

**MEMORANDUM OF REMUNERATION AGREEMENT**

Between

**PIERRE DE VILLIERS BERRANGÉ**  
(Hereinafter referred to as "the Practitioner")

and

**FASHION X MANUFACTURING (PTY) LTD**  
**REGISTRATION NUMBER: 2017/443761/07**  
(Hereinafter referred to as "the Company")

WHEREAS in accordance with Section 129 of the Companies Act 71 of 2008 ("the Act"), the Board of the Company adopted a Resolution on 10 September 2020, in terms of which the Company voluntarily commenced business rescue proceedings from 10 September 2020.

AND WHEREAS the Company appointed Pierre de Villiers Berrangé as the Business Rescue Practitioner ("Practitioner") on 10 September 2020.

AND WHEREAS the Practitioner is entitled to remuneration in terms of section 143(1) of the Act and is entitled to propose an agreement with the Company providing for further remuneration, additional to that contemplated in section 143(1);

AND WHEREAS it has been established that the Company is a medium Company by virtue of its public interest score.

NOW THEREFORE the Parties agree as follows:

**1 PRACTITIONERS' REMUNERATION**

The Companies Act and the Regulations provide that the Practitioner will charge his fees at ZAR1,500.00 per hour subject to a maximum of ZAR18,750.00 per day in respect of consultation, attendances, including travelling time and waiting time per hour (being the fees prescribed under section 143(1) of the Act) and Regulation 128 of the Regulations

The hourly rate prescribed by the tariff in Companies Regulation 128 is not market related and is outdated as it was determined in or about 2008. Accordingly, a Remuneration Agreement with the BRP is proposed in terms of which the basic remuneration payable by the Company to the BRP, shall be:

- 1.1 An initial hourly tariff of ZAR1500,00 (including VAT), in accordance with section 143(1) of the Act and Regulation 128 of the Companies Regulations, with effect from the Commencement Date up to the date on which the Business Rescue Plan is Adopted; thereafter

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- 1.2 a revised hourly tariff of ZAR3 000.00 (excluding VAT), in accordance with section 143(2)(a) of the Companies Act on approval and adoption of the Business Rescue Plan in terms of section 152(2) and (3) of the Companies Act, retrospectively with effect from the Commencement date; and
- 1.3 Notwithstanding the number of hours charged the Practitioner has agreed to limit his remuneration of the hourly fee to R500,000.00 plus VAT (excluding disbursements), if the hourly rate exceeds that amount.

**2 DISBURSEMENTS**

In addition to the fees in clause 1.1 and 1.2, the Practitioner shall recover any reasonable costs from the Company for disbursements and expenses incurred to carry out his functions which include, but are not limited to legal costs incurred in employing attorneys and Counsel, accountants and/or auditors, advisors, valuation costs, subsistence and travel costs, and accommodation.

**3 RENDERING OF ACCOUNTS**

The Practitioner shall be entitled to invoice and be paid the following amounts monthly in arrears.

- 3.1 the amounts payable under clause 1.1 and 1.2;
- 3.2 Disbursements, as they are incurred, on production of supporting invoices.

The Practitioner may, at his discretion, to assist the Company's cash flow, not submit monthly accounts for the amounts referred to in clause 1.1. and 1.2.

SIGNED AT DURBAN ON THIS 15th DAY OF OCTOBER 2020


  

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**PIERRE DE VILLIERS BERRANGÉ**  
**BUSINESS RESCUE PRACTITIONER**



SIGNED AT DURBAN ON THIS 15th DAY OF OCTOBER 2020

  
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**B G EDGLEY**  
**DIRECTOR**

  
\_\_\_\_\_  
**UNITY GROUP INVESTMENTS (PTY) LTD**  
**SHAREHOLDER**

  
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**B V CHAPMAN**  
**DIRECTOR & SHAREHOLDER**

  
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**N SAWERS**  
**DIRECTOR & SHAREHOLDER**