



BBBEE LINKED cc. t/a
CK 2007/119628/23

Goal Achievement Partners

Tel.: (011) 805 5042
Fax: (086) 525 7852

P.O. Box 7496
Halfway House 1685

Date: 11th March 2015

Att: Mr Andrew Mowatt
Proof Engineering and Azolite a division of Hudaco Trading (Pty) Ltd.

Dear Mr Mowatt

Re: Verification Report for Review.

It is with pleasure that I hereby submit a report on the Verification Process conducted on your company. This report details the process that was undertaken and a summary of the findings on each element together with a summary of your score.

I would urge you to kindly review our comments and findings in order to confirm the validity of these and complete the Approval of Verification Report Form attached herein.

You are welcome to complete the section for comments, concerns, clarity or appeals. We will certainly consider these and finalize this rating process accurately and comprehensively.

As such, please note that only information that was provided and successfully verified was included in the preparation of this report. This verification report therefore, is based on information provided to Goal Achievement Partners and represents an independent opinion based on the verification and analysis completed by the Verification Team. The calculation of the scores has been determined by the BBBEE Act no. 53 of 2003, Codes of Good Practice and the DTI BBBEE Verification Methodology.

I would like to take this opportunity to thank you for choosing this company to assist you with your BBBEE Verification.

Yours faithfully,

Mr. D. MacDonald
Verification Manager

VERIFICATION REPORT

Confirmation of Corporate Data

Reference Number : AR-1877-L

Name of Measured Entity : Proof Engineering and Azolite a division of Hudaco Trading (Pty) Ltd.

Address : 28 Nagington Road, Wadeville

Company Registration Number : 1984/005432/07

VAT Number : 4910261991

Scorecard Type : Generic

Contact Person : Mr Andrew Mowatt

Designation of Contact Person : General Manager

Date of Site Visit : 19th February 2015

Locations Visited : 28 Nagington Road, Wadeville

For Goal Achievement Partners:

Senior Analyst : Arti Ramgobin

Verification Manager : Denver Mac Donald

Ownership:

OWNERSHIP	POINTS ALLOCATED	TARGET	ACTUAL	POINTS ACHIEVED
<i>Voting Rights:</i>				
Exercisable Voting Rights in the Enterprise in the hands of Black People.	3	25.10%	29,83%	3,00
Exercisable Voting Rights in the Enterprise in the hands of Black Women.	2	10%	13,77%	2,00
<i>Economic Interest:</i>				
Economic Interest of Black People in the Enterprise.	4	25%		
Economic Interest of Black Women in the Enterprise.	2	10%	29,01%	4,00
Economic Interest of the following Black natural People in the Enterprise: 1. Black designated groups 2. Black participants in Employee Ownership Schemes 3. Black beneficiaries of Broad based Ownership Schemes 4. Black participants in Co-operatives	1	2.50%	12,85% 26,01%	2,00 1,00
<i>Realisation Points:</i>				
Ownership fulfilment	1	No restrictions	Fulfilled	1,00
Current Equity Interest	7	100%	100,00%	7,00
<i>Bonus Points:</i>				
Involvement in the Ownership of the Enterprise of Black new entrants	2	10%	26,01%	2,00
Involvement in the Ownership of the Enterprise of Black participants in: 1. Employee Ownership Schemes 2. General or Special Broad-Based Ownership Schemes 3. Co-operatives	1	10%	26,01%	1,00
TOTAL POINTS ACHIEVED				23,00

Management Control:

MANAGEMENT CONTROL	ALLOCATED POINTS	TARGET	ACTUAL	POINTS ACHIEVED
<i>Board Participation</i>				
Exercisable Voting Rights of Black board members (using the Adjusted Recognition for Gender)	3	50%	40,00%	2,40
Black Executive Directors (using the Adjusted Recognition for Gender)	2	50%	0,00%	0,00
<i>Top Management</i>				
Black Senior Top Management (using the Adjusted Recognition for Gender)	3	40%	0,00%	0,00
Black Other Top Management (using the Adjusted Recognition for Gender)	2	40%	0,00%	0,00
<i>Bonus Points</i>				
Black Independent Non-Executive Board Members	1	40%	100,00%	1,00
TOTAL POINTS ACHIEVED				3,40

Employment Equity:

EMPLOYMENT EQUITY	ALLOCATED POINTS	TARGET	ACTUAL	POINTS ACHIEVED
Black employees who are Disabled Employees as a percentage of all Employees (using the Adjusted Recognition for Gender)	2	3.0%	0,00%	0,00
Black employees in Senior Management as a percentage of all such employees (using the Adjusted Recognition for Gender)	5	60%	0,00%	0,00
Black employees in Middle Management as a percentage of all such employees (using the Adjusted Recognition for Gender)	4	75%	50,00%	2,67
Black employees in Junior Management as a percentage of all such employees (using the Adjusted Recognition for Gender)	4	80%	37,50%	1,88
Bonus points for meeting or exceeding the EAP targets in Senior, Middle and Junior Management.	3	EAP – 90.76%	0	0,00
TOTAL POINTS ACHIEVED				4,55

Skills Development:

SKILLS DEVELOPMENT	ALLOCATED POINTS	TARGET	ACTUAL	POINTS ACHIEVED
<i>Skills Development Expenditure on Learning Programmes specified in the Learning Programme Matrix</i>				
Skills Development Expenditure on Learning Programmes for Black Employees as a percentage of the Leivable amount (using the Adjusted Recognition for Gender)	6	3%	2,07%	4,14
Adjusted Skills Development Expenditure on Learning Programmes for Black Employees with Disabilities as a percentage of the Leivable amount (using the Adjusted Recognition for Gender)	3	0.3%	0,00%	0,00
<i>Learning Programmes / Learnerships</i>				
Number of Black employees participating in learnerships or category B, C and D Programmes as a percentage of total employees using the adjusted recognition for gender.	6	5%	2,42%	2,90
TOTAL POINTS ACHIEVED				7,04

Preferential Procurement:

PREFERENTIAL PROCUREMENT	ALLOCATED POINTS	TARGET	ACTUAL	POINTS ACHIEVED
BEE Procurement Spend from all Suppliers based on the BEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend.	12	70%	60,9%	10,45
BEE Procurement Spend from Qualifying Small Enterprises or Exempted Micro Enterprises based on the applicable BEE Procurement Recognition Levels as a percentage of Total Measured Procurement Spend	3	15%	17,2%	3,00
BEE Procurement Spend from any of the following Suppliers (regardless of their BEE Recognition Level) as a percentage of Total Measured Procurement Spend:				
1. Suppliers that are more than 50% Black owned; or	3	12%	0,0%	0,00
2. Suppliers that are more than 30% Black Women owned	2	8%	0,0%	0,00
TOTAL POINTS ACHIEVED				13,45

Enterprise Development:

ENTERPRISE DEVELOPMENT	ALLOCATED POINTS	TARGET	ACTUAL	POINTS ACHIEVED
Average annual value of all Qualifying Contributions made by the Measured Entity measured from the Commencement of this statement or the Inception date to the date of measurement as percentage of the target.	15	3% of NPAT	2,57%	12,83
TOTAL POINTS ACHIEVED				12,83

Social Development:

SOCIO-ECONOMIC DEVELOPMENT	ALLOCATED POINTS	TARGET	ACTUAL	POINTS ACHIEVED
Average annual value of all Qualifying Contributions made by the Measured Entity measured from the commencement of this statement or the Inception Date to the date of measurement as a percentage of the target	5	1% of NPAT	0,55%	2,77
TOTAL POINTS ACHIEVED				2,77

Overall Scoring:

BBBEE Contribution Level:	Four
BBBEE Procurement Recognition Level:	100%
Value-Adding Supplier (NPBT + Labour Costs > 25% of Turnover):	Yes

ACCEPTANCE OF VERIFICATION REPORT

Kindly sign this form and fax back to us to confirm you either accept this report or that you would like certain elements to be reviewed or data to be corrected and kindly motivate when making such comments such that we can expedite and corrections or changes you request based on substantial data.

Please note that we will investigate and review data within 5 days of receiving this form and will provide written feedback to bring this process to finalization.

ACCEPTANCE

I,, in my capacity as hereby confirm that the content of this report is accurate and confirm that you may proceed with finalizing this rating process.

SIGNATURE OF ABOVE REPRESENTATIVE

Date: _____

REQUIRE REVIEW/COMMENT

I,, in my capacity as would like you to kindly address the following issues:

SIGNATURE OF ABOVE REPRESENTATIVE

Date: _____