

## ANNEXURE A

Sun International (South Africa) Limited

And

GPI Slots (Proprietary) Limited

CC CASE NUMBER: 2014JUN0271

CT CASE NUMBER: 019083

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### CONDITIONS

#### 1. Definitions

The following expressions shall bear the meanings assigned to them below and cognate expressions bear corresponding meanings –

- 1.1. **"Acquiring Firm"** means Sun International (South Africa) Limited;
- 1.2. **"Approval Date"** means the date referred to in the Competition Tribunal's Merger Clearance Certificate (Form CT 10);
- 1.3. **"Commission"** means the Competition Commission of South Africa;
- 1.4. **"Competition Act"** means the Competition Act 89 of 1998, as amended;
- 1.5. **"Conditions"** means these conditions;
- 1.6. **"GPI Slots"** means GPI Slots (Proprietary) Limited;
- 1.7. **"Merger"** means the acquisition by Sun International (South Africa) Limited of 25.1% of the shares in GPI Slots (Proprietary) Limited;
- 1.8. **"Merging Parties"** means Sun International (South Africa) Limited and GPI Slots (Proprietary) Limited;
- 1.9. **"SISA"** means Sun International (South Africa) Limited;
- 1.10. **"Target Firm"** means GPI Slots (Proprietary) Limited;
- 1.11. **"Tribunal"** means the Competition Tribunal of South Africa; and
- 1.12. **"Implementation Date"** means the date, occurring after the Approval date, on which the Merger is implemented by the Merging Parties and shall for the purposes of this condition be deemed to be the Investment One Closing Date contemplated in the Sale of Shares and Claims Agreement entered into between the Merging Parties dated 12 May 2014.

#### 2. Recordal

- 2.1. On 6 June 2014, the Merging Parties filed the proposed transaction with the Commission. Following its investigation of the proposed transaction, the Commission is of the view that

it is unlikely to raise competition concerns. However, the Commission is concerned about the likely impact that the proposed transaction will have on public interest specifically on employment and is of the view that it is necessary to impose employment conditions.

2.2. These conditions are intended to ensure that the merger does not have a detrimental effect on employment.

2.3. Therefore the Commission sets out the following conditions:

### **3. Conditions**

#### **3.1. Employment**

3.1.1 The Merging Parties shall ensure that no retrenchments of any employees of the Target or Acquiring Firm occur as a result of this merger for a period of two (2) years following the Implementation Date.

3.1.2 Retrenchments referred to in clause 3.1.1 do not include voluntary separation agreements, voluntary early retirement packages and unreasonable refusals to be redeployed in accordance with the provisions of the Labour Relations Act, 1995, as amended.

3.1.3 For the avoidance of any doubt, it is recorded that retrenchments referred to in clause 3.1.1 do not include any retrenchment effected pursuant to the process undertaken by the Acquiring firm in terms of section 189 of the Labour Relations Act, 1995, which is not as a result of this merger, which process was announced by the Acquiring Firm on or about 29 January 2014.

3.1.4 The undertaking in clause 3.1.1 shall not relate to the Board of Directors and the Executive Management of the Target Firm or Acquiring Firm.

#### **4. Monitoring of compliance with the Conditions**

4.1. The Target and Acquiring firms shall inform all their employees in writing of the above conditions within five (5) business days of the Implementation Date. To this end, the Target and Acquiring firms shall provide an affidavit by their Chief Executive Officers or other duly authorised executive attesting to the notification and provide a copy of the said notice to the Commission within five (5) business days of the notification to employees.

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4.2. The Target and Acquiring firms shall submit affidavits by their Chief Executive Officers or other duly authorised executive confirming compliance with the Condition in clause 3.1 within six (6) months of the Implementation Date and every six (6) months thereafter for a period of two (2) years. The affidavits must be accompanied by a report indicating the number of retrenchments that have taken place in the prior six (6) months and must include the reasons for those retrenchments.

4.3. All correspondence in relation to this merger must be submitted to the Commission's email address: [mergerconditions@compcom.co.za](mailto:mergerconditions@compcom.co.za).

## **5. General**

In the event that the Merging Parties appear to have breached the above conditions or if the Commission determines that there has been an apparent breach by the Merging Parties of any of the above conditions, this shall be dealt with in terms of Rule 39 of the Rules for the Conduct of Proceedings in the Commission read together with Rule 37 of the Rules Regulating the Functions of the Tribunal.