Operation – 2 <sup>nd</sup> year               |                       |
| Livestock caretaker – seasonally for the first 2 years |                       |
| Fire Protection (per annum)                            |                       |
| 1 <sup>st</sup> Coppicing                              |                       |
| 2 <sup>nd</sup> Coppicing                              |                       |
| Annual Profit Advance                                  |                       |
| Stump Eradication                                      |                       |

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**FOOTNOTES:**

1. 2 x weedings in 1<sup>st</sup> year
2. 1 x weeding in 2<sup>nd</sup> year
3. Costs above will be reviewed by Sappi from time to time and will be available from Sappi on request.

SAPPI'S SILVICULTURAL PROCEDURES

1. EUCALYPTUS SILVICULTURE

1.1 DISCING

Discing must be planned after ploughing allowing for sufficient time to lapse, to ensure good grass and weed control.

1.2 RIPPING

Ripping must be done across the slope and only slopes of less than 7° (12%) at rip line spacing of 3m.

1.3 PITTING

Pits shall be dug on a grid of 3 metres by 2 metres. Pits shall be at least 50cm in diameter dug to a depth of at least 25cm and be well tilled.

1.4 PLANTING

Planting of seedlings shall be carried out from September to January when the soil is moist. Poly-fert, a polymer which enhances soil water retention and also boosts up the nutrients in the soil, will be used. Planting holes shall be opened in the prepared pit to a depth of 25cm and the seedling planted to a collar depth of 10cm below the soil surface. Moist soil shall be firmed around the root zone taking care not to bend or damage the roots

1.5 WEEDING

To gain the benefits of nutrients supplied during poly-fert planting and reduce weeding competition, complete weed control should be practised for the first two years. An area of at least 1 metre diameter around each tree

shall be kept completely weed-free during this time. Care must be taken to avoid root damage during this operation.

#### 1.6 FIRE PROTECTION

Each year during June and July fire breaks shall be cleared around the plot of trees. These breaks shall be burnt and cleaned of all vegetation and combustible material for a width of not less than 10 metres and kept clean until the end of November.

#### 1.7 COPPICING

Upon the harvest of the first planted crop, Sappi personnel will determine the viability of a coppice crop. If a decent coppice crop is ensured then a re-establishment regime will be followed according to best operational practice of coppice reduction.

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## INDIVIDUAL APPLICATION

Mr/Ms M. W. BUTHELEZI  
Living CEISHWENO Magisterial District  
P.O. Box 110 KWAMBONAMBI  
3915  
Date: 08/11/2016

Chief Directorate : Environmental Management  
Department of Agriculture and Environmental Affairs  
Private Bag X 9059  
Pietermaritzburg  
3200  
Dear Sir / Madam

### RE: APPLICATION FOR EXEMPTION

I MADODA WILSON BUTHELEZI hereby apply for exemption from Sub-regulation 5(1)(a) and 5(1)(b) of Government Notice No. R1183 of 5 September 1997 in terms of the Environment Conservation Act No. 73 of 1989.

I have applied to the Department of Water Affairs and Forestry for an afforestation license in order to establish .....hectares of EUCALYPTUS trees. The trees will be managed as a commercial plantation. The trees will be established in terms of prescribed regulations in terms of distances from wetlands, watercourses and indigenous forests and will be managed within the Sappi Forests environmental standards.

I have been advised by Sappi Forests regarding the siting of the trees, and I am sure that the afforestation will have no significant negative impacts on the environment.

I do not have enough financial resources to hire the services of a professional consultant to conduct a scoping report and I therefore request exemption from this regulation.

Yours sincerely

  
.....  
Community representative

RECEIVED

TRIBAL AUTHORITY

We the Sokhulu Tribal Authority hereby state, after having conferred with the duly authorised representative of the \*\*\* please select \*\*\* Department of Agriculture and Forestry and/or Department of Water and Forestry, that we have no objection to ("the Grower") farming commercial timber of 0 hectares in size, on his legally allocated Tribal land and acknowledge that we have read the terms and conditions of the agreement to be entered into between Sappi and the Grower and that the commercial timber is the sole property of the Grower.

DUTHELEZI MABOBA - W  
ID NO. 7403098811088

Tribal Authority Stamp and Date



Signed:

[Signature]  
TRIBAL AUTHORITY REPRESENTATIVE

TEMPORARY

# sappi

## Sappi Forests

Cascades

PO Box 13124  
3202 Cascades  
SOUTH AFRICA  
Tel +27 (0)33 347 6600  
Fax +27 (0)33 347 6790

www.sappi.com

### Account Verification Form

Attach certified ID (original copy)

VAT Registration and CK Registration documents (when applicable)

Official bank information: Client's Account Details

|                                              |                |                                     |              |
|----------------------------------------------|----------------|-------------------------------------|--------------|
| Bank:                                        | STANDARD BANK  |                                     |              |
| Branch Name:                                 | MTUBATUBA      |                                     |              |
| Branch Code:                                 | 051001         |                                     |              |
| Account Number:                              | 410 225 363    |                                     |              |
| Account Holder:<br>Business/Personal<br>Name | M.W. BUTHELEZI |                                     |              |
| Account Type:                                | Savings        | Cheque                              | Transmission |
| (Tick block)                                 |                | <input checked="" type="checkbox"/> |              |

Original Bank Stamp



Client's information:

| Postal Address: Account Holder |                 | Physical Address: Account Holder |                    |
|--------------------------------|-----------------|----------------------------------|--------------------|
| PO Box number:                 | P.O. BOX 110    | House Number                     | EMALALENI APHEZULU |
| Area:                          | Sokhulu Reserve | Street/Road:                     | SOKHULU RESERVE    |
|                                |                 | Town/City:                       |                    |
| Postal Code:                   | 3915            | Area Code:                       |                    |

|                                            |              |                                     |    |                          |
|--------------------------------------------|--------------|-------------------------------------|----|--------------------------|
| Monthly e-statement<br>Tick block (YES/NO) | YES          | <input checked="" type="checkbox"/> | NO | <input type="checkbox"/> |
| Email Address:                             |              |                                     |    |                          |
| Telephone Number:                          | 083-941 6963 | Mobile number:                      |    |                          |

|                 | Name             | Signature       | Date            |
|-----------------|------------------|-----------------|-----------------|
| Account Holder: | MADONA BUTHELEZI |                 | 01/OCTOBER 2016 |
| Sappi Official: | A. Nomvula       |                 | 08/11/2016      |
| Plot Number     |                  | Contractor Code | Plan Area PSDU  |

Directors: Messrs S R Binnie (UK), G R Bowles, T S Hawkes, N N Maelane, F C S Marupen, P B McGrady, C M Mowatt, G T Pearce, A Rossi,  
A v C Thiel, G M van Aarde, M van Hoven and Dr T K Stanger  
Sappi Southern Africa Limited (Reg No 1951/003180/06)  
Secretaries Sappi Limited (Reg No 1936/008963/06)

|                 |                                                                |                        |
|-----------------|----------------------------------------------------------------|------------------------|
| <b>sappi</b>    | DOCUMENT CATEGORY:                                             | Risk Management System |
|                 | Form                                                           | FORESTS                |
| DOCUMENT TITLE: | Recipient-Created Tax Invoice, Credit and Debit Note Agreement |                        |

This document constitutes an agreement between

Supplier's Legal Name & Trading Name

M. W. OUTHELEZI

Supplier's VAT No:

And

**Sappi Southern Africa Ltd - Forests**

Recipient's VAT No:

4750105456

1. The recipient and the supplier hereby enter into an agreement in terms of which the supplier grants permission to the recipient to issue tax invoices, credit and debit notes for supplies made by the supplier to the recipient.
2. The recipient hereby declares that they are/are not registered vendors in terms of the value-Added Tax Act, No. 89 of 1991
3. The recipient and the supplier acknowledge that section 20(2) and 21(4) of the Value Added Tax Act, No. 89 of 1991 make provision for the recipient to issue tax invoices, credit and debit notes for supplies made by the supplier to the recipient.
4. The recipient and the supplier further acknowledge that the Commissioner for the South African Revenue Service has issued guidelines regarding the requirements that must be satisfied before a recipient can issue tax invoices, credit and debit notes for supplies made by the supplier to the recipient and acknowledge that the supplies concerned comply with BGR (VAT) No. 15 (Issue 2).
5. The recipient here undertakes to –
  - 5.1 Issue recipient created tax invoices, credit and debit notes in compliance with the provisions of sections 20(4), (5), 21(1) or 21(3) of the Value-Added Tax Act, No. 89 of 1991 respectively;
  - 5.2 Provide to the supplier a recipient created tax invoice, credit and debit note within the period's stipulated in the VAT Act; and
  - 5.3 Retain a copy of the recipient-created tax invoice, credit and debit note.

VAT

|                 |                                                                |                        |
|-----------------|----------------------------------------------------------------|------------------------|
| <b>sappi</b>    | DOCUMENT CATEGORY:                                             | Risk Management System |
|                 | Form                                                           | FORESTS                |
| DOCUMENT TITLE: | Recipient-Created Tax Invoice, Credit and Debit Note Agreement |                        |

6. The supplier hereby undertakes not to issue any tax invoice, credit and debit note for taxable supplies falling within this agreement and further acknowledges that in the event that a tax invoice, credit and debit note is issued by the supplier, it shall be deemed not to be a tax invoice, credit and debit note for the purposes of the Value-Added tax Act, No. 89 of 1991.
7. The recipient and the supplier undertake to notify each other if either party
- 7.1 Ceases to be a vendor;
  - 7.2 Changes its VAT registration number;
  - 7.3 Supplies its enterprise, or part of its enterprise; or
  - 7.4 Materially changes its enterprise that could affect this agreement.
8. The supplier agrees that tax invoices and relevant documentation can be distributed electronically to the following e-mail address:

N/A

Address of Recipient:

P O Box 34121 Cascades 3202

Address of Supplier P.O BOX 110

KWAMBONAMBI 3915

Signed in KWAMBONAMBI on this 08 day of 11 20 16

*Neloyelo*

Recipient's Signature

26/05/17

Date:

Witness of Recipient

Date:

*[Signature]*

Suppliers Signature

08/11/2016

Date

*[Signature]*

Witness of Supplier

08/11/2016

Date



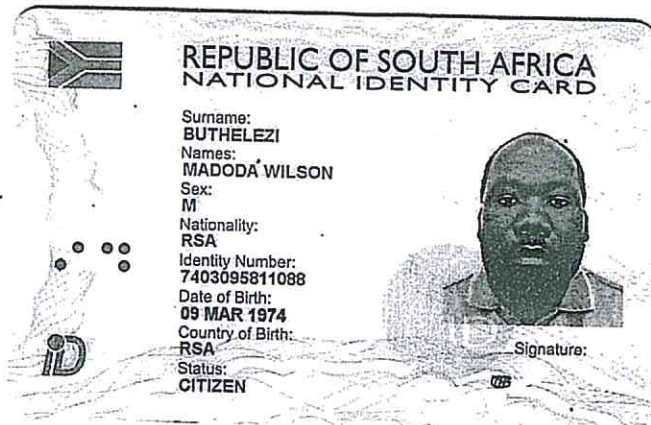
Sappi Forests  
Sappi Project Grow

#### CONTROLLED WOOD:

If your timber is not FSC certified, your timber could possibly fall into the controlled wood category. For timber to be classified as "controlled wood" a number of specific criteria need to be met. Please confirm the status of the criteria listed below and indicate your acceptance by signing this letter and sending it back to Sappi.

|                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I the OWNER of the timber certifies that :                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 1                                                             | I'm the legal owner of the timber to be purchased :      No <input type="checkbox"/> Yes <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                            |
| 2                                                             | Is there a directive from DWA to remove the timber?:      Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                           |
| 3                                                             | The property is registered as water user :      Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If not,<br>I agree to register as a water user with the DWA by completing and submitting the<br>following documents :<br>DW758 – If the water user is a company<br>DW756 – If the water user is an individual<br>DW901 – Property Info<br>DW902 – Property owner Info<br>DW764 – Water use (forestry) Info<br>Forms are available on : P/For_Ops/PG Shared/Water Registration Forms |
| 4                                                             | I further agree that, after harvesting, I will manage the plot on a sustainable basis<br>according to acceptable forestry standards      Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If not,<br>I agree to kill the stumps after harvesting by spraying each stump with a 7% Round-up<br>solution immediately after felling.                                                                                                                                                    |
| 5                                                             | Are the trees genetically modified?      Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                                                            |
| 6                                                             | Will the harvesting operation impact on High Value Conservation area (AVC)?<br>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>                                                                                                                                                                                                                                                                                                                                                      |
| Owner signature : <u>[Signature]</u> Date : <u>08/11/2016</u> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Contact person : <u>M. W. Buthelezi</u>                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Supplier code (if available) : <u>PG1370~</u>                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

TEMPLATE



I certify that this document is a true reproduction of the original document which was handed to me for authentication. I further certify that from my observations an amendment or change was not made to the original document.

SIGNATURE

FORCE NO 71973729 RANK 557

NAME IN PRINT T. M. M. M.

SOUTH AFRICA POLICE SERVICE  
COMMUNITY SERVICE CENTRE  
01-11-2016  
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