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The Directors, whose names are set out on page 32 of this Circular, collectively and individually, accept full responsibility for the accuracy of the information contained in this Circular and certify that, to the best of their knowledge and belief, no facts have been omitted the omission of which would make any statement in this Circular false or misleading and they have made all reasonable enquiries to ascertain such facts.

INDEXCO LIMITED

(Registration number. 2000/023564/06)
("IndexCo" or "the Company")
(IndexCo/SATRIX 40 website: www.satrix.co.za)



OFFERING CIRCULAR

for

SATRIX 40 Index Securities

(a class of securities issued by IndexCo and more fully described in this Circular)

SATRIX⁴⁰

(IndexCo/SATRIX 40 website: www.satrix.co.za)

Originators



CORPCAPITAL

GENSEC

Opening date of the initial offer:

09:00 9 November 2000

Closing date of the initial offer:

12:00 22 November 2000

Date of issue of Circular: 23 October 2000

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Corporate Adviser



CORPCAPITAL
Corporate Finance

Sponsoring Broker

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Gensec Trading (Proprietary) Limited

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IndexCo Managers (Proprietary) Limited

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***GEORGESON
SHAREHOLDER
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**are acting as Information Agents to answer your questions about
SATRIX 40 Index Securities**

Your call will be recorded for customer safety

INTRODUCTION

Index Securities

Index Securities are listed securities issued by IndexCo (a public company controlled by the Johannesburg Stock Exchange (the “JSE”). These securities will be listed and traded on the JSE in much the same way as any listed share. By owning an Index Security an investor will obtain market exposure to the constituent companies of an Index (the “Index”). This will enable an investor substantially to replicate the price and yield performance of the Index.

SATRIX 40 Index Securities are based on the JSE/Actuaries All Share 40 Top Companies Index (the “ALSI 40 Index”). This means that the price of a SATRIX 40 Index Security on the JSE should track the movements of the ALSI 40 Index. In addition, a Holder ought to receive distributions equal *pro rata* to the distributions (i.e. yield return) which would be earned if that Holder held the constituent shares comprising the ALSI 40 Index directly. (Note: In this regard “yield return” is measured on a Rand for Rand basis and does not take into account the tax implications of that gross return in the hands of the investor).

A SATRIX 40 Index Security is a sale agreement entered into between the Holder and IndexCo, in terms of which IndexCo sells a properly weighted basket of ALSI 40 shares (a “basket”) to the Holder, delivery of which is deferred until required by the Holder.

IndexCo may from time to time issue different classes of Index Securities. Each class of Index Security will be designed to replicate the price and yield performance of a different Index.

Index Securities have been approved for listing on the JSE under the “Traded Index Funds” sector of the JSE list. Once issued, Index Securities may be traded in the secondary market on the JSE on a per Index Security basis. They will be traded in round lots of one.

Pricing

SATRIX 40 Index Securities are priced so as to ensure that their JSE trading price remains equivalent to 1/1 000th of the Index Level of the ALSI 40 Index. In turn, a single basket of ALSI 40 shares has been calculated so as to be equivalent to 100 Index Futures as quoted on the South African Futures Exchange. As a result, 1 million SATRIX 40 Index Securities should trade at an aggregate value equal to the value of a single basket of ALSI 40 shares. Consequently, a Holder will only be entitled to claim delivery of a basket in terms of the sale agreements constituted by the SATRIX 40 Index Securities if that Holder simultaneously exercises similar rights under 1 million SATRIX 40 Index Securities.

Responsibility for information

The Directors accept responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Directors, having made all reasonable enquiries, confirm that this Offering Circular contains or incorporates all information which is material in the context of the issue and offer of the SATRIX 40 Index Securities, that the information is true and accurate in all material respects and is not misleading in any material respect, that the opinions and the intentions expressed in this Offering Circular are honestly held and that there are no other facts the omission of which would make this Offering Circular or any such information or expression of any such opinions or intentions misleading in any material respect.

None of the Co-Arrangers makes any representations or gives any warranties, express or implied in regard to, or for, the accuracy or completeness of the information contained herein.

The delivery of this Offering Circular does not at any time imply that the information contained herein is correct at any time subsequent to the date hereof.

No person has been authorised to give any information or to make any representation inconsistent with or not contained in this Offering Circular or any other information supplied in connection with the Index Securities. If any such information or representation is given or made, it must not be relied upon as having been authorised by IndexCo or the Co-Arrangers.

Each investor contemplating purchasing any Index Securities should make its own independent investigation of the financial condition and affairs and its own appraisal of the investment strategy of IndexCo.

This Offering Circular does not constitute an offer to sell or an invitation to purchase Index Securities in any jurisdiction in which or to any person to whom it is unlawful to make the offer or invitation. Neither IndexCo nor the Co-Arrangers represents that this Offering Circular may be lawfully distributed, or that any Index Securities may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to an exemption available thereunder, or assumes any responsibility for facilitating any such distribution or placement. In particular, no action has been taken by IndexCo or the Co-Arrangers which would permit a public offering of any Index Securities or distribution of this Offering Circular in any jurisdiction where action for that purpose is required. Accordingly, no Index Securities may be placed, directly or indirectly, and neither this Offering Circular nor any advertisement or other material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

All references in this document to “**Rand**”, “**ZAR**”, “**South African Rand**”, “**R**” and “**cent**” refer to the currency of the Republic of South Africa.

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SUMMARY

1. STRUCTURE

- 1.1 IndexCo is a public limited liability company incorporated in the Republic of South Africa under the Companies Act, 1973 (the “Act”). It has an authorised share capital of R1 000, divided into 1 000 ordinary shares of R1,00 each, of which 100 ordinary shares of R1,00 each have been issued and are held on behalf of the JSE and certain of its executive officers.
- 1.2 It is envisaged that IndexCo may from time to time issue different classes of Index Securities. Each class of Index Security will be designed to replicate the price and yield performance of a different Index.
- 1.3 A portfolio of securities consisting substantially of the securities of the Constituent Companies of the selected Index (in substantially the same weightings as that Index) (the “Underlying Portfolio”) will be housed within a trust in respect of which IndexCo will be the sole capital beneficiary (a “Trust”). Each such Trust will be a registered discretionary trust. The trustees of each Trust will be independent trustees appointed by the Directors. Holders of the particular class of Index Securities will be potential income beneficiaries of the Trust.
- 1.4 At the date of issue of this Circular the only Index Securities which IndexCo shall issue are SATRIX 40 Index Securities, designed to replicate the price and yield performance of the ALSI 40 Index. The Underlying Portfolio in respect of the ALSI 40 Index will be housed in the SATRIX 40 Trust. Holders of SATRIX 40 Index Securities will constitute discretionary income beneficiaries of the SATRIX 40 Trust.
- 1.5 **Although the Underlying Portfolio will be held by the SATRIX 40 Trust, Holders will have no rights whatsoever against the SATRIX 40 Trust, or in respect of its assets or the income earned from those assets. The SATRIX 40 Trust will be established prior to the Listing Date and will operate solely to provide IndexCo with a means of hedging its contractual obligations to Holders. The relationship between the SATRIX 40 Trust and IndexCo does not confer any rights on Holders. The contractual rights embodied in SATRIX 40 Index Securities are exercisable solely against IndexCo itself. Consequently, neither IndexCo nor the SATRIX 40 Trust are Unit Trusts as defined in the Unit Trust Control Act of 1981 and investors do not, as a result, qualify for any protection in terms of that Act.**

2. INVESTMENT OBJECTIVES AND POLICIES OF INDEXCO IN RESPECT OF SATRIX 40 INDEX SECURITIES

The investment objectives of IndexCo in respect of SATRIX 40 Index Securities is to hedge its contingent obligations to deliver Baskets of Shares to Holders exercising their delivery right and to track the ALSI 40 Index.

3. DISTRIBUTION POLICY

It is anticipated that the SATRIX 40 Trust will effect quarterly distributions. The anticipated Record Dates would be 31 March, 30 June, 30 September and 31 December in each year, commencing on 31 December 2000.

4. SUBSCRIPTIONS FOR SATRIX 40 INDEX SECURITIES

4.1 *Cash subscriptions*

- 4.1.1 There is no minimum number of SATRIX 40 Index Securities for which an investor may subscribe for cash, except under the Initial Offer where the minimum subscription amount shall be R1 000.
- 4.1.2 The number of SATRIX 40 Index Securities issued to an investor pursuant to a cash subscription will be a function of the prevailing Basket Price, the *pro rata* cost to the SATRIX 40 Trust of acquiring its Underlying Portfolio and a *pro rata* share of any Distributable Amount within the SATRIX 40 Trust, at the date of subscription.

4.2 *Subscription by delivery of underlying shares (“in kind”)*

- 4.2.1 An investor may discharge the subscription price for SATRIX 40 Index Securities *in kind*, by delivering one or more whole Baskets of Shares.
- 4.2.2 In terms of the Initial Offer, the subscription price for one Block of SATRIX 40 Index Securities will be discharged by the delivery of a single Basket of Shares.
- 4.2.3 In respect of subsequent issues, an investor wishing to discharge the subscription price *in kind* will be required to deliver one or more whole Baskets of Shares together with a cash amount representing a *pro rata* share of any Distribution Amount within the SATRIX 40 Trust.
- 4.3 A cash transaction fee will be payable on all subscriptions for SATRIX 40 Index Securities. The transaction fee will be a function of the cost to IndexCo of issuing the SATRIX 40 Index Securities in question and shall include an administration fee. Details of the transaction fee payable upon subscription under the Initial Offer and thereafter can be found in the schedule of fees attached hereto marked Schedule II.
- 4.4 The procedure for subscribing for SATRIX 40 Index Securities (both in terms of the Initial Offer and thereafter) is more fully set out on pages 19 to 22 of this Circular.

5. COSTS AND EXPENSES OF INDEXCO AND THE SATRIX 40 TRUST

Investors’ attention is drawn to the details of the fees, costs and expenses set out on pages 34 and 35.

6. TAXATION

- 6.1 Prospective investors in SATRIX 40 Index Securities should obtain expert advice on the tax treatment of the purchase, holding and eventual disposal by a Holder of SATRIX 40 Index Securities. The Directors are of the view that, insofar as Holders are concerned, the purchase, holding and eventual disposal by a Holder of SATRIX 40 Index Securities should, for taxation purposes, be treated according to all the usual rules applicable to the categorisation of an asset and any return on it as capital or revenue.
- 6.2 **The SATRIX 40 Trust may have realised capital gains at the end of a tax period which may result in the SATRIX 40 Trust being liable for Capital Gains Tax on net realised capital gains. The payment of the tax will require the SATRIX 40 Trust to apply income (and if the income of the SATRIX 40 Trust is insufficient, to realise securities held within the SATRIX 40 Trust’s portfolio) to discharge the tax.**

7. INSTITUTIONAL INVESTOR RESTRICTIONS

- 7.1 The FSB has (in terms of the relevant legislation) approved investments in Index Securities by Long-Term and Short-Term Insurers and Pension Funds.
- 7.2 Both long-term and short-term insurers may invest in SATRIX 40 Index Securities to a value of 5% of their non-linked liabilities and 5% of their aggregate liabilities respectively.
- 7.3 Pension Funds may invest in SATRIX 40 Index Securities to a value of 10% of their total assets where the market value of all issued Index Securities is less than R2 billion and 15% of their total assets where the market value of all issued Index Securities exceeds R2 billion.
- 7.4 Unit Trust Managers are not at this stage able to invest in Index Securities, as a result of the definition of “securities” in the Unit Trust Control Act of 1981.
- 7.5 Prospective investors wishing to acquire Index Securities should consult their professional advisers with respect to any applicable investment restrictions relevant to an investment in Index Securities.
- 7.6 All investment restrictions detailed in this paragraph 7 are provided for in the relevant Acts and/or the regulations passed under those Acts, being:
 - 7.6.1 the Short-Term Insurance Act No. 53 of 1998;
 - 7.6.2 the Long-Term Insurance Act No. 52 of 1998;

7.6.3 the Pension Funds Act No. 24 of 1956; and

7.6.4 the Unit Trust Control Act No. 84 of 1981.

8. INVESTOR RISKS

An investment in SATRIX 40 Index Securities involves investment risks. A more detailed description of certain of the investment risks relevant to investors in SATRIX 40 Index Securities is set out on pages 29 to 31 of this Circular.

9. INITIAL OFFER

9.1 Subject to the disclaimers set out on pages 2 and 3 of this Offering Circular, the Initial Offer comprises an offer to the public of SATRIX 40 Index Securities (consisting of an offer to both institutional and retail investors). The salient dates of the Initial Offer are set out in the table on page 11. Subscriptions under the Initial Offer may be effected *in kind* (an investor delivers one or more whole Baskets of Shares) or for cash.

9.2 Where an investor elects to subscribe *in kind*, that investor is obliged to subscribe for SATRIX 40 Index Securities in one or more whole Blocks. The subscription price in respect of a single Block of SATRIX 40 Index Securities shall be discharged *in kind* by delivery of a single Basket of Shares. In addition to the delivery of one or more Baskets of Shares, a subscriber *in kind* is obliged to pay, in cash, the applicable transaction fee (to be determined by reference to the schedule of fees appearing in Schedule II). If an investor's subscription application is accepted, then for each Basket of Shares delivered by that investor the investor shall be allotted and issued one Block of SATRIX 40 Index Securities on the Listing Date, and a statement (or certificate, if the investor so requests) in respect of those SATRIX 40 Index Securities will be posted to the successful applicant by registered post (at the applicant's risk) within seven days of the Listing Date.

9.3 Where an investor elects to subscribe in cash, the minimum subscription amount in respect of SATRIX 40 Index Securities under the Initial Offer is an amount of R1 000. The number of SATRIX 40 Index Securities issued to a subscriber for cash under the Initial Offer will be determined by the amount which that subscriber invests as a fraction of the cost to the ALSI 40 Trust of acquiring the appropriate Underlying Portfolio.

9.4 Following the closing date of the Initial Offer there will be a ramp up period for cash subscribers during which the SATRIX 40 Trust will acquire the appropriate Underlying Portfolio. The duration of the ramp up period will depend on prevailing market liquidity and the aggregate value of the cash subscriptions received under the Initial Offer. The cash subscription price under the Initial Offer shall only be capable of determination on expiry of the ramp up period, once the SATRIX 40 Trust has acquired the appropriate Underlying Portfolio, and will be a function of the average *pro rata* cost to the SATRIX 40 Trust of acquiring the appropriate Underlying Portfolio. The cash subscription price and the number of SATRIX 40 Index Securities issued per R1 000 cash subscription will be announced on the first Trading Day following the end of the ramp up period. On that date the Manager will publicly announce, on behalf of IndexCo, the number of SATRIX 40 Index Securities issued per R1 000 subscription and the basis on which SATRIX 40 Index Securities were allocated in terms of the Initial Offer. Index Security statements (or, if the applicant has so requested, certificates) evidencing such allocation and issue will be posted to successful applicants by registered post (at the applicants' risk) within seven days of the end of the ramp up period. Although the basis of allocation will be publicly announced after the end of the ramp up period in respect of cash subscribers, applicants will only be informed of their individual allocations on receipt of their Index Security statements or certificates, as the case may be. Accordingly, applicants who deal/trade prior to the receipt of their Index Security statements do so at the risk of selling SATRIX 40 Index Securities for which they have not received an allocation.

9.5 In respect of cash subscribers, there may be a small amount of cash left over after issue, representing a fraction of the value of a single Index Security. This amount will not be returned to subscribers but will be retained by the Trust and applied by it in improving its tracking of the ALSI 40 Index. This amount is not anticipated to be more than R8,50 per Investor.

9.6 Pages 19 to 22 set out details of the Initial Offer, including the application procedure in terms of the Initial Offer.

10. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Opening date of the Initial Offer (09:00)	Thursday, 9 November 2000
Closing date of the Initial Offer (12:00)	Wednesday, 22 November 2000
Proposed Listing Date (09:00)	Monday, 27 November 2000
End of ramp up period:	
– Aggregate cash subscription amount less than R500 million	Friday, 1 December 2000
– Aggregate cash subscription amount between R500 million and R1 billion	Thursday, 7 December 2000
SATRIX 40 Index Security statements posted to <i>in kind</i> subscribers within seven days of Listing Date	
SATRIX 40 Index Security statements posted to cash subscribers within seven days after the end of the appropriate ramp up period	

Any changes to the above dates will be published in the press.

DEFINITIONS

In this Offering Circular the following words and phrases have the meanings indicated below and related words or phrases have corresponding meanings:

“Act”	means the Companies Act, 1973 (Act 61 of 1973), as amended;
“ALSI 40 Index”	means the JSE/Actuaries All Share 40 Top Companies Index. The composition of the ALSI 40 Index at the date of issue of this Circular is detailed in Schedule I. The JSE has granted IndexCo and the SATRIX 40 Trust permission to use the name “ALSI 40” and to track the ALSI 40 Index. It has not charged any fee for this permission but reserves the right to do so;
“Articles”	means the articles of association of IndexCo;
“Asset Management Agreement”	means the agreement entered into between the SATRIX 40 Trust, the Manager and the Asset Manager, dated October 2000;
“Asset Manager”	means, at the date of issue of this Circular, Gensec Asset Management (Proprietary) Limited;
“Basket Price”	means the aggregate quoted market price from time to time of the securities contained in a Basket;
“Basket of Shares” or “Basket”	means, in the context of SATRIX 40 Index Securities, a portfolio of shares/securities which comprises the minimum number of shares of each of the Constituent Companies contained in the ALSI 40 Index (in the same weighting as they are included in the ALSI 40 Index) that can be acquired with an amount of money having a Rand value equal to 1 000 times the ALSI 40 Index Level. The composition of specific Baskets can be obtained from the Manager on any Trading Day and will be published by the Manager on a daily basis;
“Block”	means, in respect of SATRIX 40 Index Securities (at the date of issue of this Circular) 1 million SATRIX 40 Index Securities;
“Business Day”	means any day other than a Saturday, a Sunday or an official public holiday in the Republic of South Africa;
“Circular” or “Offering Circular”	means the circular comprised by this document (including any schedules hereto);
“Common Monetary Area”	means the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland;
“Company” or “IndexCo”	means IndexCo Limited, a public company incorporated in the Republic of South Africa, the entire issued share capital of which is held on behalf of the JSE and certain of its executive officers;
“Constituent Company”	means a company whose shares/securities are included within an Index;
“Directors”	means the board of directors of IndexCo, including any duly constituted committee thereof;

“Distribution Amount”	means the amount of income, calculated at a particular date, received or receivable by a Trust and available for distribution to Holders of the relevant class of Index Security (generally dividends, securities lending revenue and interest earned <i>less</i> fees and expenses incurred since the last distribution effected by that Trust);
“Divisor”	means the number divided into the aggregate market value of the shares included in an Index to calculate the Index Level;
“FSB”	means the Financial Services Board established in terms of the Financial Services Board Act, No. 97 of 1990;
“Holder” or “Security Holder”	means a holder of Index Securities;
“Index”	means the ALSI 40 Index or any other Index in respect of which Index Securities are issued by IndexCo, or all or any of such Indices, as the context may require;
“IndexCo/SATRIX 40 website”	means the IndexCo/SATRIX 40 website having the web address www.satrix.co.za ;
“Index Level”	means, in respect of the ALSI 40 Index, the level of the ALSI 40 Index calculated every 120 seconds during a Trading Day by dividing the Divisor into the aggregate market value of the shares included in the ALSI 40 Index;
“Index Securities”	means any securities issued by IndexCo from time to time in accordance with this Circular, including the SATRIX 40 Index Securities;
“Initial Offer”	means the offer to the public of SATRIX 40 Index Securities more fully described on pages 19 to 22 of this Circular;
“ <i>in kind</i> ”	means, in the context of a subscription for SATRIX 40 Index Securities, the subscription for SATRIX 40 Index Securities by the delivery of one or more whole Basket of Shares;
“JSE”	means the Johannesburg Stock Exchange;
“Listing Date”	means the date on which SATRIX 40 Index Securities issued to subscribers <i>in kind</i> under the Initial Offer are to be listed on the JSE (i.e. 27 November 2000). SATRIX 40 Index Securities issued to cash subscribers will be listed on the JSE following the end of the appropriate ramp up period;
“Manager”	means IndexCo Managers (Proprietary) Limited;
“Management Agreement”	means the management agreement, dated October 2000, concluded between the Company, the Manager and the SATRIX 40 Trust;
“Net Asset Value”	means, in respect of a Trust, the net asset value of that Trust, calculated as set out on page 33 of this Circular;
“Net Asset Value per Index Security”	means the net asset value attributable to a particular Index Security calculated by dividing the Net Asset Value of the relevant Trust by the number of Index Securities of the relevant class in issue;
“ramp up”	means the process in terms of which the Asset Manager acquires, on behalf of the SATRIX 40 Trust, in a structured and timely fashion, Baskets of Shares or parts thereof. This process will be effected over a fixed period of time so as to minimise the market impact which the Asset Manager’s activities have on the prices of any of the shares/securities constituting the Baskets. The phrase “ramp down” bears a corresponding meaning in relation to the structured disposal of Baskets held by the SATRIX 40 Trust;

“Record Date”	means the date on which an investor must be registered as a Holder of Index Securities in order to participate in distribution declared by a Trust;
“SATRIX 40 Trust”	means the Trust established to hold the Underlying Portfolio in respect of the ALSI 40 Index;
“Trading Day”	means a day on which trading takes place on the JSE;
“Trust”	means a registered discretionary trust holding the Underlying Portfolio in respect of a selected Index;
“Underlying Portfolio”	means the underlying portfolio of securities held by a Trust consisting substantially of securities of the Constituent Companies of the selected Index in substantially the same weightings as that Index; and
“Vested Beneficiaries”	means the vested income beneficiaries of the SATRIX 40 Trust, being the JSE, Gensec Bank Limited, Corpcapital Bank Limited and Corpgro Capital (Pty) Limited.

INVESTMENT OBJECTIVES AND POLICIES

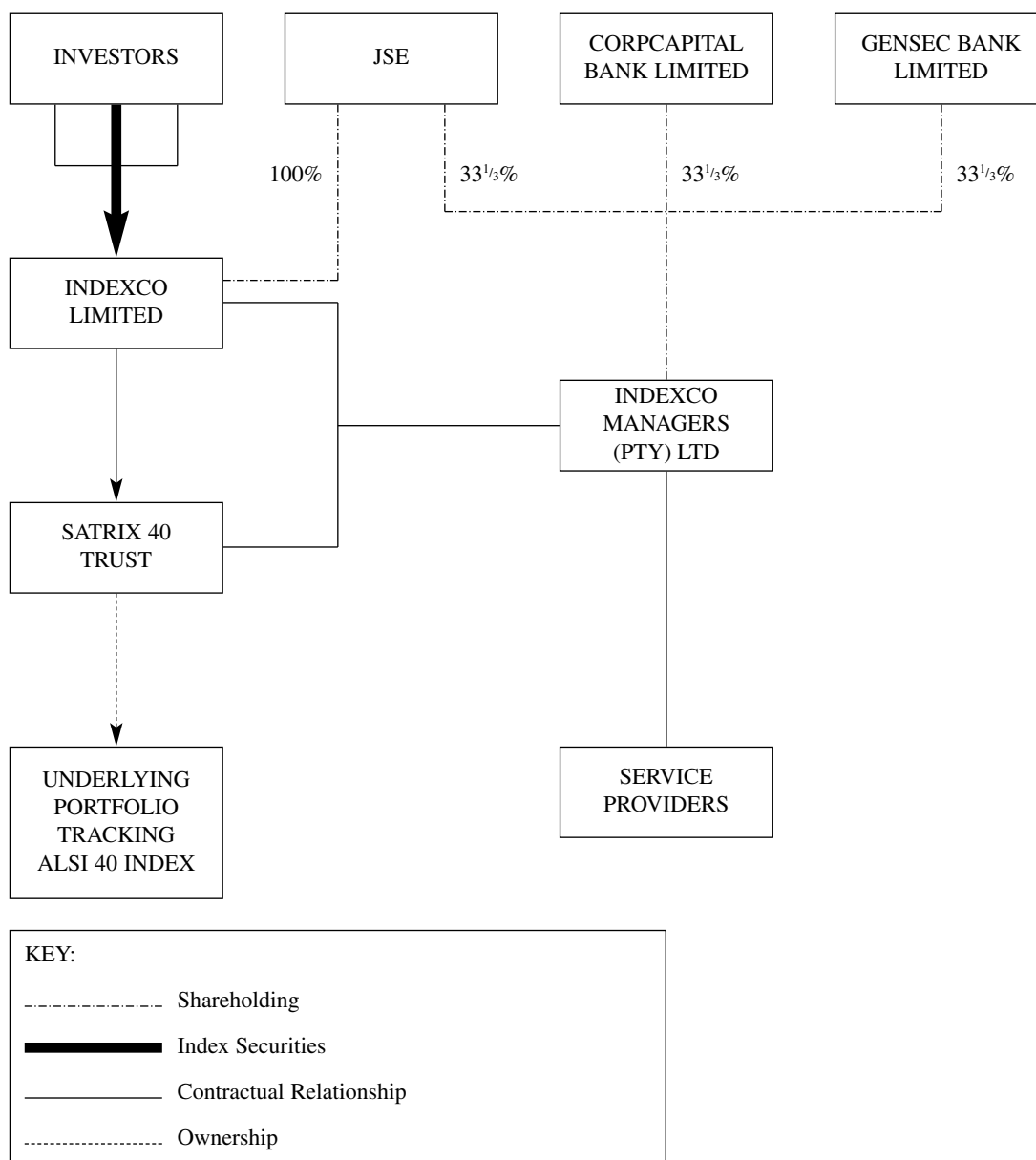
1. INTRODUCTION

- 1.1 IndexCo has been formed to provide investors with an opportunity to acquire Index Securities. IndexCo has obtained the approval of the JSE for the listing of SATRIX 40 Index Securities, intended to track the ALSI 40 Index. SATRIX 40 Index Securities are designed to enable Holders to obtain market exposure to the Constituent Companies comprising the ALSI 40 Index in an easily tradeable form as listed securities tradable on the JSE (or any other licensed exchange on which SATRIX 40 Index Securities may be listed) and to replicate, so far as possible, the price and yield performance of the ALSI 40 Index. Any other class of Index Security issued by IndexCo in the future will be designed to replicate the price and yield performance of a selected Index. This replication is referred to as “tracking”.
- 1.2 The JSE has granted permission for the listing of SATRIX 40 Index Securities on the “Traded Index Funds” sector of the JSE list with effect from 27 November 2000.
- 1.3 SATRIX 40 Index Securities comprise a contract between IndexCo and the Holder for the delivery by IndexCo of a Basket of Shares, against demand by the Holder, provided that:
 - 1.3.1 a Holder simultaneously exercises the delivery rights in respect of a whole Block of Index Securities; and
 - 1.3.2 in the unlikely event of a real risk that IndexCo will not be able to meet the delivery obligations attaching to all the SATRIX 40 Index Securities in issue at any time, IndexCo will be entitled to place a moratorium on the exercise by Holders of the delivery rights attaching to issued SATRIX 40 Index Securities. IndexCo shall not, in any given year, suspend the right to exercise such delivery rights for more than 60 Trading Days in the aggregate. It is not envisaged that such a moratorium will effect the tradability of SATRIX 40 Index Securities in the ordinary course on the JSE.
- 1.4 A copy of the *pro forma* terms and conditions constituting a SATRIX 40 Index Security is attached to this Offering Circular as Schedule III.

2. STRUCTURE

- 2.1 IndexCo is a public limited liability company duly registered and incorporated in accordance with the laws of the Republic of South Africa. The entire issued share capital of IndexCo is held by or on behalf of the JSE and certain of its executive officials. IndexCo is the entity with which the contracts comprising the SATRIX 40 Index Securities are concluded. Different classes of Index Security may in the future allow Holders to track different Indices. SATRIX 40 Index Securities enable the Holders thereof to track the ALSI 40 Index. The Underlying Portfolio in respect of the ALSI 40 Index will be held within the SATRIX 40 Trust in respect of which IndexCo will be the sole discretionary capital beneficiary. The trustee of the SATRIX 40 Trust is an independent trustee appointed by the Directors of IndexCo.
- 2.2 The potential discretionary income beneficiaries of the SATRIX 40 Trust will comprise IndexCo together with all Holders of SATRIX 40 Index Securities. It is anticipated that the SATRIX 40 Trust will distribute quarterly any net income available for distribution within the SATRIX 40 Trust and that Holders will participate on a *pro rata* basis in such distributions. However Holders are discretionary beneficiaries of the SATRIX 40 Trust and accordingly there can be no guarantee that Holders will receive quarterly distributions and Holders will have no right to require the trustees to effect quarterly distributions.
- 2.3 SATRIX 40 Index Securities are intended to enable an investor to replicate, not outperform, the gross price and yield performance of the ALSI 40 Index. If and to the extent that the income yield (net of expenses) actually achieved on the Underlying Portfolio held by the SATRIX 40 Trust (between Record Dates) exceeds the hypothetical dividend yield (during the same period) calculated on a portfolio of securities made up of as many Baskets (*pro rata*) as results from dividing the total number of SATRIX 40 Index Securities in issue from time to time by one million, such excess return (or outperformance) shall accrue to the Vested Beneficiaries.

- 2.4 Although the Underlying Portfolio will be held by the SATRIX 40 Trust, holders will have no rights whatsoever against the SATRIX 40 Trust or in respect of its assets or the income earned from those assets. The SATRIX 40 Trust is a discretionary trust established solely to provide IndexCo with a means of hedging its contractual obligations to Holders. The relationship between the SATRIX 40 Trust and IndexCo does not confer any rights on holders. The contractual rights embodied in SATRIX 40 Index Securities are exercisable solely against IndexCo itself. Consequently, neither IndexCo nor the SATRIX 40 Trust are Unit Trusts as defined in the Unit Trust Control Act of 1981 and investors do not, as a result, qualify for any protection in terms of the Unit Trust Control Act.
- 2.5 IndexCo is a special purpose vehicle incorporated for the sole business purpose of issuing Index Securities on the terms set out in this Offering Circular. It will not, in terms of provisions contained in its memorandum of association, be permitted to conduct any business at all apart from the issuing of Index Securities as detailed in this Offering Circular without the unanimous consent of all the shareholders of the Manager.
- 2.6 The investment policy of both IndexCo and the SATRIX 40 Trust will at all times be the establishment and maintenance of a “fully covered” position, so that the SATRIX 40 Trust’s assets should at all times at least equal the full extent of IndexCo’s liabilities under the terms and conditions of the Index Securities.
- 2.7 A diagrammatic representation of the structure is set out below:



3. INVESTMENT OBJECTIVE OF THE SATRIX 40 TRUST

The investment objective of the SATRIX 40 Trust is to track the ALSI 40 Index and at all times to match, as closely as possible, IndexCo's contractual obligations under the delivery rights attaching to issued SATRIX 40 Index Securities.

4. INVESTMENT POLICIES OF THE SATRIX 40 TRUST

- 4.1 The SATRIX 40 Trust will pursue the objective of replicating, as far as practicable, the price and yield performance of the ALSI 40 Index, by holding a portfolio of securities that substantially represents all of the component securities of the ALSI 40 Index in substantially the same weighting as the ALSI 40 Index. The composition of the ALSI 40 Trust's portfolio will be adjusted periodically to conform to changes in the composition and weighting of the securities in the ALSI 40 Index so as to ensure that the composition and weighting of the SATRIX 40 Trust's portfolio is a reflection of the composition and weighting of the securities contained in the ALSI 40 Index. The SATRIX 40 Trust's ability to replicate the price and yield performance of the ALSI 40 Index will be affected by the costs and expenses incurred by the SATRIX 40 Trust. It will not always be possible for the SATRIX 40 Trust to replicate and maintain exactly the composition and weighting of the ALSI 40 Index because the SATRIX 40 Trust will have operating expenses which the ALSI 40 Index does not have, and also for the reasons set out in "Risk Factors" on pages 29 to 31 of this Circular.
- 4.2 The SATRIX 40 Trust will not be actively managed. The traditional method of active management involves the buying and selling of securities based on economic, financial and market analysis and investing judgment. The investment objective and style of the SATRIX 40 Trust will be full replication of the ALSI 40 Index. As a result, the financial or other condition of any Constituent Company will not result in the elimination of its securities from the SATRIX 40 Trust's portfolio unless the securities of that company are removed from the ALSI 40 Index.
- 4.3 The Asset Manager is obliged to ensure tracking of the ALSI 40 Index by purchasing and holding, in the requisite quantities, insofar as possible, the actual underlying shares comprising the ALSI 40 Index. However the Asset Manager is entitled, in exceptional circumstances (for example to overcome liquidity problems in the market) and on a temporary basis only, to employ such other investment techniques and acquire such other exchange-listed instruments as will most efficiently give effect to the stated investment policies and objectives of the SATRIX 40 Trust, in accordance with the mandate contained in the Asset Management Agreement.
- 4.4 It is anticipated that ancillary liquid assets will not form a substantial part of the SATRIX 40 Trust's assets. However any liquid assets that the SATRIX 40 Trust holds may be invested in short-term investments such as banker's acceptances and certificates of deposit.
- 4.5 The investment objectives and policies of the SATRIX 40 Trust will be adhered to, and in the absence of any unforeseen circumstances, will not be altered. Any change in the investment objectives and policies will be subject to the prior approval of the trustee of the SATRIX 40 Trust. In the event of a change in the investment objectives and policies of the SATRIX 40 Trust, reasonable notice will be given by IndexCo to Holders of SATRIX 40 Index Securities to enable Holders to redeem their SATRIX 40 Index Securities prior to implementation of the change.

5. REBALANCING OF THE PORTFOLIO OF SECURITIES HELD BY THE SATRIX 40 TRUST

- 5.1 As the investment objective of the SATRIX 40 Trust is to track the price and yield performance of the ALSI 40 Index, any change to the ALSI 40 Index (for example a change in the composition of the ALSI 40 Index and/or in the weighting of the securities within the ALSI 40 Index) will require the SATRIX 40 Trust to make corresponding adjustments to its portfolio from time to time. The Asset Manager may adjust the composition and/or weighting of the securities held in the SATRIX 40 Trust's portfolio from time to time and shall, to the maximum extent practicable, immediately conform to changes in the composition and/or weighting of the securities within the ALSI 40 Index. Adjustments to the portfolio of securities held by the SATRIX 40 Trust will be made when, for example, corporate events occur which result in a change in the composition and/or weighting of the ALSI 40 Index.

- 5.2 Although the investment objective of the SATRIX 40 Trust is to provide investment results which track the performance of the ALSI 40 Index, it will not always be efficient to replicate the composition and/or weighting of the ALSI 40 Index precisely if the transaction costs incurred by the SATRIX 40 Trust in adjusting its portfolio would exceed the expected misweighting. Accordingly, minor misweightings will generally be permitted.
- 5.3 The Asset Manager will rely ultimately on the JSE for information as to the composition and/or weighting of the ALSI 40 Index. If the Asset Manager is unable to obtain such information on any Business Day then the composition and/or weighting of the ALSI 40 Index most recently published will be used for the purposes of all adjustments.

6. DISTRIBUTIONS

It is anticipated that the SATRIX 40 Trust will effect quarterly distributions. The anticipated Record Dates would be 31 March, 30 June, 30 September and 31 December, respectively, commencing on 31 December 2000. All distributions will be paid out of the SATRIX 40 Trust's income (whether in the form of dividends, interest or otherwise) net of expenses. Distributions will be effected by IndexCo's transfer secretaries on behalf of the SATRIX 40 Trust. The costs of effecting distributions will be borne by Holders. Any distribution which is unclaimed three years from the date it became payable shall be forfeited and become the property of the trustee of the SATRIX 40 Trust, in its capacity as such, and will be utilised to improve index-tracking within the SATRIX 40 Trust.

Notwithstanding the foregoing, it should be noted that Holders are discretionary beneficiaries of the SATRIX 40 Trust and accordingly there can be no guarantee that they will receive quarterly distributions. Holders will have no right to demand that the trustee of the SATRIX 40 Trust effects quarterly distributions.

7. LISTING OF SATRIX 40 INDEX SECURITIES

- 7.1 The JSE has granted permission for the listing of SATRIX 40 Index Securities on the "Traded Index Funds" sector of the JSE list with effect from 27 November 2000.
- 7.2 The purpose of the proposed listing of the SATRIX 40 Index Securities on the JSE (and any other exchange on which SATRIX 40 Index Securities may be listed) is to enable Holders to buy and sell SATRIX 40 Index Securities on a recognised stock exchange. Any transactions in SATRIX 40 Index Securities on a stock exchange will be subject to the customary brokerage commissions and/or transfer taxes associated with the trading and settlement of securities through the relevant stock exchange.

SUBSCRIPTIONS

Particulars of the Initial Offer

IT SHOULD BE NOTED THAT THIS CIRCULAR DOES NOT CONSTITUTE AN OFFER IN ANY AREA OR JURISDICTION IN WHICH IT IS ILLEGAL TO MAKE SUCH AN OFFER. IN SUCH CIRCUMSTANCES, THIS CIRCULAR AND ANY APPLICATION FORM ATTACHED TO IT, ARE FOR INFORMATION PURPOSES ONLY.

1. EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Opening date of the Initial Offer (09:00)	Thursday, 9 November 2000
Closing date of the Initial Offer (12:00)	Wednesday, 22 November 2000
Proposed Listing Date (09:00) (<i>in kind</i> subscriptions)	Monday, 27 November 2000
End of ramp up period:	
– Aggregate cash subscription amount less than R500 million	Friday, 1 December 2000
– Aggregate cash subscription amount between R500 million and R1 billion	Thursday, 7 December 2000
SATRIX 40 Index Security statements posted to <i>in kind</i> subscribers within seven days of Listing Date	
SATRIX 40 Index Security statements posted to cash subscribers within seven days after the end of the appropriate ramp up period	

2. OFFER STRUCTURE

- 2.1 The Initial Offer comprises an offer to the public consisting of an offer both to institutional investors and to retail investors.
- 2.2 There is no maximum number of SATRIX 40 Index Securities which may be issued in terms of the Initial Offer. The listing of SATRIX 40 Index Securities will proceed if there is a minimum aggregate subscription under the Initial Offer of a value of R1 billion. If the aggregate value of all subscriptions under the initial offer is below R1 billion, IndexCo will only proceed with the listing of SATRIX 40 Index Securities if, in its view, the aggregate value of subscriptions is such as to make the listing economically viable for investors.

3. THE SUBSCRIPTION PRICE

The subscription price under the Initial Offer may be discharged in one of two ways: in cash or “*in kind*” (by the delivery of a portfolio of shares constituting one or more whole Baskets of Shares).

4. CASH SUBSCRIPTIONS

- 4.1 The number of SATRIX 40 Index Securities issued to an applicant for cash will be determined by the amount which that applicant invests as a fraction of the cost to the SATRIX 40 Trust of acquiring the Underlying Portfolio.
- 4.2 Cash subscriptions shall be subject to a minimum subscription of R1 000.
- 4.3 Cash subscribers should complete the [green] application form accompanying this Offering Circular.
- 4.4 Duly completed application forms should be delivered by hand, marked “SATRIX 40 Index Securities – Initial

Offer” to: Computershare Services Limited, 41 Fox Street, Johannesburg, 2001, or posted, at the risk of the applicant, marked “SATRIX 40 Index Securities – Initial Offer” to: Computershare Services Limited, PO Box 61051, Marshalltown, 2107, to be received by Computershare Services Limited by no later than 12:00 on Wednesday, 22 November 2000.

- 4.5 The application form should be accompanied by a **bank guaranteed** cheque or **guaranteed** banker’s draft for the amount which the investor wishes to invest in SATRIX 40 Index Securities, provided that no such cheque or banker’s draft shall be for an amount of less than R1 000. Postal orders and cash will not be accepted. Electronic transfers may be accepted, subject to agreement by Computershare Services Limited. Cheques must be crossed, marked “not transferable” and made payable in favour of “Computershare Services Limited – SATRIX 40 Index Securities Initial Offer”.
- 4.6 Cash investors should be aware that the applicable transaction fee (details of which appear in Schedule II) will be deducted from any payment accompanying their application and, accordingly, the net amount will be invested in SATRIX 40 Index Securities.
- 4.7 Applications will only be regarded as complete when the relevant cheque/banker’s draft has been paid. All cheques/banker’s drafts will be deposited into a designated account upon receipt by Computershare Services Limited. Should any cheque or banker’s draft be dishonoured the Manager may, in its absolute discretion, regard the relevant application as revoked or take such other steps in regard thereto as it may deem fit.
- 4.8 Following the close of the Initial Offer there shall be a ramp up period during which the SATRIX 40 Trust will acquire the appropriate Underlying Portfolio. The actual duration of this ramp up period will be dependant upon prevailing market liquidity and the aggregate amount received in cash subscriptions under the Initial Offer. If the aggregate of all cash subscriptions is equal to or less than R500 million, the maximum ramp up period will be seven Trading Days (i.e. the ramp up period will end at close of JSE trading hours on Friday, 1 December 2000). If the aggregate of all cash subscriptions is equal to or less than R1 000 million, the maximum ramp up period will be 11 Trading Days (i.e. the ramp up period will end at close of JSE trading hours on Thursday, 7 December 2000). If the aggregate of all cash subscription amounts exceeds R1 000 million, the maximum ramp up period will be extended in proportion to the amount by which the total amount of cash subscriptions exceeds R1 000 million.
- 4.9 The cash subscription price, and consequently the number of SATRIX 40 Index Securities to be issued per R1 000 subscription will only be announced at the end of the ramp up period and will be a function of the *pro rata* cost to the SATRIX 40 Trust of acquiring the Underlying Portfolio.
- 4.10 At the end of the ramp up period the Manager shall procure that the number of SATRIX 40 Index Securities allotted and issued per R1 000 investment is publicly announced. Investors should be aware that transaction fees will be deducted from the subscription amount accompanying their applications and, accordingly, their subscription amounts, *less* transaction fees, shall be invested in SATRIX 40 Index Securities. SATRIX 40 Index Security statements (or certificates, as the case may be), evidencing allocations shall be posted to successful applicants, by registered post (at the applicants’ risk) within seven days of the end of the appropriate ramp up period. Although the basis of allocation will be publicly announced at the end of the ramp up period, applicants will only be informed of their actual individual allocations on receipt of their SATRIX 40 Index Security statements/certificates. Accordingly, applicants who deal/trade prior to the receipt of their SATRIX 40 Index Security statements (or certificates, as the case may be), do so at the risk of selling SATRIX 40 Index Securities for which they have not received an allocation.
- 4.11 In respect of cash subscribers, there may be a small amount of cash left over, representing a fraction of the value of a single SATRIX 40 Index Security. This amount will not be returned to subscribers but will be retained by the SATRIX 40 Trust and applied by it in improving its tracking of the ALSI 40 Index. This amount is not anticipated to be more than R8,50 per investor.
- 4.12 The Manager reserves the right to accept any application in whole or in part. If no part of a cash application is accepted, all money paid on application will be returned to the applicant without interest. If a cash subscription is accepted in part the balance of the money paid on application (in excess of R8,50) will be

returned to the applicant without interest. Amounts less than R8,50 will be used to defray costs and expenses incurred by the SATRIX 40 Trust. On the allotment and issue of SATRIX 40 Index Securities under the Initial Offer, if it transpires that an applicant's cash subscription (net of the applicable transaction fee, details of which can be found in Schedule II) is not an exact multiple of the cash subscription price under the Initial Offer, then the applicant in question shall be allotted and issued with so many SATRIX 40 Index Securities as may be fully paid-up out of his subscription application (*less* the applicable transaction fee), and the balance of the applicant's cash subscription amount will be applied to improve tracking of the ALSI 40 Index in the SATRIX 40 Trust. The portion of an applicant's cash subscription not utilised to acquire SATRIX 40 Index Securities will not exceed an amount representing the cash subscription price in respect of a single SATRIX Index Security – in other words, it will be *less* than a Rand amount equal to approximately 1/1 000th of the ALSI 40 Index Level.

- 4.13 It should be noted that unless in the application form an investor specifically chooses to have a certificate issued to him, SATRIX 40 Index Securities will be issued to Computershare Services Limited nominees which will hold the SATRIX 40 Index Securities on the investor's behalf. The investor will then be sent a SATRIX 40 Index Security statement evidencing that investor's ownership of the SATRIX 40 Index Securities allocated to him.

5. "IN KIND" SUBSCRIPTIONS

- 5.1 Investors subscribing for SATRIX 40 Index Securities *in kind*, by the delivery of one or more whole Baskets of Shares, are obliged to subscribe for SATRIX 40 Index Securities in integer multiples of Blocks of 1 million SATRIX 40 Index Securities.
- 5.2 The subscription price under the Initial Offer in respect of one Block of SATRIX 40 Index Securities shall be discharged by the delivery of a single Basket of Shares. In addition to the delivery of a Basket, an applicant is required to pay, in cash, the applicable transaction fee (details of which can be found in Schedule II).
- 5.3 *In kind* subscribers under the Initial Offer should complete the [yellow] application form accompanying this Circular.
- 5.4 Duly completed application forms should be delivered by hand, marked "SATRIX 40 Index Securities – Initial Offer" to: Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001, or posted, at the risk of the applicant, marked "SATRIX 40 Index Securities – Initial Offer" to: Computershare Services Limited, PO Box 61051, Marshalltown, 2107, marked "SATRIX 40 Index Securities – Initial Offer" to be received by Computershare Services Limited by no later than 12:00 on Wednesday, 22 November 2000.
- 5.5 The application form should be accompanied by a **bank guaranteed** cheque or **guaranteed** banker's draft for the amount of the applicable transaction fee (which may be determined by reference to Schedule II). Postal orders and cash will not be accepted. Electronic transfers may be accepted, subject to agreement by Computershare Services Limited. Cheques must be crossed, marked "not transferable" and made payable in favour of "Computershare Services Limited – SATRIX 40 Index Securities – Initial Offer".
- 5.6 Should any cheque or banker's draft be revoked or dishonoured the Manager may, in its absolute discretion, regard the relevant application as revoked or take such other steps in regard thereto as it deems fit.
- 5.7 The Manager reserves the right to accept or reject any application in whole or in part.
- 5.8 Schedule I hereto details the exact number of shares in each Constituent Company which the investor is required to deliver in order to be issued with 1 million (i.e. 1 block) SATRIX 40 Index Securities. Any change to Schedule 1 between the date of issue of this Circular and the close of the Initial Offer will be published on the IndexCo/SATRIX 40 website. The investor will be required to deliver the specified shares to Computershare Services Limited (together with documents of transfer in respect thereof signed in blank), at the address stipulated in clause 5.4 above, by the close of the offer period (i.e. 12:00 on Wednesday, 22 November 2000).
- 5.9 SATRIX 40 Index Securities will be issued to successful applicants on the Listing Date (27 November 2000),

subject to the successful transfer of the relevant Basket into the name of the SATRIX 40 Trust (or its nominee) by that date. SATRIX 40 Index Security statements (or, if specifically requested, certificates), will be posted, by registered post (at the applicant's risk) within seven days after the Listing Date.

- 5.10 It should be noted that unless in the application form an investor specifically chooses to have a certificate issued to him, SATRIX 40 Index Securities will be issued to Computershare Services Limited nominees which will hold the shares on the investor's behalf. The investor will then be sent a SATRIX 40 Index Security statement evidencing that investor's ownership of the SATRIX 40 Index Securities allocated to him.
- 5.11 To the extent that an application is not accepted in full the applicant will be refunded a *pro rata* portion of any transaction fee paid. Any such refund shall be paid by cheque to the applicant by registered post (at the applicant's risk) within 14 days after the closing date of the Initial Offer.
- 5.12 It should be noted that where any distributions are declared by Constituent Companies on any of their securities included in the ALSI 40 Index, and the Last Day to Register ("LDR") in respect of that distribution falls between the closing date of the Initial Offer and the date of transfer of all Baskets delivered under the Initial Offer into the name of the SATRIX 40 Trust (or its nominee), such distributions shall accrue for the benefit of the SATRIX 40 Trust and may be collected from a successful applicant accordingly.

6. TERMS AND CONDITIONS

- 6.1 All applications to subscribe in terms of the Initial Offer are subject to the terms and conditions set out in the appropriate application form.
- 6.2 Application forms must be completed in accordance with the instructions contained in the forms.
- 6.3 Applications are irrevocable and may not be withdrawn once received by the Transfer Secretaries (Computershare Services Limited).
- 6.4 It is recorded that SATRIX 40 Index Securities are listed securities as defined in section 1 of the Stock Exchanges Control Act, 1985, and that, accordingly, the provisions of section 140A of the Act (pertaining to the disclosure of beneficial interests in securities) shall apply to Holders of SATRIX 40 Index Securities.
- 6.5 The Manager and Transfer Secretaries reserve the right to request further details from an applicant for (or Holder of) Index Securities. Measures aimed at preventing money laundering may require an applicant to provide verification of identity to the Manager and/or the Transfer Secretaries.
- 6.6 The Manager and/or the Transfer Secretaries will notify applicants if proof of identity is required. By way of example, an individual may be required to produce a copy of a passport or identification document duly certified by a public authority such as a notary public or a policeman together with evidence of the applicant's address, such as a bank statement. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent) and the names and addresses of all directors and beneficial owners. The applicant acknowledges that the Manager and the Transfer Secretaries shall be held harmless by the applicant against any loss arising as a result of a failure to process the subscription if such information as has been requested by the Manager and/or the Transfer Secretaries has not been provided by the applicant.
- 6.7 If a prospective investor is in any way unclear as to the correct procedure to be followed, or the terms and conditions applicable to subscriptions for SATRIX 40 Index Securities under the Initial Offer, the investor is advised to contact his professional advisers, alternatively to contact the the Transfer Secretaries (Computershare Services Limited) directly on (011) 370-7888, alternatively Georgeson Shareholder Communications (as agent for the Manager) on 0861 100 670.

PRIMARY MARKET ACQUISITIONS OF SATRIX 40 INDEX SECURITIES

1. GENERAL

After the Listing Date investors shall be able to subscribe for SATRIX 40 Index Securities in the primary market: (i) by subscription *in kind*; or (ii) by subscription for cash.

2. SUBSCRIPTION *IN KIND*

- 2.1 Investors subscribing for SATRIX 40 Index Securities *in kind*, by the delivery of one or more whole Baskets of Shares, will be obliged to subscribe for SATRIX 40 Index Securities in Blocks of 1 million SATRIX 40 Index Securities.
- 2.2 The subscription price in respect of one Block of SATRIX 40 Index Securities comprises two components: the delivery of the Prescribed Number of Baskets and a cash component representing: (i) a *pro rata* portion of any Distributable Amount within the SATRIX 40 Trust at the subscription date; (ii) any cash amount that arises as a result of rounding the number of shares to be delivered, and (iii) the transaction fee payable in connection with the subscription. The cash component of the *in kind* subscription price will be published on a daily basis on the IndexCo/SATRIX 40 website.
- 2.3 At close of trading on each Trading Day the Manager (or its duly appointed agent) will determine the provisional specifications for *in kind* subscriptions for the following Trading Day. The Manager (or its duly appointed agent) will, accordingly, specify the number of shares of each Constituent Company (rounded up or down at the discretion of the Manager) comprising a Basket as well as the cash component to the subscription price. This information will be published daily on the IndexCo/SATRIX 40 website.
- 2.4 Application forms for *in kind* subscriptions are available from the Transfer Secretaries (Computershare Services Limited) on request.
- 2.5 Duly completed [blue] application forms should be delivered by hand, marked "SATRIX 40 Index Securities" to: Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001, or posted, at the risk of the applicant, marked "SATRIX 40 Index Securities" to: Computershare Services Limited, PO Box 61051, Marshalltown, 2107, marked "SATRIX 40 Index Securities" alternatively faxed to Computershare Services Limited (fax: (011) 370-7918), marked "SATRIX 40 Index Securities".
- 2.6 The application form should be accompanied by a **bank guaranteed** cheque or **guaranteed** banker's draft for the amount of the applicable cash portion and transaction fee (as published on the IndexCo/SATRIX 40 website). Postal orders and cash will not be accepted. Cheques must be crossed, marked "not transferable" and made payable in favour of "Computershare Services Limited –SATRIX 40 Index Securities" Electronic transfers/direct deposits must be specially arranged with Computershare Services Limited.
- 2.7 Should any cheque or banker's draft be revoked or dishonoured, the Manager (or its duly appointed agent) may, in its absolute discretion, regard the relevant application as revoked, or take such other steps in regard thereto as it deems fit.
- 2.8 At close of trading on each Trading Day the Manager (or its duly appointed agent) will determine, and publish on the IndexCo/SATRIX 40 website, the precise number of shares of each Constituent Company which an investor is required to deliver on the next succeeding Trading Day in order to be issued with one Block (i.e. 1 million) SATRIX 40 Index Securities. The investor will be required to deliver the specified shares (with documents of transfer in respect thereof signed in blank), together with its application form, and cheque to the Transfer Secretaries (Computershare Services Limited) at the address specified in 2.5 above.

- 2.9 The Manager reserves the right to accept or reject any application in whole or in part.
- 2.10 If an application is accepted, the applicant will receive an acknowledgement on the same date to which the application refers confirming that the application has been accepted.
- 2.11 No SATRIX 40 Index Securities will be issued to applicants until ownership of all securities has been transferred to the SATRIX 40 Trust (or its nominee) and the required cash amount paid.
- 2.12 The settlement period for *in kind* subscriptions for SATRIX 40 Index Securities will be no more than three Trading Days after the date of delivery of the requisite scrip in negotiable form from the applicant.
- 2.13 When an application is rejected, in whole or in part, a proportionate share of the transaction fee paid by the applicant shall be returned to the applicant without interest. Repayments shall be made by cheque or electronic transfer. Payments by electronic transfer will be made within 14 days of the date on which the application was received. Payments by cheque shall be posted (at the applicant's risk), within 14 days of the date of receipt of the application.
- 2.14 It should be noted that unless in the application form an investor specifically chooses to have a certificate issued to him, SATRIX 40 Index Securities will be issued to Computershare Services Limited nominees which will hold the shares on the investor's behalf. The investor will then be sent a SATRIX 40 Index Security statement evidencing that investor's ownership of the SATRIX 40 Index Securities allocated to him.
- 2.15 The Manager reserves the right temporarily to close applications.

3. SUBSCRIPTIONS FOR CASH

- 3.1 IndexCo will issue SATRIX 40 Index Securities for cash on a monthly basis for the benefit of large investors wanting to invest cash amounts in excess of R10 million in SATRIX 40 Index Securities.
- 3.2 The number of SATRIX 40 Index Securities issued to an applicant for cash will be determined by the amount which that applicant invests as a fraction of the cost to the SATRIX 40 Trust of acquiring the appropriate Underlying Portfolio.
- 3.3 Cash subscribers can acquire the appropriate application form directly from the Transfer Secretaries (Computershare Services Limited) on request.
- 3.4 Duly completed [pink] application forms should be delivered by hand, marked "SATRIX 40 Index Securities" to: Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001, or posted, at the risk of the applicant, marked "SATRIX 40 Index Securities" to: Computershare Services Limited, PO Box 61051, Marshalltown, 2107, marked "SATRIX 40 Index Securities" to be received by Computershare Services Limited by 12:00 on the second Friday of any calendar month. If the second Friday of any calendar month is not a Trading Day, then the application should be received by Computershare Services Limited by 12:00 on the Trading Day immediately preceding the second Friday of that calendar month.
- 3.5 The application form should be accompanied by a **bank guaranteed** cheque or **guaranteed** banker's draft for the amount which the applicant wishes to invest in SATRIX 40 Index Securities (which amount must be equal to or exceed R10 million). Postal orders and cash will not be accepted. Electronic transfers may be accepted, subject to agreement by the Manager. Cheques must be crossed, marked "not transferable" and made payable in favour of "Computershare Services Limited – SATRIX 40 Index Securities".
- 3.6 Subscribers for cash should be aware that the applicable transaction fee (details of which appear in Schedule II) will be deducted from any payment accompanying their application and, accordingly, the net amount will be invested in SATRIX 40 Index Securities. In addition, an amount equal to the *pro rata* distributable cash in the SATRIX 40 Trust will be deducted from the invested amount and will be held by the trustee of the SATRIX 40 Trust to be dealt with in accordance with their decisions pertaining to distributions from time to time.

- 3.7 Applications will only be regarded as complete when the relevant cheque/banker's draft has been paid. All cheques/banker's drafts will be deposited into a designated account immediately upon receipt. Should any cheque or banker's draft be dishonoured the Manager may, in its absolute discretion, regard the relevant application as revoked or take such other steps in regard thereto as it may deem fit.
- 3.8 Commencing on the first Trading Day immediately following the second Friday of every calendar month, there shall be a ramp up period during which the SATRIX 40 Trust shall acquire the appropriate Underlying Portfolio. The duration of this ramp up period shall be dependant upon prevailing market liquidity and the aggregate amount received by the Manager in cash subscriptions for the preceding calendar month. The cash subscription price per SATRIX 40 Index Security will be a function of the *pro rata* cost to the SATRIX 40 Trust of acquiring the Underlying Portfolio.
- 3.9 Notwithstanding the provisions of clause 3.8 above it is envisaged that to some extent the monthly demand for SATRIX 40 Index Securities by cash investors will be matched by demand to redeem SATRIX 40 Securities for cash (see page 36). If the net of this matching process is excess demand to acquire SATRIX 40 Index Securities, the Manager may elect to instruct IndexCo's sponsoring broker to acquire SATRIX 40 Index Securities in the secondary market, alternatively to instruct the Asset Manager to acquire Baskets and to procure that IndexCo issues 1 000 000 new SATRIX 40 Index Securities for every Basket acquired. The SATRIX 40 Index Securities acquired with amounts raised from cash investors (whether acquired in the secondary market or by fresh issue) shall be allocated amongst applicants *pro rata* according to the gross amount invested by each applicant.
- 3.10 SATRIX 40 Index Security statements (or certificates, if requested), evidencing allocations shall be posted to successful applicants, by registered post (at the applicants' risk). Applicants will only be informed of their actual individual allocations on receipt of their SATRIX 40 Index Security statements (or certificates, as the case may be). Accordingly, applicants who deal prior to the receipt of their SATRIX 40 Index Security statements (or certificates) do so at the risk of selling SATRIX 40 Index Securities for which they have not received an allocation.
- 3.11 The Manager reserves the right to accept any application in whole or in part. If no part of a cash application is accepted, all money paid on application will be returned to the applicant without interest. If a cash subscription is accepted in part the balance of the money paid on application (in excess of R8,50) will be returned to the applicant without interest. Amounts less than R8,50 will be used to improve index tracking in the ALSI 40 Trust.
- 3.12 Applicants shall be allotted and issued with so many SATRIX 40 Index Securities as may be fully paid-up out of any portion of their subscription accepted by the Manager (*less* the applicable transaction fee and a *pro rata* amount in respect of distributable cash) and the balance of the subscription amount accepted shall be applied to costs and expenses of the SATRIX 40 Trust. The portion of an applicant's cash subscription not utilised to acquire SATRIX 40 Index Securities will not exceed an amount representing the cash subscription price in respect of a single SATRIX 40 Index Security – in other words, it will be less than a Rand amount equal to approximately 1/1 000th of the ALSI 40 Index Level.
- 3.13 All repayment to applicants shall be made by cheque or electronic transfer. Cheques will be posted by registered post (at the risk of the applicant).
- 3.14 It should be noted that unless in the application form an investor specifically chooses to have a certificate issued to him, SATRIX 40 Index Securities will be issued to Computershare Services Limited nominees which will hold the shares on the investor's behalf. The investor will then be sent a SATRIX 40 Index Security statement evidencing that investor's ownership of the SATRIX 40 Index Securities allocated to him.
- 3.15 The Manager reserves the right temporarily to close applications.

4. CASH PURCHASES THROUGH THE MANAGER

Investors shall have the option of purchasing SATRIX 40 Index Securities *via* lump sum payments made directly to the Manager, provided that any such investment must be in excess of R100 million. The Manager should be contacted directly for appropriate arrangements to be made in respect of such applications.

SECONDARY MARKET ACQUISITIONS OF SATRIX 40 INDEX SECURITIES

1. An investor may buy or sell SATRIX 40 Index Securities on the JSE in the ordinary course.
2. Certificates in respect of SATRIX 40 Index Securities will be issued upon request. Unless certificates are specifically requested Holders will receive SATRIX 40 Index Security statements in respect of SATRIX 40 Index Securities beneficially owned by them.
3. Should a Holder wish to trade its SATRIX 40 Index Securities in the secondary market it will be necessary to obtain a certificate in order to effect settlement of the trade in accordance with the JSE's current settlement procedures. Holders wishing to acquire a certificate should contact their financial adviser, alternatively the Transfer Secretaries (Computershare Services Limited).
4. In due course IndexCo may participate in the Share Transactions Totally Electronic ("STRATE") system currently being implemented by the JSE. In that event all scrip then issued by IndexCo will be dematerialised and the rules applicable to STRATE transactions will apply in respect of SATRIX 40 Index Securities.
5.
 - 5.1 It is envisaged that IndexCo will implement a SATRIX 40 Index Securities Purchase Plan (the "Purchase Plan") in terms of which investors will have the option of purchasing SATRIX 40 Index Securities *via* lump sum payments or a monthly debit order facility. The Purchase Plan will be designed for the benefit of retail investors who do not have an account with a JSE member. In terms of the Purchase Plan participants will be able to both buy and sell SATRIX 40 Index Securities through an administrator appointed by the Manager for that purpose (the "Purchase Plan Administrator"). Details of the Purchase Plan will be made available by the Manager in due course.
 - 5.2 The Purchase Plan Administrator shall apply amounts received pursuant to the Purchase Plan for the purposes of acquiring SATRIX 40 Index Securities in the secondary market. The Purchase Plan Administrator will acquire, on behalf of participants, the maximum number of SATRIX 40 Index Securities that can be purchased in the secondary market, at prevailing market prices, out of the aggregate amount standing to the credit of that participant's account. SATRIX 40 Index Securities purchased by the Purchase Plan Administrator on behalf of participants shall be registered in a nominee account. SATRIX 40 Index Securities will be purchased and/or sold by the Purchase Plan Administrator on a daily basis in the secondary market.
 - 5.3 Funds not utilised to purchase SATRIX 40 Index Securities (which should not, in respect of any single investor, exceed an amount equal to the prevailing market price at which SATRIX 40 Index Securities are trading, plus the relevant transaction costs) will be held on account for the benefit of that participant and applied to subsequent purchases.

PROCEDURE FOR TAKING DELIVERY OF A BASKET OF SHARES

TAKING DELIVERY OF A BASKET OF SHARES

1. In addition to being able to sell SATRIX 40 Index Securities in the secondary market through a trade on the JSE, Holders of a Block of SATRIX 40 Index Securities will be entitled to take delivery of the Prescribed Number of Baskets on any Trading Day.
2. In the unlikely event that there is at any stage a real risk that IndexCo will not be able to meet the delivery obligations attaching to all the SATRIX 40 Index Securities in issue at that time, IndexCo will be entitled to place a moratorium on the exercise by Holders of the delivery rights attaching to issued SATRIX 40 Index Securities. IndexCo shall not, in any given year, suspend the right to exercise such delivery rights for more than 60 Trading Days in the aggregate. It is anticipated that such a moratorium will not effect the tradability of SATRIX 40 Index Securities in the ordinary course on the JSE.
3. At the date of issue of this Circular, for every Block of SATRIX 40 Index Securities in respect of which a Holder exercises the delivery rights, that Holder will be entitled to take delivery of one Basket of Shares. In addition to the delivery of one or more Baskets of Shares, a Holder exercising its delivery rights will be entitled to receive from IndexCo an amount in cash representing a proportionate interest in any Distribution Amount within the SATRIX 40 Trust which may be attributed to the Block/s in respect of which the Holder is exercising its delivery rights. The SATRIX 40 Index Securities comprising the Block in respect of which the Holder exercises its delivery rights shall be cancelled against delivery of the Prescribed Number of Baskets (together with the appropriate cash amount) to that Holder. The delivery rights attaching to SATRIX 40 Index Securities may only be exercised in respect of one or more whole Blocks of SATRIX 40 Index Securities. A transaction fee will be payable by a Holder exercising its delivery rights under SATRIX 40 Index Securities. The amount of the aforesaid transaction fee will be published on the IndexCo/SATRIX 40 website on a daily basis.
4. A Holder may exercise its delivery rights in respect of one or more whole Blocks of Index Securities on any Trading Day by forwarding a properly completed [blue] delivery notice (available from the Transfer Secretaries (Computershare Services Limited) on request) to Computershare Services Limited by facsimile (fax no. (011) 370-7918) during JSE trading hours on that day. The original delivery notice should follow by post or by physical delivery within five Business Days. SATRIX 40 Index Security statements/certificates evidencing the SATRIX 40 Index Securities in respect of which the Holder is exercising its delivery rights must similarly be delivered to Computershare Services Limited in negotiable form. Once settlement of Index Securities is effected *via* the STRATE system, the delivery of certificates will not be a requirement for the valid exercise by a Holder of its delivery rights. The address of Computershare Services Limited, to which the delivery notice should be posted or delivered is Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107). Delivery notices received during JSE trading hours on any Trading Day will, if accepted, be dealt with using the composition of a Basket of Shares representing the ALSI 40 Index at close of business on the previous Trading Day. If a delivery notice is received after close of trading on the relevant Trading Day, the delivery notice will automatically be submitted for acceptance on the next succeeding Trading Day. If a delivery notice is accepted, the relevant Holder will receive confirmation of such acceptance before close of business on the Trading Day on which the delivery notice is received. In addition the Holder shall receive confirmation of the number of shares of each of the Constituent Companies comprising the Basket/s to be delivered to that Holder, the amount of cash (if any) which will be paid to it (after taking into account any stamp duty charges incurred in relation to the Basket or Baskets and any transaction fee which may be charged, all of which will be for the account of the Holder) and details of the account into which such payment shall be made. The cost of any settlement by electronic bank transfer will be passed on to the Holder.
5. Where IndexCo is unable to deliver any share included in the Basket to a Holder exercising its delivery rights:
 - 5.1 as a result of the suspension or delisting of that share on the JSE, then IndexCo will exclude that share from the Basket delivered to the relevant Holder and will instead deliver that share to the Holder in question within three Business Days after the suspension is lifted or after the delisted shares become available, as the case may be;

- 5.2 for any other reason, other than the reasons specified above, then IndexCo will exclude that share from the Basket delivered to the relevant Holder and will instead pay the Holder an amount in cash equal to the value of that share (being the ruling price quoted at close of JSE trading hours on the date of receipt of the delivery note).
6. The standard settlement period for the delivery of Baskets (and the payment of any ancillary cash amounts) shall be the standard settlement periods applied to securities traded on the JSE in the ordinary course.
7. Any stamp duty or other transfer duty or tax payable in respect of the exercise by a Holder of the delivery rights attaching to SATRIX 40 Index Securities will be for the account of that Holder.
8. Holders of SATRIX 40 Index Securities are advised to consult with their financial adviser or securities dealer prior to exercising their delivery rights under their SATRIX 40 Index Securities.

RISK FACTORS

Investors' attention is drawn to the risk factors set out below. This does not purport to be an exhaustive list of the risk factors relating to any investment in SATRIX 40 Index Securities.

1. INVESTMENT RISK

- 1.1 There can be no assurance that the SATRIX 40 Trust will achieve its investment objective (as set out in the section entitled "Investment objectives and policies").
- 1.2 The Net Asset Value of SATRIX 40 Index Securities will rise and fall as the capital value of the Underlying Portfolio held by the SATRIX 40 Trust fluctuates.
- 1.3 The total return achieved on SATRIX 40 Index Securities will be impacted upon by the total return achieved on the Underlying Portfolio held by the SATRIX 40 Trust and the return achievable on SATRIX 40 Index Securities can be expected to fluctuate in response to changes in the total return achieved by the Underlying Portfolio. The total return achieved will also be impacted upon by distributions, if any, that Holders may or may not receive. It is to be noted that the ambition of the structure is to provide Holders of SATRIX 40 Index Securities with a price and yield return equal to the price and yield return on a *pro rata* portion of a Basket. In this regard "yield return" is measured on a gross Rand for Rand basis and does not take into account the tax implications of that gross return in the hands of any Holder.
- 1.4 The SATRIX 40 Trust may not be able to replicate exactly the performance of the ALSI 40 Index because the total return generated by the Underlying Portfolio held by the SATRIX 40 Trust will be reduced by certain costs and expenses incurred by the SATRIX 40 Trust. Such costs and expenses are not incurred in the calculation of the ALSI 40 Index.
- 1.5 The SATRIX 40 Trust may also not fully replicate the performance of the ALSI 40 Index owing to the temporary unavailability of certain securities in the secondary market or owing to other extraordinary circumstances and, accordingly, there may be a deviation from the precise weighting of the ALSI 40 Index.
- 1.6 Where securities comprising the ALSI 40 Index are suspended from trading or where other market disrupting events occur it may not be possible to rebalance the portfolio of securities held by the SATRIX 40 Trust and this may lead to a tracking error.
- 1.7 There is a risk that IndexCo will exercise its right to place a temporary moratorium on the exercise by Holders of the delivery rights attaching to SATRIX 40 Index Securities. In any given year IndexCo shall not suspend the delivery rights attaching to SATRIX 40 Index Securities for more than 60 Trading Days, in aggregate. The imposition of any such moratorium shall not affect the tradability of SATRIX 40 Index Securities on the JSE.
- 1.8 Although the basis of allocation of SATRIX 40 Index Securities under the Initial Offer will be publicly announced after the end of the ramp up period in respect of cash subscribers, applicants subscribing with cash will only be informed of their individual allocations on receipt of their SATRIX 40 Index Security statements (or certificates, as the case may be). Accordingly, applicants who deal/trade prior to the receipt of their SATRIX 40 Index Security statements (or certificates, as the case may be), do so at the risk of selling SATRIX 40 Index Securities for which they have not received an allocation.
- 1.9 In respect of cash subscribers, there may be a small amount of cash left over after allocating the SATRIX 40 Index Securities to cash subscribers. This amount will not be returned to subscribers but will be retained by the SATRIX 40 Trust and applied by it in improving its tracking of the ALSI 40 Index.
- 1.10 A Block, in respect of SATRIX 40 Index Securities, means (at the date of this Offering Circular) 1 million SATRIX 40 Index Securities. Holders holding less than a Block of SATRIX 40 Index Securities may not demand delivery by IndexCo of a Basket of Shares and, if it is the intention of such Holders to reduce their holding of SATRIX 40 Index Securities they may have to do so by selling or otherwise disposing of such SATRIX 40 Index Securities in the secondary market.

- 1.11 Holders of SATRIX 40 Index Securities are discretionary beneficiaries of the SATRIX 40 Trust. Accordingly there can be no guarantee that Holders will receive quarterly distributions. Holders will have no right to require the trustee of the SATRIX 40 Trust to effect quarterly distributions.

2. INDEX RISK

- 2.1 There is no assurance that the ALSI 40 Index will continue to be calculated and published on the same or a similar basis indefinitely. The ALSI 40 Index was created by the JSE as a measure of market performance and not for the purpose of trading in SATRIX 40 Index Securities. Accordingly, the JSE, as proprietor of the ALSI 40 Index may adjust or withdraw the ALSI 40 Index without regard to the particular interests of Holders.
- 2.2 The past performance of the ALSI 40 Index is not necessarily a guide to its future performance.
- 2.3 If for any reason the ALSI 40 Index ceases to exist then if, in the reasonable opinion of the Directors, there is a successor Index composed and weighted according to substantially similar criteria as are applied with respect to the ALSI 40 Index, the portfolio of securities held by the SATRIX 40 Trust shall be adjusted to track the agreed successor Index.
- 2.4 If in the reasonable opinion of the Directors there is not an appropriate successor to the ALSI 40 Index, then the SATRIX 40 Trust will continue to hold the portfolio of securities which it held at close of trading on the last day on which the ALSI 40 Index was in existence. SATRIX 40 Index Securities will thereafter track the price and yield performance of that particular portfolio, which portfolio will thereafter cease to be adjusted. Exercise of the delivery rights attaching to a Block of SATRIX 40 Index Securities will, in these circumstances, give rise to the right to claim delivery of a Basket as constituted on the last day on which the ALSI 40 Index was in existence.

3. SECONDARY TRADING RISK

- 3.1 Index Securities have not previously been traded on the JSE. There can be no certainty as regards the liquidity in SATRIX 40 Index Securities on the JSE or that the market price of a SATRIX 40 Index Security will be the same (or substantially the same) as its Net Asset Value. However, Gensec Bank Limited and Corpcapital Bank Limited have undertaken to use their best endeavours to make a market in SATRIX 40 Index Securities.
- 3.2 There can be no guarantee that, once SATRIX 40 Index Securities are listed on a stock exchange, they will remain listed.

4. TAXATION

- 4.1 Prospective investors in SATRIX 40 Index Securities should obtain their own tax advice on the tax treatment to be applied to the purchase, holding and eventual disposal by a Holder. The Directors are of the view that, insofar as Holders are concerned, the purchase, holding and eventual disposal by a Holder of SATRIX 40 Index Securities should, for taxation purposes, be treated according to all the usual and applicable rules relating to the categorisation of an asset and its return as capital or revenue in the hands of a Holder.
- 4.2 The SATRIX 40 Trust may have realised capital gains at the end of a tax period which may result in the SATRIX 40 Trust being liable for Capital Gains Tax on net realised capital gains. The payment of the tax will require the SATRIX 40 Trust to apply income (and if the income of the SATRIX 40 Trust is insufficient, to realise securities held within the SATRIX 40 Trust's portfolio) to discharge the tax.

5. OPERATIONAL RISKS

- 5.1 If shares in Constituent Companies are suspended or cease trading for any reason, the suspended shares will not be delivered to a Holder exercising its right to take delivery of a Basket of Shares until the suspension on trading in respect of those shares is lifted.
- 5.2 If the computer or other facilities of the JSE malfunction, calculation of the ALSI 40 Index Level may be delayed and trading in SATRIX 40 Index Securities may be suspended for a period of time.

- 5.3 Adjustments to the portfolio held by the SATRIX 40 Trust (necessitated by adjustments to the ALSI 40 Index) could affect the underlying market in shares of Constituent Companies which, in turn, would be reflected in the ALSI 40 Index Level and the Basket Price. Similarly, issues of SATRIX 40 Index Securities may result in an impact on the market for shares of a Constituent Company caused by buying or borrowing of shares of a Constituent Company to constitute Baskets of Shares for deposit with the SATRIX 40 Trust, or by virtue of the SATRIX 40 Trust purchasing shares in Constituent Companies in acquiring its Underlying Portfolio.
- 5.4 The SATRIX 40 Trust may have realised capital gains at the end of a tax period which may result in the SATRIX 40 Trust being liable for Capital Gains Tax on net realised capital gains. The payment of the tax will require the SATRIX 40 Trust to apply income (and if the income of the SATRIX 40 Trust is insufficient, to realise securities held within the SATRIX 40 Trust's portfolio) to discharge the tax.
- 5.5 The trustee of the SATRIX 40 Trust is permitted to engage in or authorise securities lending in respect of securities held by the SATRIX 40 Trust, provided that adequate, market-related collateral is obtained from borrowers. If a borrower of securities from the SATRIX 40 Trust fails to perform its obligations, the SATRIX 40 Trust may be unable to recover the loaned securities. However, given the quality and value of the collateral security which the SATRIX 40 Trust is required to obtain for such loans, the fact that such collateral will be marked to market on a daily basis and supplemented immediately if deficient, and given the institutional nature of the borrowers to whom the SATRIX 40 Trust proposes to lend its securities, this risk is, in the view of the Directors, extremely low.

MANAGEMENT AND ADMINISTRATION

1. THE BOARD OF DIRECTORS

The Directors of IndexCo are all non-executive. The full names, ages, addresses and occupations of the Directors are set out below:

Name	Age	Qualifications	Business address	Occupation and experience
Russell Mark Loubser	50	CA(SA); M Com	JSE, Exchange Square 2 Gwen Lane Sandown	Executive President of the JSE (appointed 1997) Executive Director in charge of financial markets at RMB (1989 – 1996); previous chairman of SAFEX
Robert Newton	54		JSE, Exchange Square 2 Gwen Lane Sandown	Member of the JSE's Executive Committee; JSE Company Secretary; Employed at JSE since 1972
Nicola Frances Newton-King	34	BA, LLB, LLM	JSE, Exchange Square 2 Gwen Lane Sandown	Member of the JSE's Executive Committee; Director of New Business and General Counsel at the JSE; Joined the JSE in 1996; previously a partner in the Financial Services Unit of Webber Wentzel Bowers Attorneys
Leanne Violet Parsons	35	B Com	JSE, Exchange Square 2 Gwen Lane Sandown	Member of the JSE's Executive Committee; in charge of strategy formulation, marketing, corporate communications and customer services at the JSE, where she has been employed for 15 years

2. THE TRUSTEE

The trustee of the SATRIX 40 Trust has been appointed as an independent trustee by the Directors of IndexCo. Details of the trustee are set out below:

Trustee: Webber Wentzel Bowers Trustees 1 (Proprietary) Limited (Registration number 2000/025387/07), 60 Main Street, Johannesburg, 2001 (PO Box 61771, Marshalltown, 2107).

3. THE MANAGER

3.1 IndexCo Managers (Proprietary) Limited has been appointed as the Manager of IndexCo and the SATRIX 40 Trust on the terms set out in the Management Agreement. Under the terms of the Management Agreement, the Manager is responsible for the management and administration of IndexCo and the SATRIX 40 Trust, subject to the overall supervision of the trustee.

3.2 The Manager is a private limited liability company, the shares of which are held equally by the JSE, Corpcapital Bank Limited and Gensec Bank Limited. The Manager's main business is the provision of management and administration services to IndexCo and the SATRIX 40 Trust.

3.3 The board of directors of the Manager is comprised by Russell Mark Loubser and Robert Newton of the JSE, Adam Peter Lindsley Bunkell and Michael Fitzclarence Brown of Gensec Bank Limited and Bill Bamber and Temi Chidi Ofong of Corpcapital Bank Limited.

- 3.4 The Management Agreement provides for the appointment of the Manager on an evergreen basis. Notwithstanding the foregoing, the Management Agreement may be terminated at any time by either party in the event of the other party failing to remedy a breach of the Management Agreement within 30 days of having been requested to do so. The Management Agreement may be terminated at any time by IndexCo in the event that the Manager is liquidated (whether provisionally or finally) or placed under judicial management.
- 3.5 The Manager shall be liable for any loss suffered by the SATRIX 40 Trust in connection with the performance of its obligations under the Management Agreement resulting from fraud, wilful default, gross negligence or reckless disregard. IndexCo and the SATRIX 40 Trust indemnify the Manager against all liabilities, damages, costs, claims and expenses (including the reasonable fees of its professional advisers and amounts reasonably paid in settlement) incurred by the Manager in the performance or non-performance of its obligations and duties under the Management Agreement, except where the loss arises from the fraud, wilful default or gross negligence by the Manager.

4. THE ASSET MANAGER

- 4.1 The trustee for the time being of the SATRIX 40 Trust has contracted for the investment and re-investment of the SATRIX 40 Trust's assets with Gensec Asset Management (the "Asset Manager") in terms of the Asset Management Agreement. The Asset Manager will be responsible for the investment management of the assets of the SATRIX 40 Trust in accordance with the investment objectives and policies described in this Circular (as it may be amended or supplemented from time to time) subject always to the supervision and direction of the trustee (or their duly appointed agent).
- 4.2 The Asset Manager will not be liable for any losses sustained by reason of the adoption of any investment policy set out in this Circular, but nothing will protect the Asset Manager against liability to the SATRIX 40 Trust for any loss or damages suffered by the SATRIX 40 Trust by reason of the fraud, wilful default, recklessness or gross negligence of the Asset Manager in respect of its obligations or functions under the Asset Management Agreement. The Asset Management Agreement provides for the appointment of the Asset Manager for an initial period of three years and shall continue thereafter unless terminated by any party on not less than 30 days' written notice to the other; provided that the Asset Management Agreement may immediately be terminated at any time by either party in the event that the other party goes into liquidation or is unable to pay its debts or commits an act of insolvency or commits a material breach of the Asset Management Agreement and fails to remedy the breach within 30 days of being requested to do so, or if the Asset Manager ceases to be permitted under the applicable laws and regulations to act as such.

5. DETERMINATION OF NET ASSET VALUE

- 5.1 The Manager shall procure that the Net Asset Value per SATRIX 40 Index Security is determined at close of trading on each Trading Day and published on the IndexCo/SATRIX 40 website. The Net Asset Value of each SATRIX 40 Index Security shall be calculated by deducting the liabilities of the SATRIX 40 Trust from the assets of the SATRIX 40 Trust (giving the Net Asset Value of the SATRIX 40 Trust) and dividing the Net Asset Value of the SATRIX 40 Trust by the number of SATRIX 40 Index Securities in issue. The Net Asset Value per SATRIX 40 Index Security may be adjusted to the nearest cent at the discretion of the Manager. The value of the assets of the SATRIX 40 Trust shall be determined as set out below.
- 5.2 Assets listed or traded on a regulated market for which market quotations are readily available shall be valued at the official closing price on the relevant market for such investment on the Trading Day in respect of which the valuation is being effected.
- 5.3 If an asset is listed or traded on several regulated markets, the official closing trading price on the JSE will be used.

- 5.4 In the event that on the relevant Trading Day any assets are not listed or traded on any regulated market and market quotations are not readily available or if, in the opinion of the Manager (or its duly appointed agent), the official closing prices of certain assets do not reflect the fair value of those assets, then such assets shall be valued at their probable realisation value determined by the Manager (or its duly appointed agent) with care and good faith. Such probable realisation value will be determined:
- 5.4.1 by using the original purchase price; or
 - 5.4.2 where there have been subsequent trades with substantial volumes, by using the last traded price (provided that the Manager considers such trade to have been at armslength); or
 - 5.4.3 where the Manager believes the asset in question has suffered a diminution in value, by using the original purchase price which shall be discounted to reflect such diminution; or
 - 5.4.4 the Manager may use such probable realisation value (estimated with care and in good faith) as may be recommended by a competent professional appointed by the Manager for such purpose.
- 5.5 Cash and other liquid assets will be valued at their face value with interest accrued, where applicable. Any Distribution Amount within the SATRIX 40 Trust shall form part of the assets of the SATRIX 40 Trust for the purposes of calculating Net Asset Value of the SATRIX 40 Trust.
- 5.6 In the event of it being impossible or impractical to carry out a valuation of a specific asset/investment in accordance with the valuation rules set out above, or if such valuation is not representative of the fair market value in the context of marketability and such other considerations which are deemed relevant, the Manager (or its duly appointed agent, as the case may be) is entitled to use other generally recognised valuation methods in order to reach a proper valuation of that specific asset/investment.

6. FEES, COSTS AND EXPENSES

- 6.1 The SATRIX 40 Trust is responsible for all of its fees, costs and expenses and any costs and expenses of IndexCo which may be allocated to it. These fees, costs and expenses may include the fees, costs and expenses of: (i) management, administration, advisory and other third party services; (ii) preparation, printing and posting of offering documents and reports to Holders and any Government or regulatory agencies; (iii) taxes (including Value-Added Tax, stamp duty and marketable securities tax); (iv) commissions and brokerage fees; (v) auditing and legal fees, (vi) insurance premiums, (vii) the costs and expenses of listing and maintaining a listing of SATRIX 40 Index Securities on stock exchanges, and (viii) certain other operating expenses.
- 6.2 The fees, cost and expenses of the SATRIX 40 Trust will be paid out by the Manager. The SATRIX 40 Trust will reimburse the Manager in respect of the annual expenses of the SATRIX 40 Trust paid by the Manager. The SATRIX 40 Trust will pay the Manager an annual fee of 5% calculated on the actual annual expenses paid by the Manager on behalf of the SATRIX 40 Trust during the preceding year including the costs of sub-contracting certain of the management services.
- 6.3 For the purpose of this section “annual expenses” means all fees, costs and expenses connected with the establishment, management and operation of IndexCo and the SATRIX 40 Trust and the assets within the SATRIX 40 Trust, including, but not limited to, the fees and reasonable out-of-pocket expenses of the Manager, fees and expenses incurred in relation to preparing, printing and distributing offering documentation and reports (if any) to Holders, the costs and expenses of listing and maintaining a listing of the SATRIX 40 Index Securities on any stock exchange on which SATRIX 40 Index Securities are listed, professional fees and expenses, annual audit fees, marketing expenses, insurance premiums and trustee fees. It is recorded that the JSE has not charged IndexCo or the SATRIX 40 Trust for the granting by the JSE of permission to use the name “ALSI 40” and permission to track the ALSI 40 Index, but it reserves the right to do so in the future, in which event this cost will be included in “annual expenses”.
- 6.4 The annual expenses will not include any taxation (including stamp duty or marketable securities tax) for which the SATRIX 40 Trust may be liable, commissions and brokerage fees incurred with respect to the SATRIX 40 Trust’s investments, and any extraordinary or exceptional costs and expenses as may arise from time to time (such as litigation in relation to IndexCo or the SATRIX 40 Trust). These costs will be charged directly to the SATRIX 40 Trust (or IndexCo, as the case may be).

- 6.5 It should be noted that if and to the extent that the actual income yield (net of expenses) actually achieved on the Underlying Portfolio held by the SATRIX 40 Trust (between Record Dates) exceeds the hypothetical dividend yield (for that same period) calculated on a portfolio of securities made up of as many Baskets (*pro rata*) as results for dividing the total number of SATRIX 40 Index Securities in issue at the time by 1 000 000, such excess return (or outperformance) shall accrue to the Vested Beneficiaries.
- 6.6 The following are the significant fixed costs anticipated to be incurred by the SATRIX 40 Trust on an annual basis:
- 6.6.1 asset management fees: 10 basis points (0,1%) of the SATRIX 40 Trust's total assets; and
- 6.6.2 administration fees: 3 basis points (0,03%) of the SATRIX 40 Trust's total assets.
- 6.7 The remainder of the anticipated costs are variable, but the total is not anticipated to exceed 50 basis points per year (i.e. 0,5%).

OTHER

1. REDEMPTIONS FOR CASH

- 1.1 The Manager will redeem SATRIX 40 Index Securities from Holders for cash in amounts of **R10 million** or more. Holders who wish to have their SATRIX 40 Index Securities redeemed in this manner must deliver SATRIX 40 Index Securities to the value of R10 million to Computershare Services Limited before 12:00 on the second Friday of any calendar month. If the second Friday of any calendar month is not a Trading Day, then the SATRIX 40 Index Securities must be delivered to Computershare Services Limited before 12:00 on the Trading Day immediately preceding the second Friday of that month. In effect the Manager (or its duly authorised agent) will deal with the relevant SATRIX 40 Index Securities by matching buyers (subscribers for cash) and sellers (redeemers for cash) on the Trading Day immediately following the second Friday of each calendar month and then either execute the net buy or sell transaction in the secondary market or sell off *pro rata* portions of the SATRIX 40 Trust's Underlying Portfolio on a "ramp down" basis. The Holder will receive an amount in cash equal to the proceeds realised by the Manager (or its agent) net of brokerage fees.
- 1.2 A Holder requiring the Manager to redeem SATRIX 40 Index Securities for cash must deliver to Computershare Services Limited a properly completed redemption notice (available from Computershare Services Limited on request) together with statements/certificates evidencing the SATRIX 40 Index Securities which that Holder requires to be redeemed in negotiable form.
- 1.3 Once settlement of Index Securities is effected *via* the STRATE system, the requirement of the delivery of statements will fall away.
- 1.4 The address to which the redemption notice and statements (if applicable) should be posted or delivered is Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107).
- 1.5 If a redemption notice is accepted, the relevant Holder will receive confirmation of such acceptance before close of business on the Trading Day following the day on which Computershare Services Limited received the redemption notice, or by close of business on the second Friday of each calendar month, whichever is the earlier. On disposal (or de-listing as the case may be) by the Manager (or its agent) of the SATRIX 40 Index Securities in question the Holder shall receive confirmation of the gross proceeds realised by the Manager, the applicable administration fee and details of the account into which payment of the proceeds shall be made. The cost of any MST, brokerage or stamp duty incurred in the disposal of the SATRIX 40 Index Securities (or any *pro rata* portion of the Underlying Portfolio, as the case may be) as well as the cost of any settlement by electronic bank transfer shall be for the account of the Holder.

2. TRANSFER OF SATRIX 40 INDEX SECURITIES

- 2.1 All transfers of SATRIX 40 Index Securities shall be effected by transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of a SATRIX 40 Index Security shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the Holder of the SATRIX 40 Index Security until the name of the transferee is entered into the security register in respect thereof.
- 2.2 Certificates in respect of SATRIX 40 Index Securities will be issued upon request. Unless certificates are specifically requested Holders will receive SATRIX 40 Index Security statements in respect of SATRIX 40 Index Securities beneficially owned by them.
- 2.3 Should a Holder wish to trade its SATRIX 40 Index Securities in the secondary market it will be necessary to obtain a certificate in order to effect settlement of the trade in accordance with the JSE's current settlement procedures. Holders wishing to acquire a certificate should contact their financial adviser, alternatively the Transfer Secretaries (Computershare Services Limited).

2.4 The Directors may decline to register any transfer of SATRIX 40 Index Securities unless the instrument of transfer is deposited at such place as the Directors may reasonably require together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer.

3. PUBLICATION OF NAV OF SATRIX 40 INDEX SECURITIES

Except where the determination of the Net Asset Value has been suspended, in the circumstances described below, the Net Asset Value per SATRIX 40 Index Security shall be made available on a daily basis on the IndexCo/SATRIX 40 website. Such information shall relate to the Net Asset Value per SATRIX 40 Index Security for the previous Trading Day and is published for information only. Such information shall not constitute an invitation to subscribe for or convert SATRIX 40 Index Securities at that Net Asset Value.

4. TEMPORARY SUSPENSION OF VALUATION OF SATRIX 40 INDEX SECURITIES AND THE ABILITY TO EXERCISE DELIVERY RIGHTS UNDER SATRIX 40 INDEX SECURITIES

4.1 IndexCo may temporarily suspend the determination of the Net Asset Value and/or ability to exercise delivery rights in respect of SATRIX 40 Index Securities during any period when:

4.1.1 any market or stock exchange which is the main market for a significant part of the SATRIX 40 Trust's investments is closed, or when dealings in any such investments on any such market or exchange are restricted or suspended;

4.1.2 any period when any circumstance exists which makes the disposal or valuation of investments of the SATRIX 40 Trust not reasonably practicable and seriously detrimental to the interests of the Holders;

4.1.3 any period when there is any breakdown in the means of communication normally employed in determining the price of the SATRIX 40 Trust's investments or when for any other reason the current prices on any market or stock exchange of any investments of the SATRIX 40 Trust cannot be reasonably, promptly or accurately ascertained;

4.1.4 any period when proceeds of the sale or repurchase of SATRIX 40 Index Securities cannot be transmitted to or from IndexCo's or the SATRIX 40 Trust's account.

4.2 Any such suspension shall be published by IndexCo or the Manager in such manner as it may deem appropriate to the persons likely to be affected thereby. Where practicable, IndexCo shall take all reasonable steps to bring such a suspension to an end as soon as possible.

5. MARKET MAKERS

Gensec Bank Limited and Corpcapital Bank Limited have undertaken to use their best endeavours to make a market in SATRIX 40 Index Securities, and to ensure that quoted bid and offer prices are available at any given time on any Trading Day.

6. EXCHANGE CONTROL REGULATIONS

6.1 The following summary is intended as a guide and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your professional adviser:

6.1.1 South African Exchange Control Regulations

6.1.1.1 A former resident of the Common Monetary Area, who has emigrated from the Republic of South Africa ("South Africa"), may use blocked Rand to purchase SATRIX 40 Index Instruments in terms of this Circular.

6.1.1.2 All payments in respect of applications for SATRIX 40 Index Instruments by non-residents using blocked Rand must be made through a South African authorised dealer in foreign exchange.

6.1.1.3 SATRIX 40 Index Security statements issued in respect of SATRIX 40 Index Securities purchased with blocked Rand in terms of this Circular will be endorsed "non-resident" in accordance with the Exchange Control Regulations of South Africa. Statements will be placed under the control of the authorised dealer through whom the payment was made.

6.1.2 *Applicants resident outside the Common Monetary Area*

- 6.1.2.1 A person who is not resident in the Common Monetary Area should obtain advice as to whether any governmental and/or legal consent is required and/or whether any other formality must be observed to enable a subscription for SATRIX 40 Index Securities to be made under the Initial Offer and thereafter.
- 6.1.2.2 Nothing contained in this Circular constitutes an offer in any area of jurisdiction in which it is illegal to make such an offer. In such circumstances, this Circular and the application forms attached hereto are sent for information purposes only.
- 6.1.2.3 All SATRIX 40 Index Security certificates issued to non-residents of South Africa will be endorsed “non-resident” in accordance with the Exchange Control Regulations of South Africa.

7. DOCUMENTS AVAILABLE FOR INSPECTION

The following documents, or copies thereof, will be available for inspection during office hours at the offices of the JSE and the Co-Arrangers from the date of opening of the offer period in respect of the Initial Offer until the Listing Date:

- 7.1 the memorandum and articles of association of IndexCo;
- 7.2 the Trust Deed in respect of the ALSI 40 Trust;
- 7.3 the Management Agreement entered into between IndexCo, the Manager and the SATRIX 40 Trust; and
- 7.4 the Asset Management Agreement entered into between the Manager, the Asset Manager and the SATRIX 40 Trust.

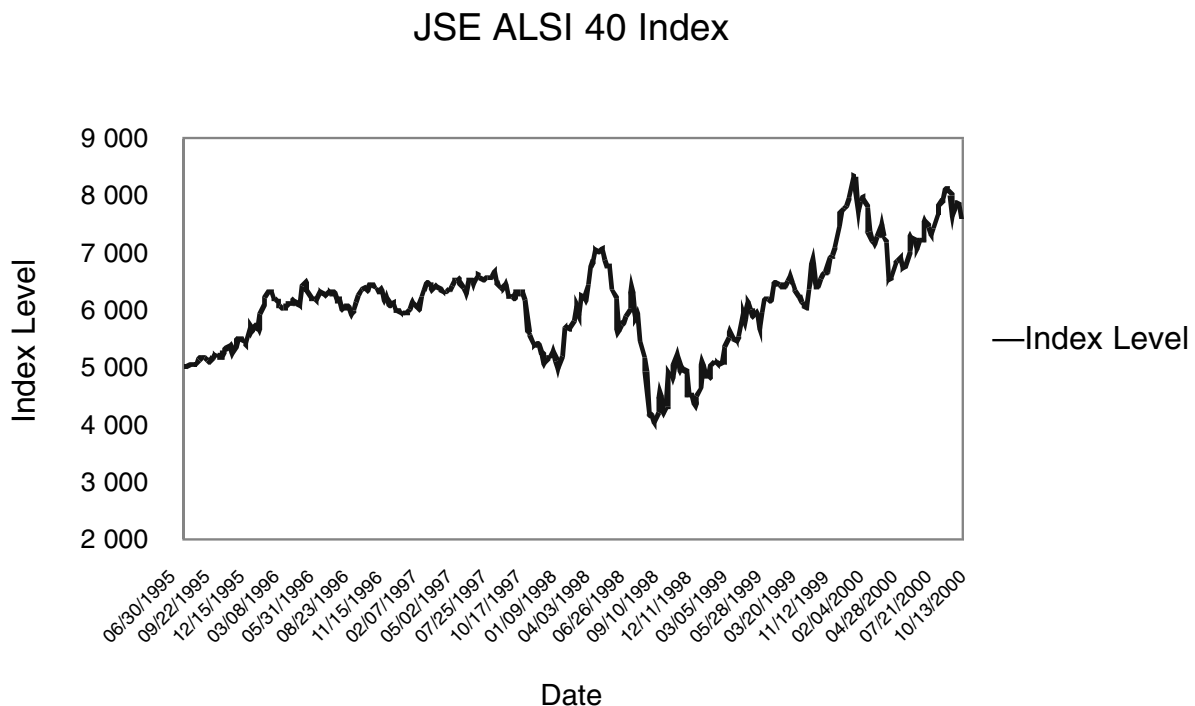
ANSWERS TO BASIC QUESTIONS

1. WHAT IS THE ALSI 40 INDEX?

- 1.1 The JSE/Actuaries All Share 40 Top Companies Index (ALSI 40 Index) is an equity index intended to reflect the performance of the South African ordinary share market as a whole. A relatively small proportion of the total number of securities listed on the JSE are incorporated into the index on the basis that movements in the share prices of those Constituent Companies can be said to represent the movement of the market as a whole. Companies selected for inclusion in the ALSI 40 Index are generally larger companies of sound financial standing having widely traded and marketable shares. The market capitalisation of a company as well as the liquidity of its shares (i.e. the annual Rand value of the shares traded) are used as a means of evaluating the eligibility of a company for inclusion in the ALSI 40 Index.
- 1.2 The current composition of the ALSI 40 Index is set out in Schedule I.
- 1.3 The JSE has granted Indexco and the SATRIX 40 Trust permission to use the name “ALSI 40” and to track the ALSI 40 Index. It has not charged any fee for granting this permission but reserves the right to do so.

2. HOW HAS THE ALSI 40 INDEX PERFORMED HISTORICALLY?

The following graph illustrates the monthly closing Index Level of the ALSI 40 Index from 30 June 1995 to 13 October 2000. The closing Index Level of the ALSI 40 Index on 13 October 2000 was 7577,19. This information is not necessarily indicative of the future performance of the ALSI 40 Index.



3. WHAT ARE SATRIX 40 INDEX SECURITIES?

- 3.1 SATRIX 40 Index Securities are listed securities tradable on the JSE. SATRIX 40 Index Securities are securities intended to enable an investor, in a single, affordable instrument, to substantially replicate the price and yield performance of the ALSI 40 Index and, in one convenient security, to share economic benefits similar to those obtained through holding directly a Basket of Shares replicating the ALSI 40 Index.

3.2 A Holder of SATRIX 40 Index Securities will:

- 3.2.1 be entitled to sell the SATRIX 40 Index Securities for cash on any stock exchange on which that Index Security is listed, at the current market price thereof;
- 3.2.2 in sufficient quantities (presently R10 million or more) be entitled (on a monthly basis) to require the Manager to redeem SATRIX 40 Index Securities for cash;
- 3.2.3 be entitled to physical delivery of one or more Baskets of Shares, subject to the Holder complying with the procedure for taking delivery of a Basket;
- 3.2.4 subject to the SATRIX 40 Trust effecting a distribution (which it is anticipated it will do on a quarterly basis), receive income flows arising from the SATRIX 40 Trust.

4. **HOW WILL THE MARKET VALUE OF SATRIX 40 INDEX SECURITIES BE DETERMINED?**

At any point in time the market value of a SATRIX 40 Index Security may be expected to reflect 1/1 000th of the Basket Price of a Basket representing the ALSI 40 Index or 1/1 000th of the ALSI 40 Index Level, plus an amount which reflects a *pro rata* portion of any Distribution Amount within the SATRIX 40 Trust. Actual market values may be affected by supply and demand and other market factors, but the ability of a Holder to “switch out” of SATRIX 40 Index Securities by exercising the delivery rights attaching thereto, should operate to substantially avoid or minimise any differential which may otherwise arise between the relevant Basket Price/Index Level and the value at which the SATRIX 40 Index Securities trade on the JSE from time to time.

5. **HOW DOES AN INVESTOR BUY OR SELL SATRIX 40 INDEX SECURITIES?**

An investor may buy or sell SATRIX 40 Index Securities through a registered member of the JSE or, in sufficient amounts, directly through the Manager.

6. **HOW DOES AN INVESTOR FIND OUT THE PRICE AND OTHER INFORMATION RELATING TO SATRIX 40 INDEX SECURITIES?**

On each Trading Day the Manager will publish the NAV per SATRIX 40 Index Security, the distributable amount within the SATRIX 40 Trust, the constitution of a Basket of ALSI 40 shares, the cash amount which an investor wishing to subscribe *in kind* must deliver on the following Trading Day and the cash amount which a Holder wishing to exercise his delivery rights in respect of a Block of SATRIX 40 Index Securities must submit on the following Trading Day. Such information will be made available on the IndexCo/SATRIX 40 website. Any other information which an investor may require in respect of SATRIX 40 Index Securities and any rights attaching thereto shall be available from the information Agents, Georgeson Shareholder Communications on 0861 100 670.

7. **WHAT IS THE SATRIX 40 TRUST?**

- 7.1 The SATRIX 40 Trust is a registered discretionary trust.
- 7.2 The trustee of the SATRIX 40 Trust is an independent trustee appointed by the Directors, details of whom appear on page 32 of this Circular.
- 7.3 The SATRIX 40 Trust holds the Underlying Portfolio representing the ALSI 40 Index. The sole discretionary capital beneficiary of the SATRIX 40 Trust is IndexCo. Potential discretionary income beneficiaries of the ALSI 40 Trust include IndexCo and all the Holders of SATRIX 40 Index Securities. It is anticipated that the net income of the SATRIX 40 Trust (comprising dividend income, interest and securities lending revenue *less* expenses) shall be distributed quarterly to Holders of SATRIX 40 Index Securities, *pro rata* according to the number of SATRIX 40 Index Securities held by each Holder.
- 7.4 Holders of SATRIX 40 Index Securities shall have no beneficial interest in the portfolio of securities held by the SATRIX 40 Trust.

8. WHAT DISTRIBUTIONS WILL BE EFFECTED BY THE SATRIX 40 TRUST?

- 8.1 The SATRIX 40 Trust is a discretionary trust and, accordingly, no Holder has any vested rights in either the assets or the income of the SATRIX 40 Trust.
- 8.2 It is anticipated that the SATRIX 40 Trust will effect quarterly distributions of its net income (i.e. its income comprising dividends and other income (including interest and securities lending revenue) *less* expenditure to registered Holders on the relevant Record Dates. Distributions will be effected proportionately (according to the number of SATRIX 40 Index Securities held by each registered Holder on the relevant Record Date). The annual Record Dates are anticipated to be 31 March, 30 June, 30 September and 31 December, commencing on 31 December 2000.
- 8.3 Notwithstanding the provisions of paragraph 8.2 above, it is recorded that SATRIX 40 Index Securities are intended to enable an investor to replicate not outperform the gross price and yield performance of the ALSI 40 Index. Therefore if and to the extent that the income yield (net of expenses) actually achieved on the Underlying Portfolio held by the SATRIX 40 Trust (between Record Dates) exceeds the hypothetical dividend yield (for the same period) calculated on a portfolio of securities made up of as many Baskets (*pro rata*) as results from dividing the total number of SATRIX 40 Index Securities in issue at the time by 1 000 000, such excess return (or outperformance) shall accrue to the Vested Beneficiaries).

9. WHAT DISTRIBUTIONS ENTITLE HOLDERS TO AN STC (SECONDARY TAX ON COMPANIES) CREDIT?

- 9.1 Where the distribution effected by the SATRIX 40 Trust to a Holder comprises dividends received by the SATRIX 40 Trust, such portion of the distribution will qualify as a dividend for the purposes of South African Income Tax legislation and, accordingly, the recipient Holder will be entitled to an STC credit in respect thereof.
- 9.2 Distributions of revenues received by the SATRIX 40 Trust in respect of interest and securities lending (including manufactured dividends, being compensation paid by borrowers of underlying securities for dividends paid in respect of those securities during the loan period) which may be included within a distribution effected by the SATRIX 40 Trust will constitute income in the hands of a Holder and be subject to income tax in the hands of the Holder in the normal course. Holders will not be entitled to STC credits in respect of these amounts, as they do not qualify as dividends.
- 9.3 Holders will receive detailed statements with distributions detailing the composition of each distribution (i.e. what portion constitutes dividends, etc.).

10. WHAT HAPPENS IF THE ALSI 40 INDEX IS ADJUSTED?

- 10.1 The ALSI 40 Index may be adjusted from time to time because of mergers, amalgamations, re-organisations, unbundlings, changes in liquidity and market capitalisation and the like involving Constituent Companies. The ALSI 40 Index may also be adjusted if a Constituent Company pays a special dividend. These adjustments may require removing a Constituent Company from the ALSI 40 Index and substituting a new Constituent Company or a change in the weighting of the shares in the Constituent Companies. The Asset Manager will use its best endeavours to ensure that the portfolio of securities held by the SATRIX 40 Trust is adjusted to reflect any such adjustments to the ALSI 40 Index.
- 10.2 Certain events, such as share splits or consolidations by a Constituent Company, will result in an automatic adjustment to the number of shares of that Constituent Company included in the portfolio of shares held by the SATRIX 40 Trust. In other circumstances, whenever there is a reweighting of the Constituent Companies within the SATRIX 40 Index, the SATRIX 40 Trust will acquire or dispose of the appropriate number of shares of the applicable Constituent Company.

11. WHAT HAPPENS IF A TAKE-OVER BID IS MADE FOR A CONSTITUENT COMPANY?

11.1 If a take-over bid is made for shares of a Constituent Company included in the ALSI 40 Index, the SATRIX 40 Trust will not tender shares in respect thereof. Shares in the SATRIX 40 Trust which are subject to a take-over bid will only be surrendered if such surrender is mandatory in terms of the Act or other applicable legislation.

11.2 If a take-over bid results in a Constituent Company no longer qualifying for inclusion in the ALSI 40 Index, it will be removed from the ALSI 40 Index and another company substituted. Any shares of the Constituent Company still held by the SATRIX 40 Trust after the take-over bid will be disposed of by the SATRIX 40 Trust and the proceeds will be applied in effecting the appropriate adjustments to the Underlying Portfolio.

12. WHAT HAPPENS WHEN A SPECIAL DIVIDEND IS PAID?

If a special dividend is paid to the SATRIX 40 Trust, the Asset Manager will take the necessary action to minimise tracking errors.

13. DO HOLDERS HAVE VOTING RIGHTS IN RESPECT OF SHARES HELD BY THE SATRIX 40 TRUST?

Holders do not have any voting rights over shares in the Constituent Companies held by the SATRIX 40 Trust.

14. HOW ARE SHAREHOLDER DECISIONS CONCERNING CONSTITUENT COMPANIES MADE?

The trustee of the SATRIX 40 Trust shall abstain from voting the shares of the Constituent Companies held by the SATRIX 40 Trust.

15. WILL THE SATRIX 40 TRUST ENGAGE IN SECURITIES LENDING?

The SATRIX 40 Trust is permitted to engage in securities lending. Revenues earned from securities lending will be used to defray expenses of the SATRIX 40 Trust, and the balance, if any, will be available for distribution to Holders. The Manager (or its duly authorised agent) will assess the credit-worthiness of each borrower of securities from the SATRIX 40 Trust, obtain appropriate collateral and act promptly to demand payment from any borrower or to realise any collateral in the event of a default. The collateral to be acquired in respect of securities lending will be in accordance with arm's length market standards, but shall in any event have an aggregate value at least equal to the market value of the loaned securities.

16. WHAT ARE THE COSTS AND EXPENSES OF INDEXCO AND THE SATRIX 40 TRUST?

The principal expenses of IndexCo and the SATRIX 40 Trust are statutory audit and filing fees, listing fees payable to any exchange on which SATRIX 40 Index Securities are listed, management fees and fees payable for administrative expenses, marketable securities tax or stamp duty, professional expenses and advertising and promotional expenses.

17. CAN INDEXCO OR THE SATRIX 40 TRUST BORROW OR LEND FUNDS?

Neither IndexCo nor the SATRIX 40 Trust may mortgage or encumber any of its assets (other than pursuant to the securities lending arrangements contemplated under Question 15), or lend any funds. Neither IndexCo nor the SATRIX 40 Trust may borrow any funds.

18. WHAT REPORTS WILL HOLDERS RECEIVE FROM INDEXCO?

18.1 Audited financial statements of IndexCo will be made available on request to a Holder.

18.2 The registered Holder to whom a distribution is paid by the SATRIX 40 Trust will receive a detailed statement reflecting the breakdown of that distribution (i.e. the component income elements).

19. CAN THE TERMS OF THE SATRIX 40 TRUST'S TRUST DEED EVER CHANGE?

IndexCo may, with the approval of the trustee of the SATRIX 40 Trust and with the consent of the FSB, amend or modify any terms of the SATRIX 40 Trust's Trust Deed.

OTHER INFORMATION

1. MATERIAL CONTRACTS

The following contracts have been entered into and are, or may be, material:

- 1.1 the Management Agreement, dated October 2000, between IndexCo, the SATRIX 40 Trust and the Manager; and
- 1.2 the Asset Management Agreement, dated October 2000, between the Manager, the SATRIX 40 Trust and the Asset Manager.

2. LITIGATION STATEMENT

There are no legal or arbitration proceedings of which IndexCo is aware (including any proceedings which are pending or threatened) which have or may have had a material effect on IndexCo's financial position.

3. AUDITORS

The auditors of IndexCo are KPMG, whose address is set out on page 4 of this Circular.

4. DATE AND PLACE OF INCORPORATION OF INDEXCO

IndexCo was incorporated on 14 September 2000 in Pretoria.

5. THE SHARE CAPITAL

5.1 IndexCo has an authorised share capital of R1 000, divided into 1 000 shares of R1,00 of which 100 shares of R1,00 each have been issued and allotted to:

- 5.1.1 the JSE;
- 5.1.2 Russell Mark Loubser;
- 5.1.3 Frank Molobi;
- 5.1.4 Nicola Frances Newton-King;
- 5.1.5 Leanne Violet Parsons;
- 5.1.6 Richard Miller;
- 5.1.7 Robert Newton.

5.2 The main business of IndexCo is the issue of Index Securities.

5.3 In terms of a special condition incorporated into the memorandum of association of IndexCo, it may not, without the unanimous approval of the shareholders of the Manager:

- 5.3.1 incur any borrowings or other liabilities of any nature whatsoever (whether actual or contingent), except in terms of:
 - 5.3.1.1 financial instruments issued by the Company as contemplated in a written Offering Circular to be issued from time to time by the Company ("the Offering Circular");
 - 5.3.1.2 the management agreement between the Company, the SATRIX 40 Trust and the Manager, dated October 2000; and
 - 5.3.1.3 save for the allotment and issue of 100 (one hundred) ordinary shares to the JSE and its nominees (which nominees shall be members of the Executive Committee of the JSE), allot and issue any shares whatsoever;
- 5.3.2 recognise or permit any transfer of any shares whatsoever;
- 5.3.3 enter into any transactions or contracts, otherwise than in the ordinary, regular and normal course of its business;
- 5.3.4 embark upon any business or undertake any business obligation, other than its main business;
- 5.3.5 declare or pay any dividends or declare or make any other distribution or payment to its shareholders;

- 5.3.6 invest in any company or business;
- 5.3.7 reduce or vary its authorised or issued share capital, or any rights attaching to any of its shares;
- 5.3.8 pay any Directors' fees;
- 5.3.9 encumber or hypothecate any of its assets;
- 5.3.10 be liable, whether contingently or otherwise and whether as surety, co-principal debtor, guarantor or indemnitor, for the liabilities of any third person;
- 5.3.11 enter into any compromise or scheme of arrangement in terms of section 311 of the Act;
- 5.3.12 alter its memorandum of association or articles of association;
- 5.3.13 propose or pass any special resolution.

5.4 The conditions contained above:

- 5.4.1 may be deleted, modified, amended or relaxed only with the prior written unanimous approval of the shareholders of the Manager;
- 5.4.2 shall not prevent IndexCo from creating or issuing Index Securities as contemplated in the Offering Circular provided that the liability of IndexCo under the Index Securities issued by it is fully hedged by underlying obligations due and owing to IndexCo by underlying Trusts or the other entities housing the Underlying Portfolios in respect of the relevant Indices being tracked by the Index Securities.

6. PROFIT HISTORY

Since IndexCo will only commence business during November 2000, no profit history has been provided. IndexCo has earned no income prior to the date of issue of this Circular.

SCHEDULE I – THE COMPOSITION OF THE ALSI 40 INDEX BASKET

COUNTER	NUMBER OF SHARES
ANGLO AMERICAN PLC	2 715
RICHEMONT SECURITIES AG	3 477
DE BEERS/CENTENARY LINKED UNIT	2 663
DIMENSION DATA HOLDINGS PLC	7 714
OLD MUTUAL PLC	22 952
BILLITON PLC	15 281
ANGLO AMERICAN PLATINUM CORPORATION LIMITED	1 441
M-CELL LTD	10 773
STANDARD BANK INVESTMENT CORPORATION LTD	9 372
FIRSTRAND LTD	36 270
NEDCOR LTD	1 609
SOUTH AFRICAN BREWERIES PLC	5 158
SASOL LTD	4 047
ANGLOGOLD LTD	713
SANLAM LTD	17 681
REMBRANDT GROUP LTD	3 240
IMPALA PLATINUM HOLDINGS LTD	440
INVESTEC GROUP LTD	537
ABSA GROUP LTD	4 320
LIBERTY INTERNATIONAL PLC	2 181
LIBERTY GROUP LTD	1 810
JOHNNIC HOLDINGS LTD	1 082
THE BIDVEST GROUP LTD	1 947
IMPERIAL HOLDINGS LTD	1 415
SAPPI LTD	1 592
VENFIN LTD	3 240
GOLD FIELDS LTD	3 021
MIH HOLDINGS LTD	1 763
TIGER BRANDS LTD	1 103
BOE LTD	15 348
BARLOW LTD	1 427
NASPERS LTD – “N”	987
RMB HOLDINGS LTD	6 086
GENBEL SECURITIES LTD	1 684
DATATEC LTD	856
NAMPAK LTD	3 393
CORONATION HOLDINGS LTD – “N”	424
FEDSURE HOLDINGS LTD	1 154
METRO CASH AND CARRY LTD	8 514
AFRICAN BANK INVESTMENTS LTD	4 148
COMPAREX HOLDINGS LTD	2 206

SCHEDULE II – SCHEDULE OF FEES

1. INITIAL OFFER

1.1 *Cash subscriptions*

The following amounts will be deducted from an investors subscription amount in respect of fees:

- 1.1.1 R7,00 for the application (Transfer Secretary's administration fee);
- 1.1.2 20 basis points calculated on the subscription amount net of the amount contemplated in paragraph 1.1.1 above (capital raising fee to Co-Arrangers); and
- 1.1.3 0,0005/105 multiplied by the subscription amount net of the amounts set out in 1.1.1 and 1.1.2 above (issue duty payable to the Receiver of Revenue on the issue of new SATRIX 40 Index Securities).

Note: Cash received from investors will be immediately deposited into an interest bearing account. The amounts contemplated in 1.1.1 to 1.1.3 above will be set-off against accrued interest first.

The subscription amount, net of the costs contemplated in 1.1.1 to 1.1.3 above (the "net amount") will be advanced to the Asset Manager which will use these funds to acquire the SATRIX 40 Trust's Underlying Portfolio. Brokerage costs and MST incurred in acquiring the Underlying Portfolio will all be discharged out of the net amount.

1.2 *In kind subscriptions*

In kind subscribers under the Initial Offer shall be obliged to deliver a **bank guaranteed** cheque or **guaranteed** banker's draft for the sum of the following amounts:

- 1.2.1 5 basis points calculated on the ALSI 40 Index Level at close of trading on Tuesday, 21 November 2000, multiplied by 1 000, multiplied by the number of whole Baskets delivered by the applicant (issue duty payable to the Receiver of Revenue on the issue of new SATRIX 40 Index Securities);
- 1.2.2 25 basis points calculated on the aggregate market value of the ALSI 40 Basket/s delivered by the applicant, calculated at close of trading on Tuesday, 21 November 2000 (MST payable for transfer of the ALSI 40 Baskets into the name of the SATRIX 40 Trust or its nominee); and
- 1.2.3 R7,00 (per application) (Transfer Secretaries' administration fee).

FOR THE SAKE OF CERTAINTY, THE PRECISE RAND AMOUNTS OF THE COSTS SET OUT ABOVE SHOULD BE CONFIRMED WITH THE TRANSFER SECRETARIES (Computershare Services Limited) PRIOR TO SUBMITTING AN APPLICATION.

Note: If any distributions are declared by any of the Constituent Companies whose shares are contained in the ALSI 40 Index, and the relevant LDR date falls between the close of the Initial Offer and the date of transfer of the Baskets of Shares into the name of the SATRIX 40 Trust, those distributions in respect of securities contained within the aforesaid Baskets shall accrue for the benefit of the SATRIX 40 Trust, which shall be entitled to claim them from the successful application in question.

2. ONGOING SUBSCRIPTIONS

2.1 *Cash subscription*

Monthly cash subscriptions shall first be matched against monthly redemptions for cash. Where this is possible IndexCo's sponsoring broker will be instructed to effect the transfer. From the cash subscribers' initial subscription amount (together with any accrued interest thereon) will be deducted:

- 2.1.1 an amount equal to the Distributable Amount per SATRIX 40 Index Security, as calculated at close of trading on the previous Trading Day and published on the IndexCo/SATRIX 40 website;
- 2.1.2 an amount equal to 20 basis points calculated on the subscription amount net of the amount in 2.1.1 (capital raising fee to the Co-Arrangers).

To the extent that there remains, after effecting the aforesaid matching process, a net "buy" order – i.e. there is an outstanding demand for SATRIX 40 Index Securities, the Manager, in its discretion, may either:

- 2.1.3 instruct IndexCo's sponsoring broker to acquire SATRIX 40 Index Securities in the secondary market with the balance of the cash remaining (out of which all MST and brokerage costs shall also be borne); alternatively
- 2.1.4 the Manager may elect to instruct the Asset Manager to utilise the available cash to acquire ALSI 40 Baskets of Shares and procure that IndexCo issue new SATRIX 40 Index Securities – in which event all brokerage costs, MST changes and issue duty costs (calculated at 5 basis points on the value of the Index Security) shall require to be absorbed out of the available cash.

Irrespective of the manner in which the SATRIX 40 Index Securities are acquired, they shall be allocated as between the monthly applicants, *pro rata* according to the gross subscription amount submitted by each applicant.

2.2 *In kind subscriptions*

In kind subscribers shall be obliged to deliver a **bank guaranteed** cheque or **guaranteed** banker's draft for the sum of the following amounts:

- 2.2.1 5 basis points calculated on the ALSI 40 Index Level at close of trading on the Trading Day immediately preceding the subscription date multiplied by 1 000, multiplied by the number of whole ALSI 40 Baskets delivered by that applicant (issue duty payable to the Receiver of Revenue on the issue of new SATRIX 40 Index Securities);
- 2.2.2 25 basis points calculated on the aggregate market value of the ALSI 40 Basket/s delivered by the applicant, calculated at close of trading on the Trading Day immediately preceding the subscription date (MST payable for transfer of the ALSI 40 Baskets into the name of the SATRIX 40 Trust or its nominee); and
- 2.2.3 an amount equal to the Distributable Amount per SATRIX 40 Index Security as published on the IndexCo/SATRIX 40 website on the day immediately preceding the subscription date.

FOR THE SAKE OF CLARITY, THE PRECISE RAND AMOUNTS IN RESPECT OF THE COSTS SET OUT ABOVE SHOULD BE CONFIRMED WITH THE TRANSFER SECRETARIES (Computershare Services Limited) PRIOR TO SUBMITTING AN APPLICATION.

3. ***IN KIND REDEMPTIONS – DELIVERY OF A BASKET OF SHARES***

A Holder exercising the delivery rights attaching to SATRIX 40 Index Security shall be liable for a cash amount of R6,00 per delivery notice (Transfer Secretaries' administration fee).

SCHEDULE III – *PRO FORMA* TERMS AND CONDITIONS OF SATRIX 40 INDEX SECURITIES

The following terms and conditions shall attach to the SATRIX 40 Index Securities (the “**Index Securities**”) issued by IndexCo Limited (Registration number 2000/023564/06) (the “**Issuer**”), namely:

1. Interpretation and preliminary

Unless the contrary intention clearly appears, the following terms shall have the meanings assigned to them hereunder, namely:

- 1.1 “**business day**” means a day other than a Saturday, Sunday or an official public holiday in the Republic of South Africa;
- 1.2 “**delivery condition**” means the delivery to the transfer secretary of a delivery notice (by hand, by facsimile, by registered post or in such other manner as the Manager may authorise from time to time) in respect of no less than 1 000 000 (one million) Index Securities (or integer multiples of that number), together with the statements evidencing the relevant Index Securities in negotiable form. Contact details of the transfer secretary at the issue date are set out in paragraph 12 below;
- 1.3 “**delivery date**” means the date of actual receipt of a delivery notice, provided that the delivery notice is received during JSE trading hours on a business day. If the delivery notice is actually received on a day not being a business day, or after close of JSE trading hours on any business day, then the delivery notice shall be deemed to have been received on the next business day;
- 1.4 “**delivery notice**” means a written notice (in the prescribed format required by the Manager from time to time), available from the transfer secretaries on request, delivered by the Holder to the transfer secretary during JSE trading hours on a business day, requiring the Issuer to deliver or procure delivery of the specified securities to the Holder against delivery by that Holder of the statements evidencing each block of 1 000 000 (one million) Index Securities in negotiable form;
- 1.5 “**Holder**” means the person registered in the register of Index Security Holders (maintained by or on behalf of the Issuer) as a registered Holder of the Index Security evidenced by this contract;
- 1.6 “**issue date**” means the date of conclusion of this contract as set out on the reverse side hereof;
- 1.7 “**JSE**” means the Johannesburg Stock Exchange;
- 1.8 “**Manager**” means IndexCo Managers (Proprietary) Limited (Registration number 2000/023570/07), or its successor in title;
- 1.9 “**specified securities**” means a portfolio of shares which comprises the number of shares of each of the constituent companies contained in the ALSI 40 Index indicated by publication on the Issuer’s Internet website (www.satrix.co.za) at the delivery date, alternatively, available from the transfer secretaries on request, which portfolio shall be deliverable to the Holder by the Issuer against receipt by the transfer secretary (as agent for the Issuer) of a delivery notice in respect of 1 000 000 (one million) Index Securities; and
- 1.10 “**transfer secretary**” means Computershare Services Limited (contact details set out in paragraph 12 below).

2. Sale of the specified securities

- 2.1 The Issuer sells to the Holder, who purchases as one indivisible transaction, the specified securities.
- 2.2 Notwithstanding the issue date and notwithstanding the date on which the purchase consideration is discharged, the parties agree that:
 - 2.2.1 the specified securities are sold on and with effect from the delivery date, from which date all risk in and benefits attaching to the specified securities shall pass to the Holder;
 - 2.2.2 delivery of the specified securities to the Holder shall only be effected forthwith after the delivery date against compliance by the Holder with the terms and conditions set out in paragraph 4 below.

3. Purchase consideration of the specified securities

The purchase consideration payable by the Holder for the specified securities is an amount of R_____.

4. Delivery of specified securities

- 4.1 Subject to the fulfilment of the delivery condition, the Issuer shall, within three business days of receipt of the delivery notice deliver or procure the delivery to the Holder of the specified securities in respect of each 1 000 000 (one million) Index Securities to which the relevant delivery notice relates.
- 4.2 The Holder shall be bound to surrender to the Issuer, or its transfer secretary or agent, as the Issuer may require, the statements evidencing all the Index Securities in respect of which that Holder is issuing a delivery notice, in order that same may be cancelled. Upon such surrender the Issuer shall deliver or procure the delivery to the Holder of the specified securities in respect of each 1 000 000 (one million) Index Securities to which the relevant delivery notice relates.
- 4.3 Notwithstanding anything to the contrary herein contained, where the Issuer is unable to deliver any share included in the prescribed portfolio (constituting the specified securities) to a Holder exercising its delivery rights under any Index Securities held by it:
- 4.3.1 as a result of the suspension or delisting of that share on the JSE, then the Issuer will exclude that share from the portfolio delivered to the relevant Holder against receipt of the delivery notice, and will instead deliver that share to the Holder in question within three business days after the suspension is lifted or after the delisted shares become available, as the case may be;
- 4.3.2 for any other reason, other than the reasons specified in paragraph 4.3.1 above, then the Issuer will exclude that share from the portfolio delivered to the relevant Holder and will instead pay the Holder an amount in cash equal to the value of that share (being the ruling price quoted at close of JSE trading hours on the delivery date).
- 4.4 Any stamp duty or other transfer duty or tax payable in respect of the exercise by a Holder of its delivery rights in terms of the Index Security evidenced by this contract shall be for the account of that Holder.

5. Moratoria on the exercise by Holders of the delivery rights attaching to Index Securities

The Issuer reserves the right, in those circumstances where it reasonably believes, in its sole discretion, that there is a real risk that it will not be able to meet the contingent delivery obligations attaching to all Index Securities in issue at the time (or procure that such obligations are met), to place a moratorium on the exercise by all Holders of their rights to delivery of specified securities, provided that the Issuer shall not, in any given calendar year, suspend such rights for more than 60 (sixty) business days (in the aggregate).

6. Warranties and representations

Save that the Issuer warrants that against delivery of the specified securities into the name of the Holder, the Holder will acquire beneficial ownership of the specified securities, the specified securities are taken *voetstoots*/as is and free of any other warranties or representations of any nature whatsoever.

7. Joint and several liability of Holder

To the extent that there is more than one person registered as the Holder of the Index Security, the obligations of the persons comprising the Holder, *vis-à-vis*, the Issuer, shall be joint and several.

8. Cession or assignment

The Holder shall be entitled to cede or assign its rights and obligations hereunder to any third party without the prior written consent of the Issuer, save that such cession and assignment shall only be enforceable against the Issuer after registration of the Index Security into the name of the transferee. The Issuer shall be entitled to cede or assign its rights and obligations hereunder to the SATRIX 40 Trust, or, with the consent of Holders holding not less than 75% of all SATRIX 40 Index Securities then in issue, to any other entity.

9. Costs

The transferee shall pay the stamp duty or any other tax payable in respect of the registration of transfer of the specified securities into the Holder's name.

10. Breach

Save for the Issuer's right to cancel this agreement in the event of the non-payment of the purchase consideration payable in terms of paragraph 3 above, neither the Issuer nor the Holder shall be entitled to cancel this agreement in the event of a breach of the agreement by the other of them and an aggrieved party's remedy shall be limited to a claim for specific performance and/or damages.

11. Other terms and conditions

- 11.1 These terms and conditions constitute the whole agreement between the Issuer and the Holder relating to the subject matter hereof. No amendment or consensual cancellation of this agreement or any provision or term thereof shall be binding unless recorded in a written document signed by the Issuer (or its duly appointed agent), provided that any amendment or consensual cancellation shall be effective if agreed to by a majority representing three-fourths in value of all Index Securities then in issue, present in person or voting by proxy at a meeting of Holders called for that purpose by or on behalf of the Issuer by not less than 14 days notice posted to Holders by registered mail. To the extent permissible by law no party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded (or incorporated by reference) herein, whether it induced the contract and whether it was negligent or not.
- 11.2 These terms and conditions are governed by South African law. It is agreed that any dispute will be dealt with by the South African courts.
- 11.3 Obligations under this agreement are binding on all successors, executives, administrators or other legal representatives.

12. Contact details

Manager

C/o Corpcapital Corporate Finance
2 Arnold Street
Rosebank, 2196
(PO Box 85392, Emmarentia, 2029)

Transfer Secretary

Computershare Services Limited
Edura
41 Fox Street, Johannesburg, 2001
(PO Box 61051, Marshalltown, 2107)

**APPLICATION FORM: SATRIX 40 INDEX SECURITIES – CASH SUBSCRIPTION –
INITIAL OFFER**

HELPLINE – 0861 100 670

- Application for SATRIX 40 Index Securities under the Initial Offer.
 - **Please read the Offering Circular issued by IndexCo Limited, dated October 2000 (the “Offering Circular”) before completing and returning this form.**
 - Terms not defined in this application form shall have the same meanings attributed to them in the Offering Circular.
 - Investors wishing to subscribe for SATRIX 40 Index Securities in cash after 27 November 2000 should complete the application form headed “Application form: SATRIX 40 Index Securities – Cash Subscription”.
 - Investors wishing to subscribe for SATRIX 40 Index Securities *in kind* under the Initial Offer should use the application form headed “Application form: SATRIX 40 Index Securities – *In kind* Subscription – Initial Offer”.
 - Investors wishing to subscribe for SATRIX 40 Index Securities *in kind* after 27 November 2000 should complete the application form headed “Application form: SATRIX 40 Index Securities – *In kind* Subscription”.
-

1. This form, when completed, must be delivered to Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) together with a **bank guaranteed** cheque (crossed and marked “**not transferable**”) in favour of “**Computershare Services Limited – SATRIX Offer**”, for the amount which you want to invest.
2. Your **bank guaranteed** cheque must be for an amount equal to or exceeding **R1 000 (one thousand Rand)**.
3. Please note that transaction costs will be deducted from the amount for which your cheque is made payable (all as contemplated in the Offering Circular) and, accordingly, the net amount will be invested in SATRIX 40 Index Securities.
4. Your **bank guaranteed** cheque must be attached to this application form. Your **bank guaranteed** cheque must be crossed and marked “**not transferable**” and made payable to “**Computershare Services Limited – SATRIX Offer**”.
5. This application form together with your **bank guaranteed** cheque must be received by Computershare Services Limited by no later than **12:00 on 22 November 2000. LATE APPLICATIONS WILL NOT BE ACCEPTED.**

You can either:

- 5.1 deliver your application form and cheque to Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001;
or
 - 5.2 post your application form and cheque to Computershare Services Limited, PO Box 61051, Marshalltown, 2107. Please allow one week for delivery. Applications which are posted must be received by Computershare Services Limited prior to **12:00 on 22 November 2000.**
 6. Each application submitted must be in one name only and show only one address. The directors of IndexCo Limited reserve the right to accept or reject any applications, in whole or in part, particularly if the instructions set out in this application form and in the Offering Circular are not properly complied with.
-

To the directors

IndexCo Limited

I/We, the undersigned hereby:

- warrant that I/we have full legal capacity to contract;
- apply for SATRIX 40 Index Securities under the Initial Offer;
- acknowledge that transaction costs will be deducted from the amount for which my attached cheque is payable, and accordingly, the net amount will be invested in SATRIX 40 Index Securities;
- enclose a **bank guaranteed** cheque crossed and marked “**not transferable**”

I/We enclose a **bank guaranteed** crossed cheque/banker’s draft in favour of “**Computershare Services Limited – SATRIX Offer**”, for the appropriate amount due in terms of this application.

I/We do/do not (delete as applicable) require to be issued with a SATRIX 40 Index Security certificate in respect of SATRIX 40 Index Securities allotted and issued to me pursuant to this application.

Date _____ 2000 Telephone number (_____)

Signature (state if company) _____

Assisted by (where applicable) _____

Surname of individual or Name of corporate body	Mr Mrs Miss Other title
First names in full (if an individual)	
I. D. number (if a natural person) or Company registration number	
Postal address (preferably PO Box address) SATRIX 40 Index Securities certificates/statements will be sent to this address. Contrary instructions will NOT be accepted	Postal code
Total amount of bank guaranteed cheque or banker's draft to cover investment in SATRIX 40 Index Securities, transaction costs and contribution to <i>pro rata</i> distribution amount (if any)	R _____,00 (Enter figures only – not words)
Banking details	

1. Applicants should consult their stockbrokers, bankers or financial or other advisers in case of doubt as to the correct completion of this application form. Alternatively applicants can contact Computershare Services Limited directly on (011) 370 7888 or the Information Agents, Georgeson Shareholder Communications on 086 110 0670.
2. Applications are irrevocable and may not be withdrawn.
3. The following summary is intended as a guide and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your professional advisers.
 - 3.1 Blocked Rand may be used by former residents and non-residents of the Common Monetary Area (comprising the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland) for payment in terms of this offer and reference should be made to the relevant portion of the Offering Circular dealing with South African Exchange Control Regulations.
 - 3.2 All payments in respect of subscriptions for SATRIX 40 Index Securities by non-residents using blocked Rand must be made through a South African authorised dealer in foreign exchange.
 - 3.3 SATRIX 40 Index Securities certificates issued in respect of SATRIX 40 Index Securities purchased with blocked Rand will be endorsed “non-resident” in accordance with South African Exchange Control Regulations. Such certificates will be placed under the control of the authorised dealer through whom the payment was made.
 - 3.4 If applicable, refund money payable in respect of unsuccessful applications or partly successful applications, as the case may be, for SATRIX 40 Index Securities in terms of this application, emanating from blocked accounts, will be returned, in terms of the applicable Exchange Control Regulations, to the authorised dealer administering such blocked accounts for the credit of such applicant’s blocked account.
4. **All alterations on the application form (other than the deletion of alternatives) must be authenticated by full signature.**
5. No receipts will be given for applications or remittances and applications will only be regarded as complete when the relevant cheque/banker’s draft has been paid.
6.
 - 6.1 The allotment and issue of SATRIX 40 Index Securities pursuant hereto will be conditional upon a listing of the SATRIX 40 Index Securities on the Johannesburg Stock Exchange (“the JSE”).
 - 6.2 All money received for SATRIX 40 Index Securities from applicants will be held by Computershare Services Limited pending fulfilment of the condition set out in paragraph 6.1 above. If this condition is not fulfilled, the said money will be refunded by cheque within seven days of the non-fulfilment of the condition set out in paragraph 6.1 above, posted by ordinary mail at the risk of the relevant applicants without payment of interest.
7. A SATRIX 40 Index Security certificate or statement (as the case may be) will be sent to the applicant by registered post at the risk of the applicant to the postal address shown on this application form (no contrary instructions will be accepted) no later than seven days after the end of the ramp up period in respect of cash subscriptions as contemplated in the Offering Circular.
8. IndexCo Limited will use the “certified transfer deeds and other temporary documents of title” procedure approved by the JSE and therefore it will issue only a “block” certificate for the SATRIX 40 Index Securities allotted by the IndexCo Limited in terms of this application.
9. Applications in the name of an unassisted minor, a deceased estate, a partnership, a trust or any person who requires legal assistance in entering into contracts will not be accepted.
10. No documentary evidence of capacity need accompany this application, but the Directors of IndexCo Limited reserve the right to call upon any applicant to submit such evidence for noting and return at the applicant’s risk.

APPLICATION FORM: SATRIX 40 INDEX SECURITIES – CASH SUBSCRIPTION

HELPLINE – 0861 100 670

- Application for SATRIX 40 Index Securities after the Initial Offer.
 - **Please read the Offering Circular issued by IndexCo Limited, dated October 2000 as amended from time to time (the “Offering Circular”) before completing and returning this form.**
 - Terms not defined in this application form shall have the same meanings attributed to them in the Offering Circular.
 - Investors wishing to subscribe for SATRIX 40 Index Securities in cash as part of the Initial Offer should complete the application form headed “Application form: SATRIX 40 Index Securities – Cash Subscription – Initial offer”.
 - Investors wishing to subscribe for SATRIX 40 Index Securities *in kind* under the Initial Offer should use the application form headed “Application form: SATRIX 40 Index Securities – *In kind* Subscription – Initial Offer”.
 - Investors wishing to subscribe for SATRIX 40 Index Securities *in kind* after 27 November 2000 should complete the application form headed “Application form: SATRIX 40 Index Securities – *In kind* Subscription”.
-

1. This form, when completed, must be delivered to Computershare Services Limited Edura, 41 Fox Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) together with a **bank guaranteed** cheque (crossed and marked “**not transferable**”) in favour of “**Computershare Services Limited – SATRIX Offer**”, for the amount which you want to invest.
2. Your **bank guaranteed** cheque must be for an amount equal to or exceeding **R10 000 000 (ten million Rand)**.
3. Please note that transaction costs as well an amount *pro rata* in respect of distributable amounts will be deducted from the amount for which your cheque is made payable (all as contemplated in the Offering Circular) and, accordingly, the net amount will be invested in SATRIX 40 Index Securities.
4. Your **bank guaranteed** cheque must be attached to this application form. Your **bank guaranteed** cheque must be crossed and marked “**not transferable**” and made payable to “**Computershare Services Limited – SATRIX Offer**”.
5. This application form together with your **bank guaranteed** cheque must be received by Computershare Services Limited by no later than **12:00** on on the second Friday of any calendar month or, if that Friday is a public holiday, the business day immediately preceding it. **LATE APPLICATIONS WILL NOT BE ACCEPTED.**

You can either:

- 5.1 deliver your application form and cheque to Computershare Services Limited Edura, 41 Fox Street, Johannesburg, 2001; or
 - 5.2 post your application form and cheque to Computershare Services Limited, PO Box 61051, Marshalltown, 2107. Please allow one week for delivery. Applications which are posted must be received by Computershare Services Limited prior to **12:00** on on the second Friday of every calendar month or, if that Friday is a public holiday, the business day immediately preceding it.
6. Each application submitted must be in one name only and show only one address. The directors of IndexCo Limited reserve the right to accept or reject any applications, in whole or in part, particularly if the instructions set out in this application form and in the Offering Circular are not properly complied with.
-

To the directors

IndexCo Limited

I/We, the undersigned hereby:

- warrant that I/we have full legal capacity to contract;
- apply for SATRIX 40 Index Securities;
- acknowledge that transaction costs and an amount *pro rata* in respect of distributable amounts as contemplated in the Offering Circular, will be deducted from the amount for which my attached cheque is payable and, accordingly, the net amount will be invested in SATRIX 40 Index Securities;
- enclose a **bank guaranteed** cheque crossed and marked “**not transferable**”.

I/We enclose a **bank guaranteed** cheque/banker’s draft in favour of “**Computershare Services Limited – SATRIX Offer**”, for the appropriate amount due in terms of this application.

I/We do/do not (delete as applicable) require to be issued with a SATRIX 40 Index Security certificate in respect of SATRIX 40 Index Securities allotted and issued to me pursuant to this application.

Date _____ 2000 Telephone number () _____

Signature (state if company) _____

Assisted by (where applicable) _____

Surname of individual or Name of corporate body	Mr Mrs Miss Other title
First names in full (if an individual)	
I. D. number (if a natural person) or Company registration number	
Postal address (preferably PO Box address) SATRIX 40 Index Securities certificates/statements will be sent to this address. Contrary instructions will NOT be accepted	Postal code
Total amount of bank guaranteed cheque or banker's draft to cover investment in SATRIX 40 Index Securities, transaction costs and contribution to <i>pro rata</i> distribution amount (if any)	R _____, 00 (Enter figures only – not words)
Banking details	

1. Applicants should consult their stockbrokers, bankers or financial or other advisers in case of doubt as to the correct completion of this application form. Alternatively applicants can contact Computershare Services Limited direct on (011) 370 7888 or the Information Agents, Georgeson Shareholder Communications on 086 110 0670.
2. Applications are irrevocable and may not be withdrawn.
3. The following summary is intended as a guide and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your professional adviser:
 - 3.1 Blocked Rand may be used by former residents and non-residents of the Common Monetary Area (comprising the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland) for payment in terms of this offer and reference should be made to the relevant portion of the Offering Circular dealing with South African Exchange Control Regulations.
 - 3.2 All payments in respect of subscriptions for SATRIX 40 Index Securities by non-residents using blocked Rand must be made through a South African authorised dealer in foreign exchange.
 - 3.3 SATRIX 40 Index Securities certificates issued in respect of SATRIX 40 Index Securities purchased with blocked Rand will be endorsed "non-resident" in accordance with the South African Exchange Control Regulations. Such certificates will be placed under the control of the authorised dealer through whom the payment was made.
 - 3.4 If applicable, refund money payable in respect of unsuccessful applications or partly successful applications, as the case may be, for SATRIX 40 Index Securities in terms of this application, emanating from blocked accounts will be returned, in terms of the applicable Exchange Control Regulations to the authorised dealer administering such blocked accounts for the credit of such applicant's blocked account.
4. **All alterations on the application form (other than the deletion of alternatives) must be authenticated by full signature.**
5. No receipts will be given for applications or remittances and applications will only be regarded as complete when the relevant cheque/banker's draft has been paid.
6. The allotment and issue of SATRIX 40 Index Securities pursuant hereto will be conditional upon a listing of the SATRIX 40 Index Securities on the Johannesburg Stock Exchange ("the JSE").
7. All money received for SATRIX 40 Index Securities accepted by applicants will be held by Computershare Services Limited pending fulfilment of the condition set out in paragraph 6 above. If this condition is not fulfilled, the said money will be refunded by cheque within seven days of the non-fulfilment of the condition set out in paragraph 6 above, posted by ordinary mail at the risk of the relevant applicants without payment of interest.
8. A SATRIX 40 Index Securities statement or certificate, as the case may be, will be sent to the applicant by registered post, at the risk of the applicant, to the postal address shown on this application form (no contrary instructions will be accepted) no later than seven days after the end of the ramp up period in respect of cash subscriptions as contemplated in the Offering Circular.
9. IndexCo Limited will use the certified transfer deeds and other temporary documents of title procedure approved by the JSE and therefore it will issue only a "block" certificate for the SATRIX 40 Index Securities allotted by IndexCo Limited in terms of this application.
10. Applications will not be accepted in the name of an unassisted minor, a deceased estate, a partnership, a trust or any person who requires legal assistance in entering into contracts.
11. No documentary evidence of capacity need accompany this application, but the directors of IndexCo Limited reserve the right to call upon any applicant to submit such evidence for noting and return at the applicant's risk.

**APPLICATION FORM: SATRIX 40 INDEX SECURITIES – *IN KIND* SUBSCRIPTION –
INITIAL OFFER**

HELPLINE – 0861 100 670

- Application for SATRIX 40 Index Securities after the Initial Offer.
 - **Please read the Offering Circular issued by IndexCo Limited, dated October 2000 (the “Offering Circular”) before completing and returning this form.**
 - Terms not defined in this application form shall have the meanings as attributed to them in the Offering Circular.
 - Investors wishing to subscribe for SATRIX 40 Index Securities in cash as part of the Initial Offer should complete the application form headed “Application form: SATRIX 40 Index Securities – Cash Subscription – Initial Offer”.
 - Investors wishing to subscribe for SATRIX 40 Index Securities *in kind* under the Initial Offer should use the application form headed “Application form: SATRIX 40 Index Securities – *In kind* Subscription – Initial Offer”.
 - Investors wishing to subscribe for SATRIX 40 Index Securities *in kind* after 27 November 2000 should complete the application form headed “Application form: SATRIX 40 Index Securities – *In kind* Subscription”.
-

1. This form, when completed, must be delivered to Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107) together with:
 - 1.1 a **bank guaranteed** cheque (crossed and marked “**not transferable**”) in favour of “**Computershare Services Limited – SATRIX Offer**”; and
 - 1.2 scrip in negotiable form constituting one or more integer multiples of whole Baskets detailed in Schedule 1 to the Offering Circular and up-dated and published on the IndexCo/SATRIX 40 web-site from time to time (www.satrix.co.za). If you are uncertain as to the constitution of this Basket, contact your financial adviser or Computershare Services Limited directly.
 2. Your **bank guaranteed** cheque must be for an amount equal to or exceeding the transaction fees as contemplated in the Offering Circular. If you are uncertain as to this amount, contact your financial adviser or Computershare Services Limited.
 3. Your **bank guaranteed** cheque must accompany this application form. Your **bank guaranteed** cheque must be crossed and marked “**not transferable**” and made payable to “**Computershare Services Limited – SATRIX Offer**”.
 4. This application form together with your **bank guaranteed** cheque must be received by Computershare Services Limited by no later than **12:00 on 22 November 2000. LATE APPLICATIONS WILL NOT BE ACCEPTED.**

You can either:

 - 4.1 deliver your application form, scrip in negotiable form and cheque to Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001; or
 - 4.2 post your application form, scrip in negotiable form and cheque to Computershare Services Limited, PO Box 61051, Marshalltown, 2107. Please allow one week for delivery. Applications which are posted must be received by Computershare Services Limited prior to **12:00 on 22 November 2000.**
 5. Each application submitted must be in one name only and show only one address. The directors of IndexCo Limited reserve the right to accept or reject any applications, in whole or in part, particularly if the instructions set out in this application form and in the Offering Circular are not properly complied with.
-

To the directors

IndexCo Limited

I/We, the undersigned hereby:

- warrant that I/we have full legal capacity to contract;
- apply for SATRIX 40 Index Securities under the Initial Offer;
- enclose a **bank guaranteed** cheque crossed and marked “**not transferable**”.

I/We enclose a **bank guaranteed** cheque/banker’s draft in favour of “**Computershare Services Limited – SATRIX Offer**”, for the appropriate amount due in terms of this application, as well as scrip in negotiable form.

I/We do/do not (delete as applicable) require to be issued with a SATRIX 40 Index Security certificate in respect of SATRIX 40 Index Securities allotted and issued to me pursuant to this application.

Date _____ 2000 Telephone number (_____)

Signature (state if company) _____

Assisted by (where applicable) _____

YELLOW

Surname of individual or Name of corporate body	Mr Mrs Miss Other title
First names in full (if an individual)	
I. D. number (if a natural person) or Company registration number	
Postal address (preferably PO Box address) SATRIX 40 Index Securities certificates/statements will be sent to this address. Contrary instructions will NOT be accepted	Postal code
Total amount of bank guaranteed cheque or banker's draft to cover investment in SATRIX 40 Index Securities, transaction costs and contribution to <i>pro rata</i> distribution amount (if any)	R _____, 00 (Enter figures only – not words)
Banking details	

1. Applicants should consult their stockbrokers, bankers or financial or other advisers in case of doubt as to the correct completion of this application form. Alternatively applicants can contact Computershare Services Limited directly on (011) 370 7888 or the Information Agents, Georgeson Shareholder Communications on 086 110 0670.
2. Applications are irrevocable and may not be withdrawn.
3. The following summary is intended as a guide and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your professional advisers:
 - 3.1 Blocked Rand may be used by former residents and non-residents of the Common Monetary Area (comprising the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland) for payment in terms of this offer and reference should be made to the relevant portion of the Offering Circular dealing with South African Exchange Control Regulations.
 - 3.2 All payments in respect of subscriptions for SATRIX 40 Index Securities by non-residents using blocked Rand must be made through a South African authorised dealer in foreign exchange.
 - 3.3 SATRIX 40 Index Securities certificates issued in respect of SATRIX 40 Index Securities purchased with blocked Rand will be endorsed "non-resident" in accordance with the South African Exchange Control Regulations. Such certificates will be placed under the control of the authorised dealer through whom the payment was made.
 - 3.4 If applicable, refund money payable in respect of unsuccessful applications or partly successful applications, as the case may be, for SATRIX 40 Index Securities in terms of this application, emanating from blocked accounts, will be returned, in terms of the applicable Exchange Control Regulations to the authorised dealer administering such blocked accounts for the credit of such applicant's blocked account.
4. **All alterations on the application form (other than the deletion of alternatives) must be authenticated by full signature.**
5. No receipts will be given for applications or remittances and applications will only be regarded as complete when the relevant cheque/banker's draft has been paid and when the relevant scrip has been transferred into the name of SATRIX 40 Trust (or that of its nominee).
6. The allotment and issue of SATRIX 40 Index Securities pursuant hereto will be conditional upon a listing of the SATRIX 40 Index Securities on the Johannesburg Stock Exchange ("the JSE").
7. All money and scrip received for SATRIX 40 Index Securities from applicants will be held by Computershare Services Limited pending fulfilment of the condition set out in paragraph 6 above. If this condition is not fulfilled, the said money and scrip will be returned within seven days of the non-fulfilment of the condition set out in paragraph 6 above, posted by ordinary mail at the risk of the relevant applicant.
8. A SATRIX 40 Index Security statement or certificate as the case may be will be sent to the applicant by registered post at the risk of the applicant to the postal address shown on this application form (no contrary instructions will be accepted) no later than seven days after the date of the commencement of the listing on the JSE which is expected to be 27 November 2000.
9. IndexCo Limited will use the certified transfer deeds and other temporary documents of title procedure approved by the JSE and therefore it will issue only a "block" certificate for the SATRIX 40 Index Securities allotted and issued in terms of this application.
10. Applications will not be accepted in the name of an unassisted minor, a deceased estate, a partnership, a trust or any person who requires legal assistance in entering into contracts.
11. No documentary evidence of capacity need accompany this application, but IndexCo Limited reserves the right to call upon any applicant to submit such evidence for noting and return at the applicant's risk.

ANNEXURE – SCRIP DELIVERED

COUNTER	NUMBER OF SHARES
ANGLO AMERICAN PLC	
RICHEMONT SECURITIES AG	
DE BEERS/CENTENARY LINKED UNIT	
DIMENSION DATA HOLDINGS PLC	
OLD MUTUAL PLC	
BILLITON PLC	
ANGLO AMERICAN PLATINUM CORPORATION LIMITED	
M-CELL LTD	
STANDARD BANK INVESTMENT CORPORATION LTD	
FIRSTRAND LTD	
NEDCOR LTD	
SOUTH AFRICAN BREWERIES PLC	
SASOL LTD	
ANGLOGOLD LTD	
SANLAM LTD	
REMGRO LTD	
IMPALA PLATINUM HOLDINGS LTD	
INVESTEC GROUP LTD	
ABSA GROUP LTD	
LIBERTY INTERNATIONAL PLC	
LIBERTY GROUP LTD	
JOHNNIC HOLDINGS LTD	
THE BIDVEST GROUP LTD	
IMPERIAL HOLDINGS LTD	
SAPPI LTD	
VENFIN LTD	
GOLD FIELDS LTD	
MIH HOLDINGS LTD	
TIGER BRANDS LTD	
BOE LTD	
BARLOW LTD	
NASPERS LTD – “N”	
RMB HOLDINGS LTD	
GENBEL SECURITIES LTD	
DATATEC LTD	
NAMPAK LTD	
CORONATION HOLDINGS LTD – “N”	
FEDSURE HOLDINGS LTD	
METRO CASH AND CARRY LTD	
AFRICAN BANK INVESTMENTS LTD	
COMPAREX HOLDINGS LTD	

**APPLICATION FORM: SATRIX 40 INDEX SECURITIES – IN KIND SUBSCRIPTION
HELPLINE – 0861 100 670**

- Application for SATRIX 40 Index Securities after the Initial Offer.
 - **Please read the Offering Circular issued by IndexCo Limited, dated October 2000 as amended from time to time (the “Offering Circular”) before completing and returning this form.**
 - Terms not defined in this application form shall have the same meanings as attributed thereto in the Offering Circular.
 - Investors wishing to subscribe for SATRIX 40 Index Securities in cash as part of the Initial Offer should complete the application form headed “Application form: SATRIX 40 Index Securities – Cash Subscription – Initial Offer”.
 - Investors wishing to subscribe for SATRIX 40 Index Securities *in kind* under the Initial Offer should use the application form headed “Application form: SATRIX 40 Index Securities – *In kind* Subscription – Initial Offer”.
 - Investors wishing to subscribe for SATRIX 40 Index Securities *in kind* after 27 November 2000 should complete the application form headed “Application form: SATRIX 40 Index Securities – *In kind* Subscription”.
-

1. This form, when completed, must be delivered to Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001, (PO Box 61051, Marshalltown, 2107) together with:
 - 1.1 a **bank guaranteed** cheque (crossed and marked “**not transferable**”) in favour of “**Computershare Services Limited – SATRIX Offer**”; and
 - 1.2 scrip in negotiable form constituting one or more integer multiples of whole Baskets as detailed in Schedule 1 to the Offering Circular and as up-dated and published on the IndexCo/SATRIX 40 web-site from time to time (www.satrix.co.za). If you are uncertain as to the constitution of this Basket, contact your broker or Computershare Services Limited directly.
 2. Your **bank guaranteed** cheque must be for an amount equal to or exceeding the transaction fees as contemplated in the Offering Circular, as well as a *pro rata* contribution to distributable amounts as contemplated therein and as published by IndexCo Limited on its web-site from time to time. If you are uncertain as to this amount, contact your broker or Computershare Services Limited.
 3. Your **bank guaranteed** cheque must accompany this application form. Your **bank guaranteed** cheque must be crossed and marked “**not transferable**” and made payable to “**Computershare Services Limited – SATRIX Offer**”.
 4. **APPLICATIONS RECEIVED ON ANY DAY OTHER THAN A JSE TRADING DAY WILL BE PROCESSED AS IF THEY WERE RECEIVED AT THE COMMENCEMENT OF THE NEXT TRADING DAY.**
 5. You can either:
 - 5.1 deliver your application form, scrip in negotiable form and cheque to Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001; or
 - 5.2 post your application form, scrip in negotiable form and cheque to Computershare Services Limited, PO Box 61051, Marshalltown, 2107. Please allow one week for delivery.
 - 5.3 by arrangement with Computershare Services Limited fax your application form to Computershare Services Limited (Fax No. (011) 370 7918) and deliver/post your scrip (in negotiable form) and cheque to the addresses set out above.
 6. Each application submitted must be in one name only and show only one address. The directors of IndexCo Limited reserve the right to accept or reject any applications, in whole or in part, particularly if the instructions set out in this application form and in the Offering Circular are not properly complied with.
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To the directors

IndexCo Limited

I/We, the undersigned hereby:

- warrant that I/we have full legal capacity to contract;
- apply for SATRIX 40 Index Securities;
- enclose a **bank guaranteed** cheque crossed and marked “**not transferable**”

I/We enclose a **bank guaranteed** crossed cheque/banker’s draft in favour of “**Computershare Services Limited – SATRIX Offer**”, for the appropriate amount due in terms of this application, as well as scrip in negotiable form.

I/We do/do not (delete as applicable) require to be issued with a SATRIX 40 Index Security certificate in respect of SATRIX 40 Index Securities allotted and issued to me pursuant to this application.

Date _____ 2000 Telephone number () _____

Signature (state if company) _____

Assisted by (where applicable) _____

Surname of individual or Name of corporate body	Mr Mrs Miss Other title
First names in full (if an individual)	
I. D. number (if a natural person) or Company registration number	
Postal address (preferably PO Box address) SATRIX 40 Index Securities certificates/statements will be sent to this address. Contrary instructions will NOT be accepted	Postal code
Total amount of bank guaranteed cheque or banker's draft to cover investment in SATRIX 40 Index Securities, transaction costs and contribution to <i>pro rata</i> distribution amount (if any)	R _____, 00 (Enter figures only – not words)
Banking details	

1. Applicants should consult their stockbrokers, bankers or financial or other advisers in case of doubt as to the correct completion of this application form. Alternatively applicants can contact Computershare Services Limited directly on (011) 370 7888 or the Information Agents, Georgeson Shareholder Communications on 086 110 0670.
2. Applications are irrevocable and may not be withdrawn.
3. The following summary is intended as a guide and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your professional advisers:
 - 3.1 Blocked Rand may be used by former residents and non-residents of the Common Monetary Area (comprising the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland) for payment in terms of this offer and reference should be made to the relevant portion of the Offering Circular dealing with South African Exchange Control Regulations.
 - 3.2 All payments in respect of subscriptions for SATRIX 40 Index Securities by non-residents using blocked Rand must be made through a South African authorised dealer in foreign exchange.
 - 3.3 SATRIX 40 Index Securities certificates issued in respect of SATRIX 40 Index Securities purchased with blocked Rand will be endorsed "non-resident" in accordance with the South African Exchange Control Regulations. Such certificates will be placed under the control of the authorised dealer through whom the payment was made.
 - 3.4 If applicable, refund money payable in respect of unsuccessful applications or partly successful applications, as the case may be, for SATRIX 40 Index Securities in terms of this application, emanating from blocked accounts, will be returned, in terms of the applicable Exchange Control Regulations, to the authorised dealer administering such blocked accounts for the credit of such applicant's blocked account.
4. **All alterations on the application form (other than the deletion of alternatives) must be authenticated by full signature.**
5. No receipts will be given for applications or remittances and applications will only be regarded as complete when the relevant cheque/banker's draft has been paid and when the relevant scrip has been transferred into the name of SATRIX 40 Trust (or that of its nominee).
6. The allotment and issue of SATRIX 40 Index Securities pursuant hereto will be conditional upon a listing of the SATRIX 40 Index Securities on the Johannesburg Stock Exchange ("the JSE").
7. All money and scrip received for SATRIX 40 Index Securities from applicants will be held by Computershare Services Limited pending fulfilment of the condition set out in paragraph 6 above. If this condition is not fulfilled, the said money and scrip will be returned within seven days of the non-fulfilment of the condition set out in paragraph 6 above, posted by ordinary mail at the risk of the relevant applicant.
8. A SATRIX 40 Index Securities statement or certificate as the case may be will be sent to the applicant by registered post at the risk of the applicant to the postal address shown on this application form (no contrary instructions will be accepted) no later than seven days after the date of the commencement of the listing on the JSE which is expected to be 27 November 2000.
9. IndexCo Limited will use the certified transfer deeds and other temporary documents of title procedure approved by the JSE and therefore it will issue only a "block" certificate for the SATRIX 40 Index Securities allotted and issued in terms of this application.
10. Applications will not be accepted in the name of an unassisted minor, a deceased estate, a partnership, a trust or any person who requires legal assistance in entering into contracts.
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NEDCOR LTD	
SOUTH AFRICAN BREWERIES PLC	
SASOL LTD	
ANGLOGOLD LTD	
SANLAM LTD	
REMGRO LTD	
IMPALA PLATINUM HOLDINGS LTD	
INVESTEC GROUP LTD	
ABSA GROUP LTD	
LIBERTY INTERNATIONAL PLC	
LIBERTY GROUP LTD	
JOHNNIC HOLDINGS LTD	
THE BIDVEST GROUP LTD	
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BOE LTD	
BARLOW LTD	
NASPERS LTD – “N”	
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GENBEL SECURITIES LTD	
DATATEC LTD	
NAMPAK LTD	
CORONATION HOLDINGS LTD – “N”	
FEDSURE HOLDINGS LTD	
METRO CASH AND CARRY LTD	
AFRICAN BANK INVESTMENTS LTD	
COMPAREX HOLDINGS LTD	

INDEXCO LIMITED

(Registration number 2000/023564/06)
("IndexCo" or "the Company")

FORM OF SURRENDER OF SATRIX 40 INDEX SECURITY CERTIFICATES AND/OR OTHER DOCUMENTS OF TITLE

HELPLINE – 0861 100 670

Please refer to the instructions below before completing this form.

1. This form should be properly completed and returned together with the relevant documents of title to the office of the Transfer Secretaries, Computershare Services Limited, Edura, 41 Fox Street, Johannesburg, 2001 (PO Box 61051, Marshalltown, 2107).
2. Part B must be completed by emigrants from the Republic of South Africa.
3. A separate form is required for each SATRIX 40 Index Securities holder ("a holder").
4. If this form is signed on behalf of a company, pension or provident fund, then it must be accompanied by a certified copy of the resolution authorising the signatories.
5. No receipts will be issued for documents lodged unless specifically requested. In compliance with the requirements of the Johannesburg Stock Exchange ("JSE"), lodging agents are requested to prepare special transaction receipts. Signatories may be called upon for evidence of their authority or capacity to sign this form.
6. A minor must be assisted by his/her parent or guardian unless the relevant documents establishing his/her legal capacity are produced or have been registered by the Transfer Secretaries of the Company.
7. If a holder has become a widow or divorcee subsequent to acquiring the shares, documentary evidence of such status must be produced unless such evidence has already been registered by the Transfer Secretaries of the Company.
8. Where the SATRIX 40 Index Securities are held jointly, this form must be signed by all joint holders.
9. If this form is signed under a power of attorney, such power must be produced unless it has already been registered by the Transfer Secretaries of the Company or the documents bear the stamp of a JSE broker.
10. If the holder is a deceased estate, this form must be accompanied by the Letters of Executorships unless such document has already been lodged with the Transfer Secretaries of the Company or the document lodged bears the stamp of a JSE broker.
11. Persons who are emigrants from the Common Monetary Area (comprising the Republics of South Africa and Namibia and the Kingdoms of Lesotho and Swaziland) should nominate the authorised dealer in foreign exchange in the Republic of South Africa which has control of their blocked assets in Part B of this form. Failing such nomination, the SATRIX 40 Index Security certificate/statement due to such holder in accordance with the provisions of the Offering Circular will be held by the Transfer Secretaries, pending instructions from the holder concerned.

To:

Computershare Services Limited
Edura, 41 Fox Street
Johannesburg, 2001
(PO Box 61051
Marshalltown, 2107)

Dear Sirs

Part A – To be completed by ALL ordinary holders who return this form.

I/We, the undersigned, hereby surrender the enclosed documents of title in respect of the SATRIX 40 Index Securities held by me/us.

*I/We hereby instruct you to post to me/us at my/our risk, certificate/s or other document of title in respect of the SATRIX 40 Index Securities to which I/we become entitled by virtue of this surrender on the terms set out in the Offering Circular issued by IndexCo Limited, dated October 2000 (as amended from time to time).

*I/We wish to collect the share certificates or other document of title due to me/us. If I/we elect to do so, I/we acknowledge that if I/we have not collected the certificate or other documents of title within seven days of the date on which I/we am/are entitled to do so, you may immediately post the certificate or other documents of title to me/us.

Yours faithfully

Signature of holder

Assisted by me (if applicable)

Date

***Please delete whichever is not applicable.**

WHITE

Surname

First names (in full)

Title (Mr, Mrs, Miss, Ms, etc.)

Postal address (preferably PO Box address) to which certificate should be sent, if other than registered address

Postal code

Telephone number ()

SECTION B – To be completed by ALL emigrants.

I/We surrender and enclose the undermentioned documents of title:

Surname
First names (in full)
Title (Mr, Mrs, Miss, etc.)

DOCUMENTS OF TITLE

Certificate/Statement number(s)	Number of SATRIX 40 Index Securities covered by each certificate/statement
Total	

Nominated authorised dealer in the case of a holder who is an emigrant from the Common Monetary Area	
Name of dealer	
Account number	
Address	
	Postal code
Signature	Stamp and address of agent lodging this form (if any)
Assisted by me (if applicable) (State full name and capacity)	Date

The relevant share certificates or other documents of title in respect of the shares to which the applicant becomes entitled by virtue of the surrender of the SATRIX 40 Index Securities detailed in this form of surrender will be sent to the applicant within seven days from receipt of this form, together with the relevant documents of title, to the address as shown in the Company's register of holders, or should such other address appear in this form of surrender, to that address.

