

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of The Federated Employers' Mutual Assurance Company (RF) Proprietary Limited will be held at 2nd Floor, Oxford & Glenhove, 114 Oxford Road, Houghton Estate, Johannesburg on Tuesday, 28 August 2018, commencing at 08h00 to:

- (i) Receive the audited annual financial statements of the Company for the year ended 31 December 2017;
- (ii) Consider and, if deemed fit to pass, with or without modification, the resolutions and special resolutions set out below; and
- (iii) Deal with such other business as may be dealt with at the AGM, or such adjournment thereof in the manner required in terms of the Companies Act, No. 71 of 2008, as amended ("Companies Act").

The board of directors of the Company (the "**Board**") has determined that the record date for the purpose of determining which shareholders of the Company are entitled to receive notice of the annual general meeting was 1 August 2018 and the record date for purposes of determining which shareholders of the Company are entitled to participate in and vote at the general meeting is 21 August 2018 (Record Date). Accordingly, only shareholders who are registered in the register of members of the Company on 21 August 2018 will be entitled to participate in and vote at the general meeting.

The Shareholders and any other persons who are not Shareholders but who are entitled to exercise any voting rights in relation to the resolutions to be proposed at the AGM (irrespective of the form, title or nature of the securities to which those voting rights are attached) (collectively, the "Holders") as at the Record Date, are entitled to participate in and vote at the AGM in person or by proxy, and may appoint a proxy to exercise the voting rights attached to different securities held by the Holder. A proxy need not be a person entitled to vote at the meeting.

ANNUAL FINANCIAL STATEMENTS

To receive the audited annual financial statements of the Company for the year ended 31 December 2017, including the Directors' Report and the report of the auditors thereon.

AS ORDINARY RESOLUTIONS:

Ordinary Resolution No 1 - To re-elect directors in accordance with the Company's Memorandum of Incorporation.

1. RESOLVED THAT, by way of a separate vote, each of the following directors who are retiring by rotation in terms of the Memorandum of Incorporation of the Company ("MOI") and, being eligible, are offering themselves for re-election:
 - 1.1 Resolved that Dr APH Jammine retires as a director of the Company in accordance with the Company's MOI, is not available for re-election, and will accordingly retire at the conclusion of the Directors' Meeting of the Company to be held on 28 August 2018;
 - 1.2 Resolved that Mr CS Jiyane retires as a director of the Company in accordance with the Company's MOI, is not available for re-election, and will accordingly retire at the conclusion of the Directors' Meeting of the Company to be held on 28 August 2018;
 - 1.3 Resolved that Mr MA Letshele retires as a director of the Company in accordance with the Company's MOI and, being eligible for re-election, offers himself for re-election by the shareholders and be and is hereby re-elected as a director of the Company with immediate effect.
 - 1.4 Resolved that Mr H Walker retires as a director of the Company in accordance with the Company's MOI and, being eligible for re-election, offers himself for re-election by the shareholders and be and is hereby re-elected as a director and as lead independent director of the Company with immediate effect.

Ordinary Resolution No 2 – To confirm the appointment of directors elected since the previous Annual General Meeting

2. RESOLVED THAT, by way of a separate vote, the appointment of each of the following directors, appointed since the previous Annual General Meeting, be confirmed:

- 2.1 Resolved that the appointment of Ms K Imathiu, appointed since the previous Annual General Meeting, be and is hereby confirmed;
- 2.2 Resolved that the re-appointment as a director of Mr MG Ilsley, who had resigned on 29 August 2017, and was re-appointed since the previous Annual General Meeting, be and is hereby confirmed.

Ordinary Resolution No 3 – To elect the Members of the Audit Committee

To elect the following non-executive directors to the Audit Committee from the conclusion of the AGM at which this resolution is passed until the conclusion of the next AGM of the Company, in terms of Section 94(2) of the Companies Act No 71 of 2008, as amended (“the Act”):

3. RESOLVED THAT, by way of a separate vote, each of the following independent non-executive directors are elected as members of the Company’s Audit Committee –
 - 3.1 Resolved that Mr MG Ilsley, an independent non-executive director, subject to the passing of resolution 2.3, be and is hereby elected as a member and the chairman of the Company’s Audit Committee;
 - 3.2 Resolved that Mr JR Barrow, an independent non-executive director, be and is hereby elected as a member of the Company’s Audit Committee;
 - 3.3 Resolved that Ms K Imathiu, an independent non-executive director, subject to the passing of resolution 2.2, be and is hereby elected as a member of the Company’s Audit Committee;
 - 3.4 Resolved that Mr H Walker, an independent non-executive director, subject to the passing of resolution 1.4, be and is hereby elected as a member of the Company’s Audit Committee;
 - 3.5 Resolved that Mr JRTK Headbush, a non-executive director, be and is hereby elected as a member of the Company’s Audit Committee.

It is noted that Ms K Moodley, currently a member of the Audit Committee, will resign from the Board at the conclusion of the Directors’ Meeting to be held on 28 August 2018, and is accordingly not hereby reappointed to the Audit Committee.

Explanatory note to resolution no 3

In terms of the Act, at least one third of the members of the Company’s Audit Committee at any particular time must have academic qualifications or experience in economics, law, corporate governance, accounting, commerce, industry, public affairs or human resource management. It is confirmed that the members of the Audit Committee have the necessary qualifications and experience to serve.

Ordinary Resolution No 4 – To appoint the external auditors of the Company

4. RESOLVED THAT, in terms of section 90 of the Companies Act and on the recommendation of the current Audit Committee, –
 - 4.1 SizweNtsalubaGobodo Inc be and are hereby appointed as independent registered auditors of the Company for the ensuing year terminating on the conclusion of the next AGM of the Company; and
 - 4.2 N Sigasa, being a director of SizweNtsalubaGobodo Inc., be and is hereby appointed as the individual registered auditor who will undertake the audit of the Company for the ensuing year terminating on the conclusion of the next AGM of the Company.

Ordinary Resolution No 5 - Unissued shares to be placed under the control of the directors

5. RESOLVED THAT, subject to the provisions of the Act, the authorised but unissued ordinary shares in the capital of the Company be and are hereby placed under the control and authority of the directors of the Company and that the directors be and are hereby authorised and empowered to allot and issue, at their discretion and in accordance with the requirements of the Company’s Memorandum of Incorporation, all or any of such ordinary shares for such purposes as they may determine, such authority being approved until the next AGM.

SPECIAL RESOLUTIONS

To consider and, if deemed fit, pass the following resolutions as Special Resolutions:

Special Resolution No 1 – Financial assistance to related and inter-related entities

1. RESOLVED THAT the Board may, subject to compliance with the requirements of the Company's MOI and the Companies Act, authorise the provision by the Company, at any time and from time to time during the period of two (2) years commencing on the date of adoption of this special resolution, of direct or indirect financial assistance, by way of a loan, guaranteeing a loan or other obligation or the securing of a debt or other obligation to any one or more related or interrelated companies or corporations of the Company and/or to any one or more members of any such related or inter-related company or corporation related to any such company or corporation as contemplated in section 2 of the Companies Act, on such terms and conditions as the Board may deem fit.

The Board will, before making any such financial assistance available, satisfy itself that:

- immediately after providing the financial assistance, the Company will satisfy the solvency and liquidity test contemplated in section 4 of the Companies Act; and
- the terms under which the financial assistance is proposed to be given are fair and reasonable to the Company.

Reason and effect of special resolution number 1

The reason for the passing of this special resolution is that, on a strict interpretation of section 45 of the Companies Act, the Company may not provide the financial assistance contemplated in such section without a special resolution. The above resolution gives the Board the authority to authorise the Company to provide direct or indirect financial assistance, by way of a loan, guaranteeing of a loan or other obligation or securing of a debt or other obligation, to the recipients contemplated in special resolution number 1.

It is difficult to foresee the exact details of financial assistance that the Company may be required to provide over the next two years. It is essential, however, that the Company is able to organise effectively its internal financial administration. For these reasons and because it would be impractical and difficult to obtain shareholder approval every time the Company wishes to provide financial assistance as contemplated above, it is necessary to obtain the approval of shareholders, as set out in special resolution number 1.

It should be noted that this resolution does not authorise financial assistance to a director or a prescribed officer of the Company or any company, corporation or person related or inter-related to a director or prescribed officer.

Such authority shall endure for a 2 (two) year period following the date upon which this special resolution is passed.

Special resolution number 2 – Approval of non-executive directors' remuneration

2. RESOLVED THAT, unless otherwise determined by the Company in general meeting, the Remuneration Committee be hereby authorised to apply an increase of no more than 10% to the fees payable to non-executive directors for their services as directors, for the financial year ending 31 December 2019, over the approved fees for the year ending 31 December 2018 as set out below, be and are hereby approved:

	2018	2018
	Meeting Fee	Annual Retainer (paid quarterly)
Board		
Chairman	33 658	201 949
Member	16 829	100 975
Audit Committee		
Chairman	29 179	158 764
Member	14 590	79 381
Remuneration & Nominations Committee		
Remuneration Committee Chairman	17 867	83 350
Nominations Committee Chairman	17 867	83 350
Member	11 911	55 566
Investment Committee		
Chairman	26 498	134 957
Member	13 248	67 477
Risk and Compliance Committee		
Chairman	21 884	119 072
Member (excluding Executive members)	10 941	59 536
Social and Ethics Committee		
Chairman	17 865	83 350
Member (excluding Executive members)	8 933	41 674

The reason for this special resolution is to obtain shareholder approval for the remuneration of each of the non-executive directors of the Company in accordance with Section 66(9) of the Act.

Ordinary resolution No 6 – Directors' authority to implement special and ordinary resolutions

6. RESOLVED THAT, each and every director of the Company or the Company Secretary be and is hereby authorised to do all such things and sign all such documents as may be necessary for or incidental to the implementation of any of the ordinary resolutions and/or special resolutions passed at this AGM.

GENERAL

To transact such other business that may be transacted at an annual general meeting.

VOTING AND PROXIES

A member entitled to attend and vote at the annual general meeting is entitled to appoint one or more proxies to attend and vote in his/her stead, subject to the general instructions attached to this notice. Any proxy so appointed need not be a member of the Company. Proxy forms must be received at the offices of the Company at least 48 hours, excluding Saturdays, Sundays and public holidays, before the appointed time of the meeting.

For the convenience of registered members of the company, a form of proxy is enclosed herewith.

By order of the board
E J Willis
Company Secretary
31 July 2018

Registered office
2nd Floor, Oxford & Glenhove,
114 Oxford Road
Houghton Estate
2198

Postal address
Private Bag 87109
Houghton
2041

Proxy

**THE FEDERATED EMPLOYERS' MUTUAL
ASSURANCE COMPANY (RF) PROPRIETARY LIMITED**
Registration Number: 1936/008971/07

For use at the annual general meeting of the company to be held on Tuesday, 28 August 2018 at 08h00.
I/We, the undersigned, hereby appoint:

1. or failing him/her
2. the chairman of the meeting
as my/our proxy to act for me/us at the annual general meeting of the company to be held on 28 August 2018, or at any adjournment or postponement thereof, and to vote for me/us as follows:

Item	Number of shares		
	For	Against	Abstain
1.3 MA Letshele			
1.4 H Walker			
2.1 K Imathiu			
2.2 MG Ilesley			
3.1 MG Ilesley			
3.2 JR Barrow			
3.3 K Imathiu			
3.4 H Walker			
3.5 JRTK Headbush			
4.1 Appointment of Auditors			
4.2 Appointment of Designated Auditor			
5. Unissued shares under control of directors			
6. Financial Assistance			
7. Non-Executive Directors' Remuneration			
8. Authority to execute requisite documentation			

(see note 2)

.....
Signature
Date

 Full name and address

Notes:

1. A member entitled to attend and vote at the meeting may appoint a proxy, or proxies, to attend, speak and vote on his/her behalf. A proxy need not be a member of the company.
2. A member's instructions to the proxy must be indicated by the insertion of the relevant number of votes exercisable by that member in the appropriate box provided. Failure to comply with the above will be deemed to authorise the Chairman and the Annual General Meeting, if the Chairman is the authorised proxy, to vote in favour of the ordinary resolutions of the Annual General Meeting, or any other proxy to vote or to abstain from voting at the Annual General Meeting as he deems fit.
3. Unless already recorded by the company, a power of attorney under which the proxy form is signed must accompany the proxy form. A proxy form or other documents appointing a representative of a body corporate in terms of Section 188 (l) of the Companies Act must be signed by a duly authorised officer and be accompanied by a certified copy of the relevant instrument of authority.
4. A member who has appointed a proxy may personally attend the meeting and vote to the exclusion of any such proxy or proxies.
5. Proxy forms must reach either of the under mentioned addresses not less than forty-eight hours before the appointed time of the meeting:

FEM
 2nd Floor, Oxford & Glenhove,
 114 Oxford Road
 Houghton Estate, 2198

or

Private Bag X87109
 Houghton
 2041