



rural development  
& land reform

Department:  
Rural Development and Land Reform  
REPUBLIC OF SOUTH AFRICA

OFFICE OF THE CHIEF REGISTRAR OF DEEDS  
Private Bag X918, Pretoria, 0001; Tel: 012 338 7227; Fax: 012 338 7383

**CHIEF REGISTRAR'S CIRCULAR NO. 10 OF 2016**

**TERMINATION OF COLLECTIVE INVESTMENT SCHEME  
ADMINISTERED BY BLUE BOND INVESTMENTS LIMITED (BONDS  
REGISTERED AFTER 1 MARCH 2004)**

**1. APPLICATION OF THIS CIRCULAR AND REPEAL OF CRC 1 OF 2015**

1.1. In the letter received from the Registrar of Collective Investment Schemes dated **24 October 2014**, (filed under BC No. 1 of 2015 in respect of CRC 1 of 2015), consent is given for the following: -

1.1.1. endorsement of *'each of the participation bonds'* registered in favour of **Blue Bond Financial Nominees Proprietary Limited (Registration number 1970/008155/07)**, in order to reflect the termination of the Collective Investment Scheme in Participation Bonds administered by **Blue Bond Investments Limited (Registration Number 1969/012081/06)**; and

1.1.2. the cession of *'each of the said bonds'* to **The Standard Bank of South Africa Limited (Registration Number 1962/000738/06)**, in terms of section 102 of Act No. 45 of 2002.

1.2. After the issuing of CRC 1 of 2015 a further letter dated **6 July 2016** was received from the Registrar of Collective Investment Schemes in which it is stated that the letter of consent dated **24 October 2014** *'applies only to Scheme 2 and does not apply to Scheme 1 (as defined in a letter of 17 May 2016), or to bonds which formed a part thereof.'*

1.3. Chief Registrar's Circular No. 1 of 2015 is hereby withdrawn and substituted with this Circular.

**2. TERMINATION OF THE COLLECTIVE INVESTMENT SCHEME IN PARTICIPATION BONDS ADMINISTERED BY BLUE BOND INVESTMENTS LIMITED AND CESSION OF PARTICIPATION BONDS TO THE STANDARD BANK OF SOUTH AFRICA LIMITED**

- 2.1. The Collective Investment Scheme in Participation Bonds administered by **Blue Bond Investments Limited (Registration Number 1969/012081/06)** ('Scheme 2'), consisting of **bonds registered after 1 March 2004**, has been terminated in terms of section 102 of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002), with effect from **31 December 2014**.
- 2.2. **All the Participation bonds** affected by the termination of Scheme 2 are vested in the name of **Blue Bond Financial Nominees Proprietary Limited (Registration Number 1970/008155/07)**, as the nominee for and representative of the investors in Scheme 2.
- 2.3. **All the Participation bonds** affected by the termination of Scheme 2 must be ceded to **The Standard Bank of South Africa Limited (Registration Number 1962/000738/06)**, in terms of section 102 of Act No. 45 of 2002.
- 2.4. Examiners are reminded of the change of name concerning the Nominee and Scheme as dealt with in **CRC's 2 and 3 of 2004** (see CRC 2 of 2004 regarding the change of name of **Standard Bank Financial Nominees Proprietary Limited** to **Blue Bond Financial Nominees Proprietary Limited**, and CRC 3 of 2004 regarding the change of name of **Standard Bank Bond Investments Limited** to **Blue Bond Investments Limited**).
- 2.5. The enclosed documentation regarding the termination of Scheme 2 and the mandate of the Registrar of Collective Investment Schemes for the cession of the bonds to **The Standard Bank of South Africa Limited** as sole participant, must be filed under **BC No. 10 of 2016** in all deeds registries.

### **3. NOTING OF CAVEAT REGARDING TERMINATION OF SCHEME AND SIMULTANEOUS CESSION OF BONDS**

- 3.1. All deeds registries must note a caveat against the name of **Blue Bond Financial Nominees Proprietary Limited (Registration Number 1970/008155/07)**, to the effect that all the relevant bonds in Scheme 2 must be endorsed (*whenever lodged in the deeds registry for whatever purpose*) to:-
  - 3.1.1. indicate the **termination** of Scheme 2 (section 3(1)(v) application); and
  - 3.1.2. provide for the **simultaneous cession** of the bonds to The Standard Bank of South Africa Limited.
- 3.2. The caveat must provide for the relevant bond to be accompanied by:-

#### **3.2.1. Section 3(1)(v) application:**

**An application (*per bond*) in terms of section 3(1)(v) of Act No. 47 of 1937**, for purposes of its endorsement to indicate the termination of Scheme 2. The said application must be drafted in the format of

**Annexure A** and must make reference to the filing of the relevant documentation under **BC No. 10 of 2016**.

- The conveyancer must provide a separate blank page to be inserted at the back of each bond, which page must contain the following endorsement:

<b>BC</b>	<p><b>Endorsement in terms of section 3(1)(v) of the Deeds Registries Act, 1937 (Act No. 47 of 1937):</b></p> <p>The Collective Investment Scheme in Participation Bonds administered by <b>Blue Bond Investments Limited (Registration Number 1969/012081/06)</b>, (bonds registered after 1 March 2004), has been terminated in terms of section 102 of the Collective Investment Schemes Control Act, 2002 (Act No. 45 of 2002), with effect from 31 December 2014.</p> <p>See documentation filed under <b>BC No. 10 of 2016</b></p> <p><b>DATE</b> <span style="float: right;"><b>REGISTRAR OF DEEDS</b></span></p>
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### 3.2.2. CESSION OF BONDS


There must be lodged, **simultaneously** with the application in terms of section 3(1)(v) (see par. 3.2.1), a **cession (*per bond*)** to The Standard Bank of South Africa Limited. The said cession must be drafted in the format of **Annexure B**.

- The page provided for the section 3(1)(v) endorsement (see par. 3.2.1) must also contain the following endorsement:

<b>CEDED TO:</b>	<b>GESEDEER AAN:</b>
<p><b>THE STANDARD BANK OF SOUTH AFRICA LIMITED</b>  <b>(REGISTRATION NUMBER 1962/000738/06)</b></p>	
<b>BC</b>	<b>REGISTRAR OF DEEDS / REGISTRATEUR VAN AKTES</b>

**3. OFFICE FEES**

Office fees are payable in respect of endorsements referred to in par. 3.2.1 and par. 3.2.2.

  
1 CHIEF REGISTRAR OF DEEDS  
DATE: 18 July 2016  
REFERENCE: A.14/P  
RINGBINDER 44

**CHIEF REGISTRAR OF DEEDS  
REGISTRARS OF DEEDS  
DEEDS TRAINING  
DIRECTOR: LAW SOCIETY OF SOUTH AFRICA : PRETORIA  
MANAGER: BUTTERWORTHS PUBLICATIONS : DURBAN  
CHAIRPERSON: PROPERTY LAW COMMITTEE : PRETORIA**

**ANNEXURE A**

Prepared by me:

.....  
Attorney/ Notary/ Conveyancer

**Application for endorsement  
in terms of Section 3(1)(v) of the Deeds Registries Act No. 47 of 1937**

I the undersigned

\_\_\_\_\_

In my capacity as \_\_\_\_\_

of **Blue Bond Investments Limited (Registration Number 1969/012081/06)**, being the **Manager**, as defined in section 1 of the Collective Investment Schemes Control Act No. 45 of 2002 ('the Act'), of the Collective Investment Scheme ('Scheme 2') in all the participation bonds registered after 1 March 2004 in favour of **Blue Bond Financial Nominees Proprietary Limited (Registration number 1970/008155/07)**, acting in its own capacity as the Manager and on behalf of **Blue Bond Financial Nominees Proprietary Limited (Registration number 1970/008155/07)**, ('the Mortgagee'), a nominee company as contemplated in section 52(1) of the Act,

And duly authorised thereto by virtue of a Resolution of the Board of Directors respectively dated \_\_\_\_\_, and to the extent required by law;

**Do hereby apply** to the Registrar of Deeds in terms of the provisions of Section 3(1)(v) of the Deeds Registries Act No 47 of 1937 to endorse the below mentioned bond: -

Mortgage Bond: B \_\_\_\_\_

Registered on: \_\_\_\_\_

Registered in favour of: **Blue Bond Financial Nominees Proprietary Limited (Registration number 1970/008155/07) (the Mortgagee)**

For an amount of: R \_\_\_\_\_ (\_\_\_\_\_)

To reflect that Scheme 2 has terminated, with effect from **31 December 2014**, in terms of the provisions of section 102 of the Act, read with the relating and governing Rule 26 forming part of the Rules for the Administration of a Collective Investment Scheme in Participation Bonds (Board Notice 65 in Government Gazette 37740 of 20 June 2014) (Rules), and as per the notice issued by the Registrar of Collective Investment Schemes filed under **BC No. 10 of 2016**.

Signed at Johannesburg on this the \_\_\_ day of \_\_\_\_\_ 20\_\_

\_\_\_\_\_  
**On behalf of the Mortgagee**

**ANNEXURE B**

Prepared by me:

.....  
Attorney/ Notary/ Conveyancer

**CESSION**

I the undersigned

\_\_\_\_\_

In my capacity as \_\_\_\_\_

of **Blue Bond Investments Limited (Registration Number 1969/012081/06)**, being the Manager, as defined in section 1 of the Collective Investment Schemes Control Act No. 45 of 2002 ('the Act'), of the Collective Investment Scheme ('Scheme 2') in all the participation bonds registered after 1 March 2004 in favour of **Blue Bond Financial Nominees Proprietary Limited (Registration number 1970/008155/07)**, acting in its own capacity as Manager and also on behalf of **Blue Bond Financial Nominees Proprietary Limited (Registration number 1970/008155/07)** ('the Mortgagee'), a nominee company as contemplated in section 52(1) of the Act,

And duly authorised thereto by virtue of Resolution of the Board of Directors respectively dated \_\_\_\_\_, being the legal holder of the below mentioned bond, namely:-

Mortgage Bond: B \_\_\_\_\_, (the Bond)

Registered on: \_\_\_\_\_

Registered in favour of: **Blue Bond Financial Nominees Proprietary Limited (Registration number 1970/008155/07)**  
(the Mortgagee)

For an amount of: R \_\_\_\_\_ (\_\_\_\_\_)

Do hereby cede all the Mortgagee's and the Manager's right, title and interest in and to the Bond to the extent required by law as set out herein below, unto and in favour of:-

**THE STANDARD BANK OF SOUTH AFRICA LIMITED  
(REGISTRATION NUMBER 1962/000738/06)**

Pursuant to the provisions of section 102 of the Act read with Rule 26 of the Rules of the Administration of a Collective Investment Scheme in Participation Bonds (Board Notice 65 in Government Gazette 37740 of 20 June 2014), and as per the consent by the Registrar of Collective Investment Schemes dated **24 October 2014** and letter dated **06 July 2016** filed under **BC No. 10 of 2016**.

Signed at \_\_\_\_\_ on this the \_\_\_ day of \_\_\_\_\_ 20\_\_

Witnesses:

1. \_\_\_\_\_

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

**NOTARIAL CERTIFICATE**

I, the undersigned,

**EMMA ROSANNE BEKKER**

Notary Public, practising at Sandton, Gauteng Province, South Africa, by lawful authority duly admitted and sworn, do hereby certify that:

1. On 11 July 2016 I compared the attached copy of

*Letter dated 6 July 2016 from the Registrar of Collective Investment Schemes to Blue Bond Investments Limited re termination of the collective investment scheme in participation bonds administered by Blue Bond Investments Limited in terms of rules 25 and 26 of Board Notice 65 of 2014*

which has been initialed by me for identification, with the electronic original thereof; and

2. It is a true and exact copy.

SIGNED and sealed by me, the said notary, at Sandton, Gauteng Province, South Africa on 11 July 2016.

*Quod Attestor*



**EMMA ROSANNE BEKKER**  
NOTARY PUBLIC

**EMMA ROSANNE BEKKER**  
NOTARY PUBLIC  
165 WEST STREET  
SANDTON  
RSA





# FINANCIAL SERVICES BOARD

Riverwalk Office Park Block B 41 Matroosberg Road Ashlea Gardens Extension 6  
Pretoria South Africa 0081 PO Box 35655 Menlo Park Pretoria South Africa 0102  
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ENQUIRIES:	Ms A Slabbert	D. DIALLING NO.:	+27 12 428 8088
OUR REF:	Case 3413	FAX:	
DATE:	6 July 2016	E-MAIL:	Annelize.Slabbert@fsb.co.za

The Managing Director  
Blue Bond Investments Ltd  
C/O The Standard Bank of South Africa  
P O Box 8786  
**JOHANNESBURG**  
2000

**ATTENTION: MR GARY GARETT**

Dear Sir

**TERMINATION OF THE COLLECTIVE INVESTMENT SCHEME IN PARTICIPATION BONDS ("THE PARTBOND SCHEME") ADMINISTERED BY BLUE BOND INVESTMENTS LIMITED ("THE MANAGER") IN TERMS OF RULES 25 AND 26 OF BOARD NOTICE 65 OF 2014 ("THE RULES")**

1. We refer to your letter of 5 July 2016 and previous correspondence in this regard.
2. We hereby confirm that our consent to the termination of Scheme 2 and the cession of all bonds therein to The Standard Bank of South Africa, dated 24 October 2014, applies only to Scheme 2 and does not apply to Scheme 1 (as defined in your letter of 17 May 2016), or to bonds which formed a part thereof.

Yours faithfully



J.A. BOYD

**REGISTRAR OF COLLECTIVE INVESTMENT SCHEMES**

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**NOTARIAL CERTIFICATE**

I, the undersigned,

**EMMA ROSANNE BEKKER**

Notary Public, practising at Sandton, Gauteng Province, South Africa, by lawful authority duly admitted and sworn, do hereby certify that:

1. On 11 July 2016 I compared the attached copy of

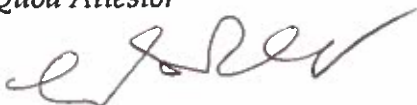
*Letter date 24 October 2014 from the Registrar of Collective Investment Schemes to Blue Bond Investments Limited re termination of the collective investment scheme in participation bonds administered by Blue Bond Investments Limited in terms of section 102 of the Collective Investment Schemes Control Act, 2002*

which has been initialed by me for identification, with the electronic original thereof; and

2. It is a true and exact copy.

SIGNED and sealed by me, the said notary, at Sandton, Gauteng Province, South Africa on 11 July 2016.

*Quod Attestor*



**EMMA ROSANNE BEKKER**  
NOTARY PUBLIC

**EMMA ROSANNE BEKKER**  
NOTARY PUBLIC  
165 WEST STREET  
SANDTON  
RSA



# FINANCIAL SERVICES BOARD

Riverwalk Office Park Block B 41 Matroosberg Road Ashlea Gardens Extension 6  
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Tel +27 12 428 8000 Fax +27 12 346 6941 E-mail info@fsb.co.za  
Toll free 0800 110443/0800 202087 Website: www.fsb.co.za



ENQUIRIES:	Annelize Slabbert	D. DIALLING NO.:	+27 12 428 8089
OUR REF:	Case 3413	FAX:	+27 12 346 6533
DATE:	24 October 2014	E-MAIL:	Annelize.Slabbert@fsb.co.za

The Managing Director  
Blue Bond Investments Ltd  
P O Box 8786  
JOHANNESBURG  
2000

For attention: Mr Grant Young

Dear Sir

## TERMINATION OF THE COLLECTIVE INVESTMENT SCHEME IN PARTICIPATION BONDS ("THE SCHEME") ADMINISTERED BY BLUE BOND INVESTMENTS LIMITED ("THE MANAGER") IN TERMS OF SECTION 102 OF THE COLLECTIVE INVESTMENT SCHEMES CONTROL ACT, 2002

We refer to your email of 23 October 2014 and previous correspondence in this regard.

The Registrar has no objection to the termination of the scheme as previously confirmed in his letter of 9 October 2014.

Furthermore, the Registrar consents to the endorsement by the Registrar of Deeds of each of the participation bonds registered in favour of Blue Bond Financial Nominees (Pty) Limited in terms of the Act, confirming that the collective investment scheme in participation bonds administered by Blue Bond Investments Limited terminates with effect from 31 December 2014 and that each of the said bonds may be endorsed or ceded (or otherwise transferred) to The Standard Bank of South Africa Limited as per the requirements of the Deeds Registries Act, No 47 of 1937 and as directed by the Registrar of Deeds.

Yours faithfully

J.A. Boyd  
REGISTRAR OF COLLECTIVE INVESTMENT SCHEMES

**NOTARIAL CERTIFICATE**

I, the undersigned,

**EMMA ROSANNE BEKKER**

Notary Public, practising at Sandton, Gauteng Province, South Africa, by lawful authority duly admitted and sworn, do hereby certify that:

1. On 11 July 2016 I compared the attached copy of

*Letter dated 17 May 2016 from Blue Bond Investments Limited to the Registrar of Collective Investment Schemes re termination of participation bond scheme administered by Blue Bond Investments Limited (formerly Standard Bank Bond Investments Limited)*

which has been initialed by me for identification, with the electronic original thereof; and

2. It is a true and exact copy.

SIGNED and sealed by me, the said notary, at Sandton, Gauteng Province, South Africa on 11 July 2016.

*Quod Attestor*



**EMMA ROSANNE BEKKER**  
NOTARY PUBLIC

**EMMA ROSANNE BEKKER**  
NOTARY PUBLIC  
165 WEST STREET  
SANDTON  
RSA



**Blue Bond Investments Limited**  
C/O The Standard Bank of South  
Africa Limited  
Standard Bank Centre  
30 Baker Street  
Rosebank  
2196

Date: 17 May 2016

**The Registrar of Collective Investments Schemes**  
Financial Services Board  
Riverwalk Park, Block B  
41 Matroosberg Road, Ashleigh Garden Ext 6  
Pretoria

By email: Annelize.Slabbert@fsb.co.za

Attention: Annelize Slabbert  
Your Ref: Case 3413

Dear Sirs

**TERMINATION OF PARTICIPATION BOND SCHEME ADMINISTERED BY BLUE BOND INVESTMENTS LIMITED (FORMERLY STANDARD BANK BOND INVESTMENTS LIMITED)**

Definitions

1. In this letter the following terms bear the following meanings:

- 1.1. "Active Bonds" means participation bonds in respect of which the mortgagors (i.e. the borrowers who have granted such participation bonds) still owe amounts to the Nominee Company (as nominee for SBSA as the remaining participant in Scheme 1);
- 1.2. "CIPC" means the Companies and Intellectual Property Commission;

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PO Box 8786 Johannesburg 2000 www.standardbank.co.za  
Tel: +27 (0)11 721 9000

Blue Bond Investments Limited Reg. No. 1969/012081 07 Registered Credit Provider  
Directors: S Shaw-Taylor (Managing Director) GJ Garrett WM Kirchmann HY Laher  
Company Secretary: S Waetzal 15/05/2011

- 1.3. **"CISCA"** means the Collective Investments Schemes Control Act 45 of 2002;
- 1.4. **"Inactive Bonds"** means participation bonds in respect of which the mortgagors (i.e. the borrowers who have granted such participation bonds) no longer owe any amounts to the Nominee Company (as nominee for SBSA as the remaining participant in Scheme 1);
- 1.5. **"Manager", "we" and "us"** means Blue Bond Investments Limited (formerly Standard Bank Bond Investments Limited);
- 1.6. **"Missing Ex-Investors"** means the 134 previous investors in Scheme 1 who could not be traced;
- 1.7. **"Nominee Company"** means Blue Bond Financial Nominees Proprietary Limited (formerly Standard Bank Financial Nominees Proprietary Limited);
- 1.8. **"Rules"** means the Rules for the Administration of a Collective Investment Scheme in Participation Bonds BN 65 of 2015, GG 37740, 20 June 2014;
- 1.9. **Registrar** means the Registrar of Collective Investment Schemes;
- 1.10. **Deeds Registrar** means the Chief Registrar of Deeds;
- 1.11. **"SBSA"** means The Standard Bank of South Africa;
- 1.12. **"Scheme 1"** means the scheme administered by the Manager consisting of participation bonds registered prior to 1 May 2002 in favour of the Nominee Company
- 1.13. **"Scheme 2"** means the scheme administered by the Manager consisting of bonds registered after 1 March 2004 in favour of the Nominee Company;

#### Introduction

2. We refer to your meeting with our representatives on 4 November 2015 and previous correspondence regarding the above.

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3. We note that at the above meeting it was agreed that:

3.1. In connection with Scheme 2, the Manager would provide an amended auditors certificate confirming that no bonds remain in Scheme 2 specifically. We attach as Annexure "A" to this letter. .

3.2. Scheme 1 and Scheme 2 will be treated as separate Schemes.

3.3. Further notice should now be given to terminate Scheme 1.

#### Termination of Scheme 1

4. In accordance with section 102 of CISCA and Rule 25 and 26 of the Rules, the Manager hereby provides notice to the Registrar that Scheme 1 will terminate on 30 June 2016, and requests condonation from the Registrar for providing less than 6 months' notice to the Registrar and to SBSA, as required by CISCA and the Rules, in light of previous discussions and correspondence in this regard including the previous application to terminate the Scheme 1 on 1 May 2002 to which the Registrar had no objection.
5. SBSA is the only investor/participant in Scheme 1. SBSA fully supports the termination of Scheme 1 and is further satisfied to waive the requisite notice period as required by CISCA and the Rules. A copy of such confirmation is attached hereto marked Annexure "B".
6. The current principal balance of all loans in Scheme 1 as at 19 February 2016 was R658,000.
7. With reference to Rule 25, no monies for investment in participation bonds in Scheme 1 will be accepted from the date of this notice, nor have any monies for investment in participation bonds in Scheme 1 been accepted since 2002.
8. With reference to Rule 26 (a), the Manager cannot "call in" the remaining participation bonds in Scheme 1 as this would be prejudicial to the borrowers who have granted such participation bonds and would be contrary to the terms of the loan agreements with those borrowers. Therefore Active Bonds will need to be ceded to SBSA, as the only participant in Scheme 1, and in accordance with Rule 26(a) and, in accordance with section 60 of CISCA we hereby apply to the Registrar for permission to cede such bonds to SBSA. As

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of 19 February 2016 there were 6 such Active Bonds and there remain approximately the same number.

9. The Manager undertakes in due course to submit an application to CIPC to amend the Memorandum of Incorporation of the Manager to reflect that it is no longer a manager of a collective investment scheme in participation bonds.
10. Upon completion of the winding up of Scheme 1, the Manager undertakes to provide to the Registrar a final auditors certificate confirming that no assets remain in Scheme 1 and that the Scheme was successfully terminated in terms of CISCA and the Rules. The Manager further undertakes to provide the final audited statements as they become available after the reporting period.
11. Please confirm that you have no objection to the termination of the Scheme on 30 June 2016.

#### Missing Ex-Investors in Scheme 1

12. With reference to the Missing Ex-investors discussed in previous correspondence, we note the following:
  - 12.1. CISCA defines an "investor" as "the holder of a participatory interest in a portfolio in the republic".
  - 12.2. CISCA defines a participatory interest as "any interest, undivided share or share whether called a participatory interest, unit or by any other name, and whether the value of such interest, unit, undivided share or share remains constant or varies from time to time, which may be acquired by an investor in a portfolio".
  - 12.3. CISCA defines a "portfolio" as "a group of assets including any amount of cash in which members of the public are invited or permitted by a manager to acquire, pursuant to a collective investment scheme, a participatory interest or a participatory interest of a specific class which as a result of its specific characteristics differs from another class of participatory interests"; and

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- 12.4. Section 52(1) of CISCA defines "participant" as "a person who holds a participatory interest in all the participation bonds included in a collective investment scheme in participation bonds".
13. In our letter of 26 June 2015 at paragraph 4.2 we defined 'Missing Investors' as the "134 previous investors in Scheme 1 who could not be found". For further clarity we will in this letter use the term "Missing Ex-investors".
14. We note that the Missing Ex-investors discussed in our letter of 5 October have no participatory interest in the bonds which remain registered in favour of the Nominee Company and have not done so since 2002 when monies owed to them were paid into a call account. Therefore the Missing Ex-investors have no participatory interest in the assets of Scheme 1 and are neither 'investors' nor participants for the purposes of CISCA.
15. Therefore, as stated above, SBSA is the only investor in Scheme 1.
16. Funds of the Missing Ex-Investors currently held in a call account will be paid into the Guardian's Fund and record of such payments will be held and maintained by SBSA after the winding up of the Manager.

#### Cancellation of Scheme 1 Bonds

17. A number of Inactive Bonds in Scheme 1 will need to be cancelled (approximately 120). These are no longer of any legal effect as the underlying loans have been paid and security in South African law is of an accessory nature and falls away without an underlying debt. Therefore these bonds are not assets in the Scheme.
18. These would have been cancelled in the ordinary course by the Manager during its normal operation of the Scheme.

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19. It is our view that there is no reason why the Manager should not cause the Nominee Company to cancel the bonds after 30 June 2016 in the same manner as it would have done prior to 30 June 2016. This is especially in light of the fact that the Manager will cause the Nominee Company to cede all Active Bonds after 30 June once the appropriate Chief Registrar's Circular has been issued by the Deeds Registrar.
20. We note further that Rule 26 states that the Manager "may cause the nominee company to cede any such bond or all such bonds to the participants". It does not state that it must cede the bonds. We would like for you to please confirm this for the benefit of the Deeds Registrar, which seems to have previously taken the view that once a scheme has been terminated all bonds must be ceded, which would be a cumbersome process given the large number of Inactive Bonds, as mentioned in our previous correspondence.
21. As discussed at the aforementioned meeting, Chief Registrar's Circular 1/2015 issued by the Deeds Registrar to facilitate the cession of bonds in Scheme 2 has in some cases interfered with the cancellation of Scheme 1 bonds. We would therefore appreciate your confirmation for the benefit of the Deeds Registrar that the decision was taken to treat Scheme 1 and Scheme 2 as two separate schemes and that the Registrar's consent to the cession of the bonds given on 24 October 2014 does not apply to Scheme 2 bonds.

Confirmations required for the Deeds Registrar

22. We request that your response to this application, addressed to us, includes the following confirmations so that we can submit same to the Deeds Registrar to facilitate the cession and cancellation of the remaining bonds in Scheme 1:
- 22.1. A statement that "the Registrar has no objection to the termination of the scheme on 30 June 2016".
- 22.2. A statement that "the Registrar consents to the endorsement by the Registrar of Deeds of each of the participation bonds registered in favour of Blue Bond Financial Nominees (Pty) Ltd prior to 1 May 2002 in terms of the Collective Investment Schemes Control Act, 2002, confirming that the collective investment scheme in participation bonds registered prior to 1 May 2002 and administered by Blue Bond Investments Limited terminates with effect from 30 June 2016 and that each of the said bonds may be endorsed or ceded (or otherwise transferred)

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to The Standard Bank of South Africa Limited as per the requirements of the Deeds Registries Act 47 of 1937 and as directed by the Registrar of Deeds" (we note that this is in accordance with the wording which you provided in respect of Scheme 2 in your letter dated 24 October 2014).

22.3. A statement that: "Rule 26 of the Rules for the Administration of a Collective Investment Scheme in Participation Bonds BN 65 of 2015, GG 37740, 20 June 2014 the Manager "the manager may cause the nominee company to cede any such bond or all such bonds to the participants". It does not require that bonds must be ceded. We have no objection to the Manager cancelling bonds which formed part of Scheme 1 after the termination date of such scheme."

22.4. A statement that

22.4.1. "We confirm that whilst the Manager and the Nominee Company are the Manager and Nominee Company in respect of both Scheme 1 and Scheme 2, the decision was made to treat them as separate schemes. The Manager has advised us that no bonds were registered in either scheme between 1 May 2002 and 1 March 2004. We have received confirmation from the Manager's auditors that no bonds remain registered in Scheme 2 as all remaining bonds were cancelled or ceded to The Standard Bank of South Africa as of 28 February 2015.

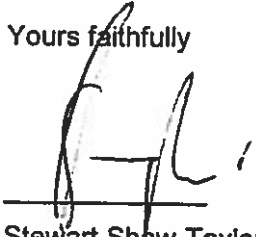
22.4.2. Our consent to the termination of Scheme 2 and the cession of all bonds therein to The Standard Bank of South Africa, dated 24 October 2014, does not apply to Scheme 1, or to bonds which formed a part thereof."

23. In the even that you object to giving the confirmations in paragraphs 22.3, and/or 22.4, then please proceed to provide us with such confirmations as you are able, omitting those that you are not able to provide.

24. Should you have any queries, please do not hesitate to contact us.

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Yours faithfully

A handwritten signature in black ink, appearing to read 'S. Shaw-Taylor', written over a horizontal line.

Stewart Shaw-Taylor

Director: Blue Bond Investments Limited

A small, handwritten mark or signature in the bottom right corner of the page.