

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 1, 2018 (March 1, 2018)**

NET 1 UEPS TECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction
of incorporation)

000-31203
(Commission
File Number)

98-0171860
(IRS Employer
Identification No.)

**PRESIDENT PLACE, 4TH FLOOR, CNR. JAN SMUTS AVENUE AND BOLTON ROAD
Rosebank, Johannesburg, South Africa**

(Address of principal executive offices) (ZIP Code)

Registrant's telephone number, including area code: **011-27-11-343-2000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a -12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d -2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e -4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b -2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Appointment of Alexander M. R. Smith as Chief Financial Officer and Director

On March 1, 2018, Mr. Smith's appointment as Chief Financial Officer of Net 1 UEPS Technologies, Inc. (the "Company"), which was previously disclosed on the Company's Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission on December 1, 2017, became effective. On that same date, the board of directors of the Company appointed Mr. Smith as a director of the Company, for a term that will expire at the Company's next annual meeting of shareholders.

Agreements with Mr. Smith

Mr. Smith and the Company entered into an employment agreement and a restrictive covenants agreement, which became effective on March 1, 2018. In addition, Mr. Smith and Net1 Applied Technologies South Africa Proprietary Limited entered into a contract of employment ("SA Employment Contract") and a restrictive covenants agreement, which also became effective on March 1, 2018. Mr. Smith will receive an annual base salary of \$375,000, which will be paid in South African Rand ("ZAR") and a signing bonus of ZAR 3,000,000. Mr. Smith received 22,817 shares of restricted stock, of which 11,409 will vest on March 1, 2019, and 11,408 will vest on March 1, 2020, subject to his continued employment. Mr. Smith will be eligible to receive an annual bonus/cash incentive award, subject to the remuneration committee's determination of the qualitative and quantitative components of such award. In addition, Mr. Smith will be eligible to participate in and receive awards under the Company's 2015 Amended and Restated Stock Incentive Plan with the terms and conditions of any such awards subject to the discretion of the remuneration committee. The employment agreement provides that Mr. Smith is an at-will employee and his SA Employment Contract provides that either party may terminate the agreement with three months notice.

There are no family relationships between Mr. Smith and any directors or officers of the Company. There have been no transactions nor are there any proposed transactions between the Company and Mr. Smith that would require disclosure pursuant to Item 404(a) of Regulation S-K.

The foregoing description of the agreements with Mr. Smith does not purport to be complete and is qualified in its entirety by reference to the full text of such agreements, which are attached hereto as Exhibits 10.80 - 10.83 and are incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
<u>10.80</u>	<u>Contract of Employment, effective March 1, 2018, between Net1 Applied Technologies South Africa Proprietary Limited and Alexander Michael Ramsay Smith</u>
<u>10.81</u>	<u>Restrictive Covenants Agreement, effective March 1, 2018, between Net1 Applied Technologies South Africa Proprietary Limited and Alexander Michael Ramsay Smith</u>
<u>10.82</u>	<u>Employment Agreement, effective March 1, 2018, between Net 1 UEPS Technologies, Inc. and Alexander Michael Ramsay Smith</u>
<u>10.83</u>	<u>Restrictive Covenants Agreement, effective March 1, 2018, between Net 1 UEPS Technologies, Inc. and Alexander Michael Ramsay Smith</u>

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NET 1 UEPS TECHNOLOGIES, INC.

Date: March 1, 2018

By: /s/ Herman G. Kotzé

Name: Herman G. Kotzé

Title: Chief Executive Officer

CONTRACT OF EMPLOYMENT

BETWEEN

**NET1 APPLIED TECHNOLOGIES SOUTH AFRICA (PTY) LTD
("the Company")**

AND

**ALEXANDER MICHAEL RAMSAY SMITH
("the Executive")**

1. EMPLOYMENT

- 1.1 The Company employs the Executive, who accepts employment in accordance with the terms and conditions of this contract.
- 1.2 The Company hereby appoints the Executive to the position of Chief Financial Officer at our Head Office.

2. DURATION

- 2.1 Subject to 2.2 and 9, this agreement shall commence on 1 March 2018 and shall be terminable by either party by giving not less than three month's written notice of termination.
- 2.2 The Company may utilise the Executive's services at whatever place and in whatever capacity as may be required during the currency of this agreement.

3. REMUNERATION

- 3.1 The Executive's remuneration will be determined on the basis of the total direct cost to the Company, excluding any statutory deductions, which the Executive and the Company are liable for.
- 3.2 **Base Salary.** During the Employment Period, the Company shall pay to Executive a base salary at the rate of U.S. \$375,000 per year (the "**Base Salary**"), less applicable tax withholding, payable in monthly installments in South African rand. Each installment of the Base Salary shall be converted from U.S. dollars at an average exchange rate determined quarterly in advance. Make-whole payments will be made at the end of every quarter, if any, to reflect the actual exchange rate.
- 3.3 **Sign-on Bonus.** As soon as practicable following the first day of the Employment Period, the Company shall pay the Executive a sign-on bonus in the amount of R3,000,000 (the "**Sign-On Bonus**") less applicable tax withholding, in accordance with the Company's customary payroll practices. If Executive's employment is terminated for any reason prior to January 31, 2020, Executive shall be obligated to repay to the Company the entire amount of the Sign-on Bonus within 30 days after such termination.

- 3.4 **Incentive Compensation.** The Executive shall be eligible to earn a discretionary cash incentive award in respect of each full fiscal year during the Employment Period as determined in the sole discretion of the Remuneration Committee of the Board. Any such award (and the terms and conditions of such award) shall be based upon the Executive's performance and such other factors as the Remuneration Committee shall determine in its discretion, which may include the Group's performance during such year.
- 3.5 **Expenses.** The Company, in accordance with policies and practices established by the Board from time to time, will pay or reimburse Executive for all expenses reasonably incurred by Executive during the Employment Period in connection with the performance of Executive's duties under this Agreement; provided, that Executive shall provide to the Company documentation or evidence of expenses for which Executive seeks reimbursement in accordance with the policies and procedures established by the Company from time to time.
- 3.6 **Benefit Plans.** The Executive shall have the option to join the Group's Medical Aid Scheme with Discovery Medical Health or Bankmed, or other scheme in which the Group participates from time to time. Participation in any such scheme shall be at the Executive's sole cost and expense. The Executive acknowledges that the Group does not operate a retirement scheme or provide any other benefits not specifically provided for in this Agreement.

4. **LEAVE ENTITLEMENT**

4.1 **ANNUAL LEAVE**

The Executive acknowledges that he will qualify for 25 working days leave in respect of each completed 12-month period of service.

5. **POSITION AND RESPONSIBILITIES**

- 5.1 During the Employment Period, the Executive shall have the duties, responsibilities, functions and authority, including administrative, financial, executive and managerial as are customary to the position of Chief Financial Officer. The Executive shall serve as a member of the board of directors (or similar governing body) of the Company or any other member of the Group as may be requested by the Board.

6. **COMPLIANCE WITH COMPANY POLICIES/QUALIFICATIONS**

- 6.1 The Executive shall comply with all written Company policies, standards, rules and regulations (a "**Company Policy**" or collectively, the "**Company Policies**") and all applicable government laws, rules and regulations that are now or hereafter in effect. The Executive acknowledges receipt of copies of all written Company Policies that are in effect as of the date of this Agreement.

6.2 The Executive shall: (i) hold and maintain in good standing membership in a recognized accounting association and (ii) hold and maintain all required governmental licenses, certifications and authorizations necessary to perform Executive's obligations under this Agreement.

7. **RESTRICTIVE COVENANTS AGREEMENT**

7.1 On the date hereof, Executive shall execute a restrictive covenants agreement, in the form of Exhibit A attached hereto and made a part hereof (the "**Restrictive Covenants Agreement**").

8. **COPYRIGHT**

8.1 The Executive acknowledges that the Company shall, by operation of law, become the owner of the copyright in any work, which is eligible for copyright and which is created or executed by the Executive, whether alone or with others, in the course and scope of employment.

8.2 Insofar as it may be necessary, the Executive cedes and assigns to the Company the copyright of any work created or executed by the Executive, whether alone or with others, in the course and scope of employment.

8.3 The Executive undertakes not to exercise any residuary rights in respect of any work created or executed by the Executive, whether alone or with others, in the course and scope of employment with the Company.

8.4 All work created or executed by the Executive and for which copyright exists shall, unless the Executive establishes the contrary, be deemed to have been created or executed in the course and scope of employment with the Company.

9. **TERMINATION FOR MISCONDUCT OR ILLNESS**

9.1 Subject to fair procedures being adhered to, this agreement may be terminated by the Company summarily at any time and without any payment in lieu of notice if, at any time, the Executive is guilty of any serious misconduct or commits a breach of a material obligation under this agreement, or is guilty of any act which at common law would entitle the Company summarily to terminate this agreement.

9.2 If the Executive is absent for an unreasonable long time due to illness, the Company is entitled to terminate the contract after a fair procedure and investigation into the health position of the worker.

9.3 The Company reserves the right to request the Executive to undergo a medical examination at any time at the Company's expense to assist in determining the Executive's fitness to continue Employment.

9.4 The Executive guarantees that at the time of signing this contract, he is free of any notifiable, contagious illness. If the Executive should discover any such illness after employment, he will immediately inform the Company.

10. **MISCELLANEOUS MATTERS**

10.1 Notwithstanding the terms contained in this contract, the Executive accepts that all the rules and procedures of the Company, wheresoever contained are applicable to his Employment and that, in the event of any conflict between such rules and procedures and this contract, this contract will be regarded as being binding. The Executive undertakes not to injure the reputation or business of the Company and its customers and to observe the utmost secrecy and good faith in all dealings concerning the Company or its customers.

10.2 The Executive acknowledges that the Company's Disciplinary Code and Procedure, and Grievance Policy and Procedure, are applicable to the employment relationship and agrees to be bound thereby.

10.3 No agreement varying, adding to, deleting from or cancelling this agreement, shall be effective unless reduced to writing and signed by or on behalf of the parties.

10.4 The Executive agrees that he will retire at the age of 60.

10.5 The Executive declares that he has never been convicted of a criminal offence. The Executive agrees that should this statement be proved to be false, or should the Executive fail to declare a future criminal offence, the Company reserves the right to summarily terminate the Executive's service.

10.6 The Executive shall, within a reasonable period, notify the Company of any change in his status, such as address, dependants, marital, telephone number, qualifications or any other relevant changes.

10.7 Both parties acknowledge that by signing this contract, they have received a copy of this contract, and they have read and understood the contents thereof. Both parties undertake to hold themselves bound by this contract and agree to observe the provisions contained therein.

12. **INDULGENCES**

No indulgence granted by a party shall constitute a waiver of any of that party's rights under this agreement.

13 **DOCUMENTS APPLICABLE**

13.1 The following documents form part of the Executive's contract of employment with the Company:

- (a) Articles of Agreement
- (b) Staff Manual

- (c) Restrictive Covenants Agreement (Attached)
- (d) Any other documents of which the Executive may be advised during his employment with the Company

Signed at **Rosebank** on February 28, 2018

AS WITNESSES:

/s/ Herman G. Kotzé
For and on behalf of Net1 Applied

Technologies th South Africa (Pty) Ltd
4 Floor, President Place Cnr. Jan Smuts
Ave & Bolton Rd Rosebank, Private Bag 2424
Parklands, 2121

Signed at Rosebank on February 27, 2018

AS WITNESSES:

/s/ Alex M. R. Smith
The Executive

NET1APPLIEDTECHNOLOGIESSOUTHAFRICA(PTY)LTD
RESTRICTIVECOVENANTSAGREEMENT

Your Information:

Name: Alexander Michael Ramsay Smith

Address: xxx, Johannesburg xxx South Africa

Start Date: March 1, 2018

Company: Net1 Applied Technologies South Africa (Pty) Ltd, and any of its subsidiaries or affiliates, together with any of its and their respective successors or assigns (collectively, "us," "we," "our," or "the Company")

Address: Net 1 UEPS Technologies, Inc.
President Place, 6th Floor, Cnr. Jan Smuts Avenue and Bolton Road
Rosebank, Johannesburg 2196, South Africa

In consideration of your employment or service with us and the compensation we have agreed to pay you, the receipt and sufficiency of which you acknowledge, you agree to this Restrictive Covenants Agreement (this "Agreement"), as follows:

1. This Agreement sometimes refers to your "Employment or Service." You understand that your "Employment or Service" means the entire period during which you are engaged by us as a consultant or employed by us as an employee, or otherwise providing services to us, including, all times during which you have provided services to the Company prior to the Start Date, and all times during and after work hours, whether you are actively employed or on any kind of leave of absence, and whether you are engaged or employed full-time or part-time. In addition, it is understood that Employment or Service includes all periods commencing from the Start Date noted above, as well as any work performed for us prior to the Start Date.

2. Confidential Information. You agree to hold in the strictest confidence, not to use (except for the benefit of the Company) and not to disclose to any person or entity (directly or indirectly) any Confidential Information that you obtain or create during your Employment or Service, unless the Company grants you written authorization to do otherwise.

You understand that "Confidential Information" means all business, technical and other proprietary information in our custody or under our control, as well as any Company information not generally known by actual or potential competitors of the Company or by the public generally. Such information is Confidential Information no matter how you learned of it -- whether disclosed to you, directly or indirectly, in writing, orally, by drawings or inspection of documents or other tangible property or in any other manner or form, tangible or intangible.

You understand specifically that Confidential Information includes, but is not limited to, the following types of information:

- information belonging to others who have entrusted such information to us, as further described in Section 4 below;
- information that would not have been known to our competitors or the public generally if you had not breached your obligations of confidentiality under this Agreement;
- information concerning research, inventions, discoveries, developments, techniques, processes, formulae, technology, designs, drawings, engineering, specifications, algorithms, finances, sales or profit figures, financial plans, customer lists, customers, prospective customers, potential investors, business plans, contracts, markets, investing plans, product plans, marketing, distribution or sales methods or systems, products, services, production plans, system implementation plans, business concepts, supplier or vendor information, business procedures or business operations related thereto;
- all computer software (in source, object, executable or other code forms and including all programs, modules, routines, interfaces and controls), data, databases, Internet designs and strategies, files and any documentation protocols and/or specifications related to the foregoing;
- all know-how and/or trade secrets;
- all unpublished copyrightable material;
- any use, model, variation, application, reduction to practice, discussion and any other communication or information in, regarding or relating to, or usable in or with any of the goods or services made, used or sold by us; and
- all reproductions and copies of such things.

3. Third Party Information Held by You. You recognize that you may have access to confidential information of former employers or other persons or entities with whom you have an agreement or duty to keep such information confidential. You will not use any such information in your Employment or Service, you will not disclose any such information to us or any of our directors, officers, agents or other employees, or induce any of them to use any such information, and you will not bring onto the premises of the Company any such information in any form, unless such person or entity has granted you written authorization to do so.

4. Third Party Information Held by the Company. You recognize that we have received, and in the future shall receive, from other persons or entities information that is confidential to such person or entity; and, therefore, such persons or entities requires us to maintain the confidentiality of such information and to use it only for certain limited purposes. Consistent with the Company's agreement with such persons or entities, you agree to hold in the strictest confidence, not to use (except as necessary to carry out your duties for the Company) and not to disclose to any person or entity (directly or indirectly) any such information, unless we grant you written authorization to do otherwise. All such information shall also constitute and shall be treated as Confidential Information.

5. Company Property; Return. You will not remove (either physically or electronically) any property belonging to us or in our custody (“Company Property”) from our premises, except as required in the ordinary course of your Employment or Service, unless we grant you written authorization to do so. Company Property includes all Confidential Information as well as Company related information that is not confidential, and tangible property and hard goods. Promptly upon the termination of your Employment or Service, and earlier if we so request at any time, you shall deliver to us (and shall not keep copies in your possession or deliver to anyone else) all of the Company Property, which may include, without limitation, all of the following items:

- documents and other materials containing or comprising Confidential Information, including in particular, but not limited to, all software, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches and laboratory notebooks, whether hard copies or soft copies (electronic or digital); and
- tangible property and equipment belonging to us (whether or not containing or comprising Confidential Information), including in particular, but not limited to, laptop computers, devices, solutions, samples, models, marketing materials, brochures, purchase order forms and letterhead, and all reproductions and copies of such things.

6. Assignment of Inventions. You shall promptly make full written disclosure to the Company, through your immediate supervisor or superior, of all Inventions. “Inventions” means any and all inventions, original works of authorship (including designs, computer programs, and drawings, whether manual or electronic), findings, conclusions, data, discoveries, developments, concepts, designs, improvements, trademarks, service marks, trade secrets, techniques, formulae, processes and know-how, whether or not patentable or registrable under patent, copyright or similar laws, that you may solely or jointly conceive, develop or reduce to practice, or cause to be conceived, developed or reduced to practice, during your Employment or Service. You shall hold all Inventions in trust for the Company. This Agreement does not apply to any Inventions made by you prior to your Employment or Service that are identified in Attachment A hereto.

You recognize and agree that during your Employment or Service, we solely and exclusively own all Inventions, as well as any and all inherent and appurtenant moral rights and intellectual property rights, including, but not limited to, all patent rights, copyrights, trademarks, know-how and trade secrets (collectively, “Intellectual Property Rights”), except as stated in Section 7 below. You hereby, without additional payment or consideration, assign, transfer and convey to us all of your worldwide right, title and interest in and to all Inventions and Intellectual Property Rights, and you will treat all Inventions as Confidential Information, until and unless such Inventions are determined to be excluded from this Agreement by way of Section 8 below.

7. **Further Assurances.** Upon the request and at the expense of the Company, you shall execute and deliver any and all documents and instruments, and do such other acts, that may be necessary or desirable to evidence the ownership of rights, and each assignment and transfer described in this Agreement. You will do the same to enable the Company to secure the Company's sole and exclusive rights in the Confidential Information, Company Property, Inventions, Works and Intellectual Property Rights, or to apply for, prosecute and enforce Intellectual Property Rights with respect to any Confidential Information, Company Property, Inventions or Works, or to obtain any extension, validation, re-issue, continuance or renewal of any such Intellectual Property Right, in each case in any and all jurisdictions. You agree to disclose to us all pertinent information and data with respect to Confidential Information, Company Property, Inventions, Works and related Intellectual Property Rights. In the event your Employment or Service is terminated, you will do all the things described in this paragraph without charge to us other than a reasonable payment for your time involved.

If the Company is unable for any other reason to secure your signature on any document described above, then you hereby irrevocably designate and appoint the Company and the Company's duly authorized officers and agents as your agent and attorney in fact as of the Start Date, to act for and in your behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or trademark, copyright or other registrations thereon with the same legal force and effect as if executed by you.

8. **Exceptions to Company Ownership.** The only exception to our ownership of Inventions and Intellectual Property Rights are ones (a) for which no equipment, supplies, facilities or proprietary or trade secret information of the Company are used, (b) that are developed entirely on your own time, (c) that do not relate to the business of the Company or to the Company's actual or anticipated research or development and (d) that do not result from or relate to any work performed by you for the Company.

To the extent you claim that any Invention or Intellectual Property Right (or portion thereof) is not the property of the Company because of the paragraph above, you will include such claim in the Invention disclosure submitted to your supervisor or superior pursuant to Section 6. The agreement or disagreement of the Company with your claim of ownership of such Invention will be expressed to you in writing within a reasonable period. You will not disclose any such Invention to any other person or entity (except, if you so choose, to your lawyer, retained at your own expense for the purpose of resolving such a disagreement), unless the Company grants you written authorization to do so, and you shall treat (and your lawyer shall treat) such Invention as Confidential Information until such time, if any, that you receive the Company's agreement to your ownership. In the event of a dispute as to ownership, the burden is on you to establish your claim of ownership.

9. **Non-Competition.** During your Employment or Service and for twenty-four (24) months thereafter, you will not, directly or indirectly, with or without compensation, own, manage, operate, join, control, advise or participate in, as a shareholder (other than as a shareholder with less than 5% of the outstanding common stock of a public company), director, officer, manager, principal partner, employee, consultant, independent contractor, technical or business advisor or otherwise (or any foreign equivalents of the foregoing), any person or entity that is in the Business or similar business of the Company (or any division of the Company) in any business that directly or indirectly competes with the Company within the Republic of South Africa and those territories outside of South Africa in which the Company carries on the Business as of last date of your Employment or Service (a "Competing Business"). For purposes of this Section 9, "Business" shall mean the business conducted by the Company from time to time, being the business of developing, marketing and distributing payment systems which facilitate commercial transactions in an electronic environment using specialized smart card technologies.

10. Non-Solicitation. During your Employment or Service and twenty-four (24) months thereafter, you will not, directly or indirectly, on your own behalf or on behalf of others, either:

- solicit, recruit or attempt to persuade any person to terminate such person's employment or service with us, whether or not such person is a full-time employee or service provider and whether or not such employment or service is pursuant to a written agreement or is at-will; or
- solicit, contact or attempt to persuade any current or prospective customer of the Company to alter such customer's or prospective customer's relationship with us or to engage any Competing Business to perform services that we can perform in the ordinary course of business. You understand that "prospective customer" means any prospective customer of the Company with whom you had contact at any time during the six (6) months preceding the termination of your Employment or Service.

11. Duration; Nature. This Agreement is binding during your Employment or Service and shall survive any termination of your Employment or Service. This Agreement does not bind the Company or you to any specific period of employment or service, and shall not be construed in any manner as an employment or consulting agreement or to make your Employment or Service other than terminable at will at any time by us in our sole discretion.

12. No Conflicts. You are not a party to any existing agreement or employment that would prevent you from entering into and performing this Agreement in accordance with its terms, including, without limitation, to an obligation to assign your Inventions or Intellectual Property Rights to a third party or any agreement subjecting you to a non-compete, except as identified in Attachment A hereto; and you will not enter into any other agreement that is in conflict with your obligations under this Agreement.

13. Disclosure of Obligations. You consent to the Company's notification to any third party of the existence of this Agreement.

14. Compliance. You acknowledge that the activities of the Company are subject to compliance with applicable laws and regulations (collectively, "Laws"), including without limitation Laws that may control the collection, storage, processing and distribution of personal information. You agree to comply with all applicable Laws and to notify your immediate supervisor or superior of any reason to believe that you, the Company, or any other person has violated any Law that may affect the Company or your performance or your obligations under this Agreement.

15. Equitable Relief. You agree that the provisions of this Agreement are reasonably necessary to protect our legitimate business interests. You agree that it would be impossible or inadequate to measure and calculate our damages from any breach of the covenants set forth in this Agreement, and that a breach of such covenants could cause serious and irreparable injury to us. Accordingly, we shall have available, in addition to any other right or remedy available to it, the right to seek an injunction from a court of competent jurisdiction restraining such a breach (or threatened breach) and to specific performance of this Agreement. You further agree that no bond or other security shall be required in obtaining such equitable relief and you hereby consent to the issuance of such injunction and to the ordering of specific performance.

16. No License. Nothing in this Agreement shall be deemed to constitute the grant of any license or other right to you in respect of any Confidential Information, Company Property, Invention, Work, Intellectual Property Right or other data, tangible property or intellectual property of the Company.

17. Amendment and Assignment. No modification to any provision of this Agreement will be binding unless it is in writing and signed by both you and the Company. No waiver of any rights under this Agreement will be effective unless in writing signed by the Company. You recognize and agree that your obligations under this Agreement are of a personal nature and are not assignable or delegable in whole or in part by you. The Company may assign this Agreement to any affiliate or to any successor-in-interest (whether by sale of assets, sale of stock, merger or other business combination). All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, executors, administrators, legal representatives, successors and permitted assigns of you and the Company.

18. Governing Law; Jurisdiction. This Agreement shall be governed by and interpreted in accordance with laws of the Republic of South Africa.

19. Severability. If any provision of this Agreement or its application is adjudicated to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability (a) shall not affect any other provision or application of this Agreement that can be given effect without the invalid or unenforceable provision or application and shall not invalidate or render unenforceable such provision or application in any other jurisdiction and (b) shall be limited or excluded from this Agreement to the minimum extent required so that this Agreement shall otherwise remain in full force and effect and enforceable in accordance with its terms. For the avoidance of doubt, if this Agreement is or becomes subject to any state or federal law affecting the Company's rights with respect to any of your obligations under this Agreement, this Agreement shall be deemed amended to the extent necessary to comply with such law.

[Signature Page Follows]

I HAVE READ THIS AGREEMENT CAREFULLY AND I UNDERSTAND AND ACCEPT THE OBLIGATIONS THAT IT IMPOSES UPON ME WITHOUT RESERVATION, AND HEREBY ACKNOWLEDGE RECEIPT OF A COPY OF SUCH AGREEMENT. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO ME TO INDUCE ME TO SIGN THIS AGREEMENT. I SIGN THIS AGREEMENT VOLUNTARILY AND FREELY AND INTENDING TO BE LEGALLY BOUND.

Dated: February 27,
2018

/s/ Alex M. R. Smith

ALEX SMITH

Agreed and Acknowledged

NET1 APPLIED TECHNOLOGIES SOUTH AFRICA (PTY) LTD

By: /s/ Herman G. Kotzé

Name: Herman G. Kotzé

Title: Chief Executive Officer

ATTACHMENT A

A. Inventions made by me prior to my Employment or Service with the Company that I desire to be excepted from the Agreement to which this Attachment A is attached (if none, write "NONE"):

B. Prior agreements to which I am a party that may interfere with full compliance with the Agreement to which this Attachment A is attached (if none, write "NONE"):

Dated: February 27, 2018

/s/ Alex M. R. Smith
ALEX SMITH

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this “**Agreement**”) is made this 27th day of February, 2018 by and among Net 1 UEPS Technologies, Inc., a Florida corporation (“**Company**”) and Alexander Michael Ramsay Smith (“**Executive**”). Each of the Company and Executive is a “**Party**” and, collectively, they are the “**Parties**.”

WHEREAS, the Company desires to employ Executive as the Chief Financial Officer of the Company and Executive desires to be so employed in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and promises in this Agreement, the parties agree as follows:

1. **Employment**. Executive will be employed as the Chief Financial Officer of the Company and Executive hereby agrees to accept such employment and agrees to serve as the Chief Financial Officer of the Company, all in accordance with the terms and conditions of this Agreement. The Parties acknowledge that Executive’s employment relationship with the Company is at-will. The period of Executive’s employment under this Agreement shall commence on March 1, 2018 and shall continue so long as Executive remains an employee of the Company (such period of employment, the “**Employment Period**”). In this Agreement, the Company and its subsidiaries are collectively referred to as the “**Group**.”

2. **Position and Responsibilities**. During the Employment Period, Executive shall report to the Board of Directors of the Company (the “**Board**”) and shall have the duties, responsibilities, functions and authority, including administrative, financial, executive and managerial as are customary to the position of Chief Financial Officer. Executive shall serve as a member of the Board and board of directors (or similar governing body) of any other member of the Group as may be requested by the Board.

3. **Stock Incentive Plan participation**. Executive shall be eligible to participate in the Company’s Amended and Restated 2015 Stock Incentive Plan (the “**2015 Plan**”) or such other equity incentive plan(s) as may be implemented by the Board from time to time as determined in the sole discretion of the Remuneration Committee of the Board.

4. **Compliance with Company Policies**. The Executive shall comply with all written Company policies, standards, rules and regulations (a “**Company Policy**” or collectively, the “**Company Policies**”) and all applicable government laws, rules and regulations that are now or hereafter in effect. Executive acknowledges receipt of copies of all written Company Policies that are in effect as of the date of this Agreement.

5. **Restrictive Covenants Agreement**. On the date hereof, Executive shall execute a restrictive covenants agreement, in the form of Exhibit A attached hereto and made a part hereof (the “**Restrictive Covenants Agreement**”).

6. **Modification and Waiver**. This Agreement may not be modified or amended, nor may any provisions of this Agreement be waived, except by an instrument in writing signed by the parties. No written waiver will be deemed to be a continuing waiver unless specifically stated therein, and each such waiver will operate only as to the specific term or condition waived and shall not constitute a waiver of such term or condition for the future or as to any act other than that specifically waived.

7. **Notices.** Any notice, consent, waiver and other communications required or permitted pursuant to the provisions of this Agreement must be in writing and will be deemed to have been properly given (a) when delivered by hand; or (c) when sent by email, in each case to any party at the mailing address, facsimile number or email address set forth below, or, with respect to any party set forth below, at such other address, facsimile number or email address specified in writing by such party to the other parties hereto in accordance with this Section 7:

If to the Board or the
Company:

Net 1 UEPS Technologies, Inc.

President Place, 6th Floor
Cnr. Jan Smuts Avenue and Bolton Road
Rosebank, Johannesburg, South Africa
Facsimile: +27118807080
Attn: Herman G. Kotze
Email: hermank@net1.com

If to Executive:

Alex Smith
xxx, Johannesburg xxx South Africa
Email: xxx

8. **Governing Law.** This Agreement shall be governed by the laws of the State of New York and, to the extent applicable, U.S. federal law, and the parties agree to submit to the jurisdiction of the state and federal courts sitting in New York, New York for all disputes hereunder.

9. **Counterparts.** This Agreement may be executed in separate counterparts and may be executed by facsimile or PDF copies, each of which is deemed to be an original and all of which, taken together, constitute one and the same agreement.

Remainder of Page Intentionally Blank; Signature Page to Follow

IN WITNESS WHEREOF, the Company has caused this Agreement to be executed by its duly authorized officer and Executive has signed this Agreement, as of the date first above written.

NET 1 UEPS TECHNOLOGIES, INC.

By: /s/ Herman G. Kotzé

Name: Herman G. Kotzé

Title: Chief Executive Officer

EXECUTIVE

/s/ Alex M.R. Smith

Alex Smith

Exhibit A
Restrictive Covenants Agreement

**NET1UEPSTECHNOLOGIES,INC.
RESTRICTIVECOVENANTSAGREEMENT**

Your Information:

Name: Alexander Michael Ramsay Smith

Address: xxx, Johannesburg xxx South Africa

Start Date: March 1, 2018

Company: Net 1 UEPS Technologies, Inc., and any of its subsidiaries or affiliates, together with any of its and their respective successors or assigns (collectively, "us," "we," "our," or "the Company")

Address: Net 1 UEPS Technologies, Inc.
President Place, 6th Floor, Cnr. Jan Smuts Avenue and Bolton Road
Rosebank, Johannesburg 2196, South Africa

In consideration of your employment or service with us and the compensation we have agreed to pay you, the receipt and sufficiency of which you acknowledge, you agree to this Restrictive Covenants Agreement (this "Agreement"), as follows:

1. This Agreement sometimes refers to your "Employment or Service." You understand that your "Employment or Service" means the entire period during which you are engaged by us as a consultant or employed by us as an employee, or otherwise providing services to us, including, all times during which you have provided services to the Company prior to the Start Date, and all times during and after work hours, whether you are actively employed or on any kind of leave of absence, and whether you are engaged or employed full-time or part-time. In addition, it is understood that Employment or Service includes all periods commencing from the Start Date noted above, as well as any work performed for us prior to the Start Date.

2. Confidential Information. You agree to hold in the strictest confidence, not to use (except for the benefit of the Company) and not to disclose to any person or entity (directly or indirectly) any Confidential Information that you obtain or create during your Employment or Service, unless the Company grants you written authorization to do otherwise.

You understand that "Confidential Information" means all business, technical and other proprietary information in our custody or under our control, as well as any Company information not generally known by actual or potential competitors of the Company or by the public generally. Such information is Confidential Information no matter how you learned of it -- whether disclosed to you, directly or indirectly, in writing, orally, by drawings or inspection of documents or other tangible property or in any other manner or form, tangible or intangible.

You understand specifically that Confidential Information includes, but is not limited to, the following types of information:

- information belonging to others who have entrusted such information to us, as further described in Section 4 below;
- information that would not have been known to our competitors or the public generally if you had not breached your obligations of confidentiality under this Agreement;
- information concerning research, inventions, discoveries, developments, techniques, processes, formulae, technology, designs, drawings, engineering, specifications, algorithms, finances, sales or profit figures, financial plans, customer lists, customers, prospective customers, potential investors, business plans, contracts, markets, investing plans, product plans, marketing, distribution or sales methods or systems, products, services, production plans, system implementation plans, business concepts, supplier or vendor information, business procedures or business operations related thereto;
- all computer software (in source, object, executable or other code forms and including all programs, modules, routines, interfaces and controls), data, databases, Internet designs and strategies, files and any documentation protocols and/or specifications related to the foregoing;
- all know-how and/or trade secrets;
- all unpublished copyrightable material;
- any use, model, variation, application, reduction to practice, discussion and any other communication or information in, regarding or relating to, or usable in or with any of the goods or services made, used or sold by us; and
- all reproductions and copies of such things.

3. Third Party Information Held by You. You recognize that you may have access to confidential information of former employers or other persons or entities with whom you have an agreement or duty to keep such information confidential. You will not use any such information in your Employment or Service, you will not disclose any such information to us or any of our directors, officers, agents or other employees, or induce any of them to use any such information, and you will not bring onto the premises of the Company any such information in any form, unless such person or entity has granted you written authorization to do so.

4. Third Party Information Held by the Company. You recognize that we have received, and in the future shall receive, from other persons or entities information that is confidential to such person or entity; and, therefore, such persons or entities requires us to maintain the confidentiality of such information and to use it only for certain limited purposes. Consistent with the Company's agreement with such persons or entities, you agree to hold in the strictest confidence, not to use (except as necessary to carry out your duties for the Company) and not to disclose to any person or entity (directly or indirectly) any such information, unless we grant you written authorization to do otherwise. All such information shall also constitute and shall be treated as Confidential Information.

5. Company Property; Return. You will not remove (either physically or electronically) any property belonging to us or in our custody (“Company Property”) from our premises, except as required in the ordinary course of your Employment or Service, unless we grant you written authorization to do so. Company Property includes all Confidential Information as well as Company related information that is not confidential, and tangible property and hard goods. Promptly upon the termination of your Employment or Service, and earlier if we so request at any time, you shall deliver to us (and shall not keep copies in your possession or deliver to anyone else) all of the Company Property, which may include, without limitation, all of the following items:

- documents and other materials containing or comprising Confidential Information, including in particular, but not limited to, all software, records, data, notes, reports, proposals, lists, correspondence, specifications, drawings, blueprints, sketches and laboratory notebooks, whether hard copies or soft copies (electronic or digital); and
- tangible property and equipment belonging to us (whether or not containing or comprising Confidential Information), including in particular, but not limited to, laptop computers, devices, solutions, samples, models, marketing materials, brochures, purchase order forms and letterhead, and all reproductions and copies of such things.

6. Assignment of Inventions. You shall promptly make full written disclosure to the Company, through your immediate supervisor or superior, of all Inventions. “Inventions” means any and all inventions, original works of authorship (including designs, computer programs, and drawings, whether manual or electronic), findings, conclusions, data, discoveries, developments, concepts, designs, improvements, trademarks, service marks, trade secrets, techniques, formulae, processes and know-how, whether or not patentable or registrable under patent, copyright or similar laws, that you may solely or jointly conceive, develop or reduce to practice, or cause to be conceived, developed or reduced to practice, during your Employment or Service. You shall hold all Inventions in trust for the Company. This Agreement does not apply to any Inventions made by you prior to your Employment or Service that are identified in Attachment A hereto.

You recognize and agree that during your Employment or Service, we solely and exclusively own all Inventions, as well as any and all inherent and appurtenant moral rights and intellectual property rights, including, but not limited to, all patent rights, copyrights, trademarks, know-how and trade secrets (collectively, “Intellectual Property Rights”), except as stated in Section 7 below. You hereby, without additional payment or consideration, assign, transfer and convey to us all of your worldwide right, title and interest in and to all Inventions and Intellectual Property Rights, and you will treat all Inventions as Confidential Information, until and unless such Inventions are determined to be excluded from this Agreement by way of Section 8 below.

7. Further Assurances. Upon the request and at the expense of the Company, you shall execute and deliver any and all documents and instruments, and do such other acts, that may be necessary or desirable to evidence the ownership of rights, and each assignment and transfer described in this Agreement. You will do the same to enable the Company to secure the Company's sole and exclusive rights in the Confidential Information, Company Property, Inventions, Works and Intellectual Property Rights, or to apply for, prosecute and enforce Intellectual Property Rights with respect to any Confidential Information, Company Property, Inventions or Works, or to obtain any extension, validation, re-issue, continuance or renewal of any such Intellectual Property Right, in each case in any and all jurisdictions. You agree to disclose to us all pertinent information and data with respect to Confidential Information, Company Property, Inventions, Works and related Intellectual Property Rights. In the event your Employment or Service is terminated, you will do all the things described in this paragraph without charge to us other than a reasonable payment for your time involved.

If the Company is unable for any other reason to secure your signature on any document described above, then you hereby irrevocably designate and appoint the Company and the Company's duly authorized officers and agents as your agent and attorney in fact as of the Start Date, to act for and in your behalf and stead to execute and file any such applications and to do all other lawfully permitted acts to further the prosecution and issuance of letters patent or trademark, copyright or other registrations thereon with the same legal force and effect as if executed by you.

8. Exceptions to Company Ownership. The only exception to our ownership of Inventions and Intellectual Property Rights are ones (a) for which no equipment, supplies, facilities or proprietary or trade secret information of the Company are used, (b) that are developed entirely on your own time, (c) that do not relate to the business of the Company or to the Company's actual or anticipated research or development and (d) that do not result from or relate to any work performed by you for the Company.

To the extent you claim that any Invention or Intellectual Property Right (or portion thereof) is not the property of the Company because of the paragraph above, you will include such claim in the Invention disclosure submitted to your supervisor or superior pursuant to Section 6. The agreement or disagreement of the Company with your claim of ownership of such Invention will be expressed to you in writing within a reasonable period. You will not disclose any such Invention to any other person or entity (except, if you so choose, to your lawyer, retained at your own expense for the purpose of resolving such a disagreement), unless the Company grants you written authorization to do so, and you shall treat (and your lawyer shall treat) such Invention as Confidential Information until such time, if any, that you receive the Company's agreement to your ownership. In the event of a dispute as to ownership, the burden is on you to establish your claim of ownership.

9. Non-Competition. During your Employment or Service and for twenty-four (24) months thereafter, you will not, directly or indirectly, with or without compensation, own, manage, operate, join, control, advise or participate in, as a shareholder (other than as a shareholder with less than 5% of the outstanding common stock of a public company), director, officer, manager, principal partner, employee, consultant, independent contractor, technical or business advisor or otherwise (or any foreign equivalents of the foregoing), any person or entity that is in the Business or similar business of the Company (or any division of the Company) in any business that directly or indirectly competes with the Company within the Republic of South Africa and those territories outside of South Africa in which the Company carries on the Business as of last date of your Employment or Service (a "Competing Business"). For purposes of this Section 9, "Business" shall mean the business conducted by the Company from time to time, being the business of developing, marketing and distributing payment systems which facilitate commercial transactions in an electronic environment using specialized smart card technologies.

10. Non-Solicitation. During your Employment or Service and twenty-four (24) months thereafter, you will not, directly or indirectly, on your own behalf or on behalf of others, either:

- solicit, recruit or attempt to persuade any person to terminate such person's employment or service with us, whether or not such person is a full-time employee or service provider and whether or not such employment or service is pursuant to a written agreement or is at-will; or
- solicit, contact or attempt to persuade any current or prospective customer of the Company to alter such customer's or prospective customer's relationship with us or to engage any Competing Business to perform services that we can perform in the ordinary course of business. You understand that "prospective customer" means any prospective customer of the Company with whom you had contact at any time during the six (6) months preceding the termination of your Employment or Service.

11. Duration; Nature. This Agreement is binding during your Employment or Service and shall survive any termination of your Employment or Service. This Agreement does not bind the Company or you to any specific period of employment or service, and shall not be construed in any manner as an employment or consulting agreement or to make your Employment or Service other than terminable at will at any time by us in our sole discretion.

12. No Conflicts. You are not a party to any existing agreement or employment that would prevent you from entering into and performing this Agreement in accordance with its terms, including, without limitation, to an obligation to assign your Inventions or Intellectual Property Rights to a third party or any agreement subjecting you to a non-compete, except as identified in Attachment A hereto; and you will not enter into any other agreement that is in conflict with your obligations under this Agreement.

13. Disclosure of Obligations. You consent to the Company's notification to any third party of the existence of this Agreement.

14. Compliance. You acknowledge that the activities of the Company are subject to compliance with applicable laws and regulations (collectively, "Laws"), including without limitation Laws that may control the collection, storage, processing and distribution of personal information. You agree to comply with all applicable Laws and to notify your immediate supervisor or superior of any reason to believe that you, the Company, or any other person has violated any Law that may affect the Company or your performance or your obligations under this Agreement.

15. Equitable Relief. You agree that the provisions of this Agreement are reasonably necessary to protect our legitimate business interests. You agree that it would be impossible or inadequate to measure and calculate our damages from any breach of the covenants set forth in this Agreement, and that a breach of such covenants could cause serious and irreparable injury to us. Accordingly, we shall have available, in addition to any other right or remedy available to it, the right to seek an injunction from a court of competent jurisdiction restraining such a breach (or threatened breach) and to specific performance of this Agreement. You further agree that no bond or other security shall be required in obtaining such equitable relief and you hereby consent to the issuance of such injunction and to the ordering of specific performance.

16. No License. Nothing in this Agreement shall be deemed to constitute the grant of any license or other right to you in respect of any Confidential Information, Company Property, Invention, Work, Intellectual Property Right or other data, tangible property or intellectual property of the Company.

17. Amendment and Assignment. No modification to any provision of this Agreement will be binding unless it is in writing and signed by both you and the Company. No waiver of any rights under this Agreement will be effective unless in writing signed by the Company. You recognize and agree that your obligations under this Agreement are of a personal nature and are not assignable or delegable in whole or in part by you. The Company may assign this Agreement to any affiliate or to any successor-in-interest (whether by sale of assets, sale of stock, merger or other business combination). All of the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, executors, administrators, legal representatives, successors and permitted assigns of you and the Company.

18. Governing Law; Jurisdiction. This Agreement shall be governed by and interpreted in accordance with laws of the State of New York and, to the extent applicable, U.S. federal law, and the parties agree to submit to the jurisdiction of the state and federal courts sitting in New York, New York for all disputes hereunder.

19. Severability. If any provision of this Agreement or its application is adjudicated to be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability (a) shall not affect any other provision or application of this Agreement that can be given effect without the invalid or unenforceable provision or application and shall not invalidate or render unenforceable such provision or application in any other jurisdiction and (b) shall be limited or excluded from this Agreement to the minimum extent required so that this Agreement shall otherwise remain in full force and effect and enforceable in accordance with its terms. For the avoidance of doubt, if this Agreement is or becomes subject to any state or federal law affecting the Company's rights with respect to any of your obligations under this Agreement, this Agreement shall be deemed amended to the extent necessary to comply with such law.

Signature Page Follows

I HAVE READ THIS AGREEMENT CAREFULLY AND I UNDERSTAND AND ACCEPT THE OBLIGATIONS THAT IT IMPOSES UPON ME WITHOUT RESERVATION, AND HEREBY ACKNOWLEDGE RECEIPT OF A COPY OF SUCH AGREEMENT. NO PROMISES OR REPRESENTATIONS HAVE BEEN MADE TO ME TO INDUCE ME TO SIGN THIS AGREEMENT. I SIGN THIS AGREEMENT VOLUNTARILY AND FREELY AND INTENDING TO BE LEGALLY BOUND.

Dated: February 27, 2018

/s/ Alex M. R. Smith

ALEX SMITH

Agreed and Acknowledged

NET 1 UEPS TECHNOLOGIES, INC.

By: /s/ Herman G. Kotzé

Name: Herman G. Kotzé

Title: Chief Executive Officer

ATTACHMENT A

A. Inventions made by me prior to my Employment or Service with the Company that I desire to be excepted from the Agreement to which this Attachment A is attached (if none, write "NONE"):

B. Prior agreements to which I am a party that may interfere with full compliance with the Agreement to which this Attachment A is attached (if none, write "NONE"):

Dated: February 27, 2018

/s/ Alex M. R. Smith

ALEX SMITH
