

EXECUTION

TRANSFER AGREEMENT

between

THE STANDARD GENERAL INSURANCE COMPANY LIMITED
(Registration number 1948/029011/06)
("Stangen")

and

GUARDRISK LIFE LIMITED
(Registration number 1999/013922/06)
("Guardrisk")

and

RESIDUAL DEBT SERVICES LIMITED (UNDER CURATORSHIP)
(Registration number 1975/002526/06)
("Residual Debt Services")

and

THOMAS WINTERBOER, IN HIS CAPACITY AS THE CURATOR OF RESIDUAL DEBT SERVICES LIMITED (UNDER CURATORSHIP)
(Identity number 560215 5040 080)
("Curator")

and

AFRICAN BANK LIMITED
(Registration number 2014/176899/06)
("African Bank")

NOTE

Signatures blacked out for security purposes.

WEBBER WENTZEL

in alliance with > Linklaters

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1. Definitions and interpretation

1.1 In this Agreement, the following words shall, unless otherwise stated or inconsistent with the context in which they appear, bear the following meanings and other words derived from the same origins as such words (that is, cognate words) shall bear corresponding meanings:

- 1.1.1 **"2008 Master Policy"** Credit Life Insurance Policy Number ABL/COM/11/08 covering individual customers as policyholder, issued by Stangen on 28 October 2008;
- 1.1.2 **"2010 Master Policy"** Credit Life Insurance Policy Number ABL/COM/04/10 covering individual customers as policyholders, issued by Stangen on 22 April 2010;
- 1.1.3 **"2012 Group Policy"** Group Policy Number ABL/GRP/08/12 concluded between Stangen and Residual Debt Services on 23 August 2012;
- 1.1.4 **"2015 Group Policy"** Group Policy Number ABL/GRP/08/15 concluded between Stangen and Residual Debt Services on 30 July 2015;
- 1.1.5 **"African Bank"** African Bank Limited, registration number 2014/176899/06, a public company as defined in the Companies Act registered as a bank in terms of the Banks Act;
- 1.1.6 **"Agreement"** this transfer agreement;
- 1.1.7 **"Banks Act"** the Banks Act, 94 of 1990;



1.1.8	"Business"	only those rights and obligations of Stangen as primary insurer in terms of the Group Policies and the Master Policies;
1.1.9	"Business Day"	any day other than a Saturday, Sunday or public holiday in the Republic of South Africa;
1.1.10	"Closing Date"	the midnight on the last Business Day of the calendar month during which the Fulfilment Date occurs;
1.1.11	"Companies Act"	the Companies Act, 71 of 2008;
1.1.12	"Competition Act"	the Competition Act, 89 of 1998;
1.1.13	"Competition Authority"	the Competition Commission, the Competition Tribunal or the Competition Appeal Court, whichever has jurisdiction for the purposes of the Transaction, as established by the Competition Act;
1.1.14	"Curator"	the person appointed by the Minister of Finance in terms of section 69 of the Banks Act as the curator of Residual Debt Services being, as at the Signature Date, Mr Thomas Winterboer, identity number 560215 5040 080;
1.1.15	"Effective Date"	30 June 2016;
1.1.16	"Fulfilment Date"	the date on which the last of the Suspensive Conditions is fulfilled or waived, as the case may be;
1.1.17	"Group Policies"	the 2012 Group Policy and the 2015 Group Policy;
1.1.18	"Guardrisk"	Guardrisk Life Limited, registration number 1999/013922/06, a public company as defined in the Companies Act;



1.1.19	"Intermediary Agreement"	the intermediary agreement entered into between Stangen and African Bank dated 6 May 2016;
1.1.20	"LTIA"	the Long-term Insurance Act, 52 of 1998;
1.1.21	"Master Policies"	the 2008 Master Policy and the 2010 Master Policy;
1.1.22	"Parties"	Guardrisk, Stangen, Residual Debt Services, the Curator and African Bank;
1.1.23	"Policyholder"	the person entitled to be provided with the policy benefits in terms of the Group Policies or the Master Policies;
1.1.24	"Registrar"	the Registrar of Long-term Insurance;
1.1.25	"Reinsurance Agreement"	the reinsurance agreement entered into between the Parties dated 12 May 2016;
1.1.26	"Residual Debt Services"	Residual Debt Services Limited (under curatorship), (previously, African Bank Limited (under curatorship)), registration number 1975/002526/06, a public company as defined in the Companies Act;
1.1.27	"Settlement Agreement"	the settlement agreement entered into between the Parties, other than Guardrisk, dated 7 May 2016;
1.1.28	"Signature Date"	when this Agreement has been signed by each Party (whether or not in counterpart), the latest of the dates on which this Agreement (or any counterpart) was signed by any Party;
1.1.29	"Stangen"	The Standard General Insurance Company Limited, registration number 1948/029011/06, a public company as defined in the Companies Act;



- 1.1.30 **"Suspensive Conditions"** the suspensive conditions set out in clause 3.1;
- 1.1.31 **"Transaction"** the transaction in terms of this Agreement;
- 1.1.32 **"VAT"** the value-added tax levied in terms of the VAT Act;
and
- 1.1.33 **"VAT Act"** the Value-Added Tax Act, 89 of 1991.
- 1.2 In this Agreement:
- 1.2.1 references to a statutory provision include any subordinate legislation made from time to time under that provision and include that provision as modified, replaced or re-enacted from time to time;
- 1.2.2 words importing the masculine gender include the feminine and neuter genders and *vice versa*, the singular includes the plural and *vice versa*, and natural persons include artificial persons and *vice versa*;
- 1.2.3 references to a "person" include a natural person, company, close corporation or any other juristic person or other corporate entity, a charity, trust, partnership, joint venture, syndicate, or any other association of persons;
- 1.2.4 if a definition imposes substantive rights and obligations on a Party, such rights and obligations shall be given effect to and shall be enforceable, notwithstanding that they are contained in a definition;
- 1.2.5 any definition, wherever it appears in this Agreement, shall bear the same meaning and apply throughout this Agreement unless otherwise stated or inconsistent with the context in which it appears;
- 1.2.6 if there is any conflict between any definitions in this Agreement then, for purposes of interpreting any clause of the Agreement, the definition appearing in that clause shall prevail over any other conflicting definition appearing elsewhere in the Agreement;
- 1.2.7 where any number of days is prescribed, those days shall be reckoned exclusively of the first and inclusively of the last day unless the last day falls



on a day which is not a Business Day, in which event the last day shall be the next succeeding Business Day;

1.2.8 where the day upon or by which any act is required to be performed is not a Business Day, the Parties shall be deemed to have intended such act to be performed upon or by the next succeeding Business Day;

1.2.9 the rule of construction that if general words or terms are used in association with specific words or terms which are a species of a particular genus or class, the meaning of the general words or terms shall be restricted to that same class (i.e. the *eiusdem generis* rule) shall not apply, and whenever the word "*including*" is used followed by specific examples, such examples shall not be interpreted so as to limit the meaning of any word or term to the same genus or class as the examples given.

1.3 The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement which are expressly provided to operate after any such expiration or termination, or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the relevant provisions themselves do not provide for this.

1.4 Each of the provisions of this Agreement has been negotiated by the Parties and drafted for the benefit of the Parties, and accordingly the rule of construction that the contract shall be interpreted against or to the disadvantage of the Party responsible for the drafting or preparation of the Agreement (i.e. the *contra proferentem* rule), shall not apply.

2. Introduction and background

2.1 The Parties were involved in litigation which was settled in terms of the Settlement Agreement, the Reinsurance Agreement and the Intermediary Agreement.

2.2 As part of the settlement Stangen fully and irrevocably reinsured all its insurance risk in respect of the Group Policies and Master Policies and paid a settlement amount to Guardrisk in terms of the Reinsurance Agreement.



2.3 The Parties now wish to transfer all the rights and obligations of Stangen as primary insurer in terms of the Group Policies and the Master Policies to Guardrisk so that Guardrisk becomes the primary insurer in the place of Stangen and ceases to be the Reinsurer in respect of the Group Policies and the Master Policies.

3. **Suspensive Conditions**

3.1 The rights and obligations of the Parties under this Agreement (other than those contained in clause 1, this clause 3, clause 8 and clauses 10 to 12, which shall be unconditional and of immediate force and effect on and with effect from the Signature Date) are all subject to the fulfilment or waiver (if applicable) of the Suspensive Conditions that by no later than 30 June 2017:

3.1.1 the Competition Authorities approve (to the extent required) the Transaction, provided that such approval shall either be unconditional or, if such approval is conditional, shall be subject to conditions acceptable to Guardrisk (acting reasonably) insofar as such conditions affect Guardrisk; and to Stangen (acting reasonably) insofar as such conditions affect Stangen; and

3.1.2 the Registrar approves the Transaction, provided that such approval shall either be unconditional or, if such approval is conditional, shall be subject to conditions acceptable to Guardrisk (acting reasonably) insofar as such conditions affect Guardrisk; and to Stangen (acting reasonably) insofar as such conditions affect Stangen.

3.2 Stangen and Guardrisk shall do everything within their power and control to procure the fulfilment of each of the Suspensive Conditions within the timeframe permitted therefor in terms of clause 3.1.

3.3 Stangen and Guardrisk may extend the time period within which the Suspensive Conditions may be fulfilled by written agreement prior to the expiry of the time period for the fulfilment of the Suspensive Conditions.

3.4 If any of the Suspensive Conditions fail and fulfilment thereof is not waived by written agreement between Stangen and Guardrisk prior to the date for fulfilment thereof set out in clause 3.1, or as extended in terms of clause 3.3, this



Agreement (save for the provisions of clause 1, this clause 3, clause 8 and clauses 10 to 12) shall never become effective and the Parties shall restore to one another any performance which they may have rendered or received under this Agreement. No Party shall have any claim against any other Party under this Agreement as a result of the failure of such Suspensive Conditions, other than as a result of a breach of clause 3.2.

4. Transfer

- 4.1 Stangen hereby transfers the Business to Guardrisk who accepts the Business.
- 4.2 The transfer of the Business encompasses (i) the assignment of all the rights and obligations in respect of the Group Policies and Master Policies to Guardrisk; and (ii) the assumption by Guardrisk of the obligations, all as at the Closing Date.
- 4.3 The transfer of the Business is subject to the provisions of the LTIA, in particular the approval by the Registrar. The Registrar requires that the Business be identified as at the Effective Date in order to analyse the impact of the transfer based on the financial position of Stangen and Guardrisk as at the Effective Date.
- 4.4 Stangen shall continue, as primary insurer, to underwrite the Business subject to the provisions of the Reinsurance Agreement and the Settlement Agreement, until the Closing Date.
- 4.5 Since Stangen will continue to underwrite the Business as primary insurer until the Closing Date, those rights and obligations in respect of the Group Policies and the Master Policies as at the Effective Date and those rights and obligations in respect of the Group Policies and the Master Policies as at the Closing Date will differ due to the fact that cover will cease over time as the book runs off.
- 4.6 Stangen's obligations are therefore limited to assigning the rights and obligations of Stangen in respect of the Group Policies and the Master Policies as at the Closing Date.
- 4.7 The Parties record that the Policyholders in terms of the Master Policies are not parties to this Agreement; however, if and once the Registrar approves the transfer, as contemplated in Part V of the LTIA, the Policyholders in terms of the



Master Policies will incur and acquire, against Guardrisk, all those obligations, rights and entitlements previously had and enjoyed by them against Stangen.

4.8 Residual Debt Services is the Policyholder in terms of the Group Policies, once the Registrar approves the transfer, as contemplated in Part V of the LTIA. Residual Debt Services will incur and acquire, against Guardrisk, all those obligations, rights and entitlements previously had and enjoyed by it against Stangen.

4.9 Stangen and Guardrisk shall instruct their respective statutory actuaries to ensure that the reasonable benefit expectations of the Policyholders are not prejudiced by the transfer of the Group Policies and the Master Policies. In this regard they shall instruct their respective statutory actuaries to report to the Registrar specifically on the expectations of the Policyholders.

5. **Consideration**

No consideration shall be payable in respect of the transfer of the Business.

6. **Amendment of Agreements**

6.1 The Parties record that this Agreement will not impact upon the Settlement Agreement in any respect.

6.2 On the Closing Date, the following amendments to the Reinsurance Agreement shall become effective, namely the deletion of clauses 5; 6.1; 6.2; 8 and 9 thereof with effect from the Closing Date. The remainder of the Reinsurance Agreement shall remain in force to the extent applicable taking into account that the Business has been transferred to Guardrisk and the only reason for the entire Reinsurance Agreement not being cancelled is that the Reinsurance Agreement recorded and effected part of the settlement of the disputes between the Parties and cancellation of the entire Reinsurance Agreement may unintentionally impact upon the settlement reached between the Parties.



- 6.3 The Parties record for purposes of clarity that notwithstanding the deletion of clauses 6.1; 6.2; 8 and 9, of the Reinsurance Agreement -
- 6.3.1 all claims incurred but not reported as well as outstanding claims prior to the Closing Date shall remain payable in terms of the Reinsurance Agreement; and
- 6.3.2 all premiums due and payable prior to the Closing Date shall be collected, be payable and be dealt with in terms of clause 8 of the Reinsurance Agreement; and
- 6.3.3 the provisions of clauses 9.1 to 9.3 shall remain in force in respect of all cover provided prior to the Closing Date.
- 6.4 On the Closing Date the following amendments to the Intermediary Agreement will become effective:
- 6.4.1 The Intermediary Agreement will only apply in respect of dealing with general queries received from Members and Policyholders relating to the Business (clause 1.4 of Annexure B to the Intermediary Agreement) and managing complaints relating to the Business;
- 6.4.2 No further commission or fees will be paid in terms of the Intermediary Agreement;
- 6.4.3 Deleting clauses 5.1; 7.2; Annexure A and clauses 1.1 to 1.3; 1.5 and 1.7 to 1.9 of Annexure B.

7. Mutual co-operation

The Parties agree and undertake to the other to take, from time to time, such actions and execute such additional documents and instruments as may be reasonably necessary or convenient to implement and carry out the intent and purpose of this Agreement and to take such other commercially reasonable steps as may be appropriate for the implementation and carrying into effect of this Agreement.

8. Breach and termination

If a Party breaches any provision of this Agreement and remains in breach of such provision for 10 Business Days after written notice to that Party requiring that Party to



rectify that breach, the aggrieved Party shall be entitled (without derogating from any of its other rights or remedies under this Agreement or at law), at its option -

- 8.1 to sue for immediate specific performance of any of the defaulting Party's obligations under this Agreement, whether or not such obligation is then due; or
- 8.2 to cancel this Agreement, in which case written notice of the cancellation shall be given to the defaulting Party, and the cancellation shall take effect on the giving of the notice, provided that no Party shall be entitled to cancel this Agreement unless the breach is a material breach of a material term, and the remedy of specific performance or damages would not adequately prevent the aggrieved Party from being prejudiced,

and in either event the aggrieved Party shall be entitled to claim any damages it has suffered.

9. Warranties and representations

- 9.1 Each Party gives to the other Parties the following warranties on the Signature Date and the Closing Date (unless expressly stated otherwise):
 - 9.1.1 it has and will have the power and capacity to enter into and perform its obligations in terms of this Agreement;
 - 9.1.2 all necessary corporate actions, shareholder and director consents and approval and the like have been or will be obtained to authorise the entry into and performance of its obligations in terms of this Agreement;
 - 9.1.3 the obligations expressed to be assumed by it in terms of this Agreement are and will remain legal, valid, binding and enforceable against it; and
 - 9.1.4 the execution of this Agreement and the performance by it of its obligations under this Agreement does not and will not:
 - 9.1.4.1 contravene any law or regulation to which it is subject;
 - 9.1.4.2 contravene any provision of its memorandum of incorporation; or



9.1.4.3 conflict with, or result in a breach of any of the terms of, or constitute a default under any agreement or other instrument to which it is a party or subject or by which it is bound.

9.2 In addition to the general warranties set out in clause 9.1, Stangen gives to Guardrisk the following warranties:

9.2.1 As at the Closing Date it will be -

9.2.1.1 the sole owner of the Business;

9.2.1.2 entitled to transfer the Business to Guardrisk free of any pledge, cession, lien, hypothec or any other encumbrances, and without the consent of any third party; and

9.2.2 Upon transfer of the Business to Guardrisk, Guardrisk will become the sole owner of the Business to the exclusion of all others.

9.3 Other than the warranties and representations set out herein the Parties give no other warranties or representations (whether express, implied or tacit) in relation to or in connection with the Business.

10. Dispute resolution

10.1 separate, divisible agreement

This clause 10 is a separate, divisible agreement from the rest of this Agreement and shall -

10.1.1 not be or become void, voidable or unenforceable by reason only of any alleged misrepresentation, mistake, duress, undue influence, impossibility (initial or supervening), illegality, immorality, absence of consensus, lack of authority or other cause relating in substance to the rest of this Agreement and not to this clause. The Parties intend that any such issue shall be subject to arbitration in terms of this clause; and

10.1.2 remain in effect even if this Agreement expires or terminates for any reason whatsoever.



10.2 disputes subject to arbitration

Any disputes arising out of or in connection with this Agreement or the subject matter of this Agreement, including, without limitation, any dispute concerning -

- 10.2.1 the existence of the Agreement apart from this clause 10;
- 10.2.2 the interpretation and effect of this Agreement;
- 10.2.3 the Parties' respective rights or obligations under this Agreement;
- 10.2.4 the rectification of this Agreement;
- 10.2.5 any alleged misrepresentation, mistake, duress, undue influence, impossibility (initial or supervening), illegality, immorality, absence of consensus, lack of authority or other cause relating to or in any way connected with the Agreement or any part or portion thereof;
- 10.2.6 the breach, expiry, termination or cancellation of this Agreement or any matter arising out of such a breach, expiry, termination or cancellation; and
- 10.2.7 any claims in delict, compensation for unjust enrichment or any other claim,

whether or not the rest of the Agreement, apart from this clause, is valid and enforceable, shall be referred to arbitration as set out in clause 10.3.

10.3 arbitration

All disputes shall be finally determined in accordance with the Commercial Arbitration Rules of the Arbitration Foundation of Southern Africa ("**AFSA**") without recourse to the ordinary courts of law, except as explicitly provided for in clause 10.8.

10.4 appointment of arbitrator

- 10.4.1 The Parties shall agree on the arbitrator who shall be a senior advocate (with at least 15 years' experience in commercial legal practice) on the panel of arbitrators of AFSA. If agreement is not reached within 10 Business Days after any Party calls in writing for such agreement, the arbitrator shall be a senior advocate (with at least 15 years' experience in



commercial legal practice) nominated by the Chairperson of AFSA for the time being.

- 10.4.2 The request to nominate an arbitrator shall be in writing outlining the claim and any counterclaim of which the Party concerned is aware and, if desired, suggesting suitable nominees for appointment, and a copy shall be furnished to the other Party who may, within five Business Days, submit written comments on the request to the addressee of the request with a copy to the first Party.

10.5 venue and period for completion of arbitration

The arbitration shall be held in Johannesburg and the Parties to the dispute shall endeavour to ensure that it is completed within 90 days after notice requiring the claim to be referred to arbitration is given.

10.6 binding nature of arbitration

The Parties irrevocably agree that, subject to clause 10.7, any decisions and awards of the arbitrator -

- 10.6.1 shall be binding on them;
- 10.6.2 shall be carried into effect; and
- 10.6.3 may be made an order of any court of competent jurisdiction.

10.7 appeal

The Parties agree that there shall be no appeal against the decision of the arbitrator.

10.8 application to court for urgent interim relief

Nothing contained in this clause 10 shall prohibit a Party from approaching any court of competent jurisdiction for urgent interim relief pending the determination of the dispute by arbitration. In respect of such proceedings, each of the Parties specifically consents to the non-exclusive jurisdiction of the High Court of South Africa (Gauteng Local Division, Johannesburg).



11. Confidentiality

The Parties shall at all times maintain confidentiality with respect to the others' systems, know-how, trade secrets, computer software and instructions of use, and all other information of a confidential nature, which is not available to the general public and which may become known or made known during the currency of this Agreement, and the Parties shall not disclose the same to any person except insofar as disclosure is necessary for the due performance by them of their obligations in terms of this Agreement and on the written approval of the other Party.

12. Miscellaneous matters

12.1 *domicilia* and notices

12.1.1 For the purposes of this Agreement, including the giving of notices and the serving of legal process, the Parties choose the following *domicilium citandi et executandi*:

12.1.1.1 in the case of Stangen to:

address : 1st Floor, Grant Thornton Building
Wanderers Office Park
52 Corlett Drive
Illovo
2196

email : mbotha@stangen.co.za

and marked for the attention of the Managing Director;

12.1.1.2 in the case of Guardrisk to:

address : 102 Rivonia Road
Tower 2
Sandton
2196

email : vandenbergr@guardrisk.co.za

and marked for the attention of Ryno van den Berg;



12.1.1.3 in the case of Residual Debt Services to:

address : 59 16th Road
Midrand
1685

email : companysecretarial@africanbank.co.za

and marked for the attention of Head: Group Legal;

12.1.1.4 in the case of the Curator to:

address : 59 16th Road
Midrand
1685

email : companysecretarial@africanbank.co.za

and marked for the attention of Head: Group Legal; and

12.1.1.5 in the case of African Bank to:

address : 59 16th Road
Midrand
1685

email : companysecretarial@africanbank.co.za

and marked for the attention of Head: Group Legal.

12.1.2 The notice shall be deemed to have been duly given:

12.1.2.1 on delivery, if delivered to the Party's physical address in terms of clause 12.1.1 between 08:30 and 17:00 on a Business Day (or on the first Business Day after that if delivered outside such hours);

12.1.2.2 on despatch, if sent to the Party's e-mail address between 08:30 and 17:00 on a Business Day (or on the first Business Day after that if despatched outside such hours), provided that the sender has proof of successful transmission,



unless the addressor is aware, at the time the notice would otherwise be deemed to have been given, that the notice is unlikely to have been received by the addressee through no act or omission of the addressee.

12.1.3 A Party may change that Party's physical address or e-mail address for this purpose by notice in writing to the other Party, such change to be effective only on and with effect from the fifth Business Day after the giving of such notice.

12.1.4 Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a Party shall be an adequate written notice or communication to that Party notwithstanding that it was not sent to or delivered at that Party's chosen address in clause 12.1.1.

12.2 **entire contract**

This Agreement contains all the provisions agreed on by the Parties with regard to the subject matter of the Agreement and supersedes and novates in its entirety any previous understandings or agreements between the Parties in respect thereof, and the Parties waive the right to rely on any alleged provision not expressly contained in this Agreement.

12.3 **no stipulation for the benefit of a third person**

Save as is expressly provided for in this Agreement, no provision of this Agreement constitutes a stipulation for the benefit of a third person (i.e. a *stipulatio alteri*) which, if accepted by the person, would bind any Party in favour of that person.

12.4 **no representations**

A Party may not rely on any representation which allegedly induced that Party to enter into this Agreement, unless the representation is recorded in this Agreement.

12.5 **variation, cancellation and waiver**

Subject to the provisions of clause 3.3, no contract varying, adding to, deleting from or cancelling this Agreement, and no waiver of any right under this



Agreement, shall be effective unless reduced to writing and signed by or on behalf of the Parties.

12.6 indulgences

The grant of any indulgence, extension of any time or relaxation of any provision by a Party under this Agreement (or under any other agreement or document issued or executed pursuant to this Agreement) shall not constitute a waiver of any right by the grantor or prevent or adversely affect the exercise by the grantor of any existing or future right of the grantor. Accordingly, if a Party at any time breaches any of that Party's obligations under this Agreement, the aggrieved Party -

12.6.1 may at any time exercise any right that became exercisable directly or indirectly as a result of the breach unless the aggrieved Party expressly elects in writing not to exercise that right or to relinquish that right, or the aggrieved Party by its clear and unambiguous conduct (amounting to more than mere delay) elects not to exercise that right;

12.6.2 may accept the late performance of the Party in breach, which acceptance shall be provisional only and shall not prevent the aggrieved Party from exercising at any time the aggrieved Party's rights arising out of that breach; and

12.6.3 shall not be prevented (estopped) from exercising the aggrieved Party's rights arising out of that breach, despite the fact that the aggrieved Party may have elected or agreed on one or more previous occasions not to exercise the aggrieved Party's rights arising out of any similar breach or breaches.

12.7 cession and delegation

Except as provided for elsewhere in this Agreement, a Party may not cede any or all of that Party's rights or delegate any or all of that Party's obligations under this Agreement without the prior written consent of the other Parties.



12.8 applicable law

This Agreement is to be governed, interpreted and implemented in accordance with the laws of the Republic of South Africa.

12.9 jurisdiction of South African courts

Subject to the provisions of clause 10, the Parties consent to the non-exclusive jurisdiction of the High Court of South Africa (Gauteng Local Division, Johannesburg) for any proceedings arising out of or in connection with this Agreement.

12.10 costs

12.10.1 Webber Wentzel is appointed by Stangen (in its capacity as the lead Party for and on behalf of all the Parties) to draft this Agreement and to prepare and submit the applications for approval or filings contemplated in clause 3, and Stangen shall pay all fees, costs and expenses incurred for purposes thereof.

12.10.2 Stangen shall, after payment of any fees, expenses or charges, notify Guardrisk in writing thereof by submitting an invoice for 50% of any amount so paid.

12.10.3 Guardrisk shall pay the invoiced amount without deduction or set off within seven Business Days of the date of receipt of the invoice into a bank account nominated in writing by Stangen in South Africa.

12.10.4 Each Party shall be responsible for its own costs relating to the preparation of financial statements, statutory returns and the report by the statutory actuary of each Party. The costs of any external auditors to audit the communication process to policyholders and members shall be shared equally between Stangen and Guardrisk as envisaged in clause 12.10.2.

12.10.5 Any costs, including all legal costs on an attorney and own client basis and VAT, incurred by a Party arising out of or in connection with a breach by another Party shall be borne by the Party in breach.



12.11 signature in counterparts

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and which together shall constitute one and the same agreement.

12.12 independent advice

Each of the Parties hereby respectively agrees and acknowledges that:

12.12.1 it has been free to secure independent legal advice as to the nature and effect of each provision of this Agreement and that it has either taken such independent legal advice or has dispensed with the necessity of doing so; and

12.12.2 each provision of this Agreement is fair and reasonable in all the circumstances and is part of the overall intention of the Parties in connection with this Agreement.

Signed at **SANDTON** on **18 OCTOBER** 2016

Witness



For The Standard General Insurance Company Limited



Duly authorised and warranting such authority

Signed at *Sandton* on *31 October* 2016

Witness



For Guardrisk Life Limited



Duly authorised and warranting such authority



Signed at *Midrand* on *20 October* 2016

Witness



**For Residual Debt Services Limited
(under Curatorship)**



Signed by the Curator for and on behalf of Residual Debt Services Limited (under Curatorship), acting as its agent and without personal liability

Signed at *Midrand* on *20 October* 2016

Witness





Thomas Winterboer, in his capacity as the Curator, acting as agent and without personal liability

Signed at *MIDRAND* on *20 OCTOBER* 2016

Witness



For African Bank Limited



Duly authorised and warranting such authority