

TRANSFER AGREEMENT

between

LION OF AFRICA LIFE ASSURANCE COMPANY LIMITED

and

EMERALD LIFE PROPRIETARY LIMITED

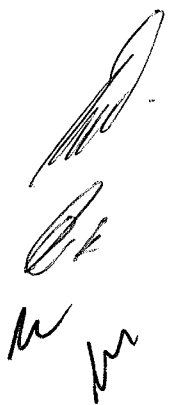
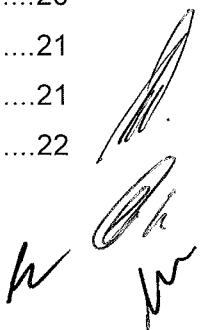


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1. Definitions and interpretation

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:

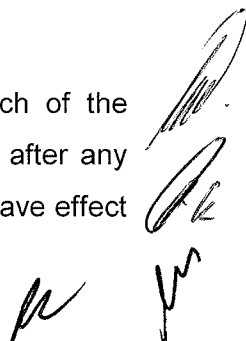
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|-------|--------------------------------|---|
| 1.1.1 | "Agreement" | this transfer agreement, as amended from time to time in terms of clause 14.6; |
| 1.1.2 | "Business Day" | any day other than a Saturday, Sunday or gazetted national public holiday in the Republic of South Africa; |
| 1.1.3 | "Closing Date" | the last day of the calendar month during which the Fulfilment Date occurs; |
| 1.1.4 | "Companies Act" | the Companies Act 71 of 2008; |
| 1.1.5 | "Competition Act" | the Competition Act 89 of 1998; |
| 1.1.6 | "Competition Authority" | the Competition Commission, the Competition Tribunal or the Competition Appeal Court, whichever has jurisdiction for the purposes of the transaction contemplated in this Agreement, as established by the Competition Act; |
| 1.1.7 | "Debit Order Book" | the book of active policies underwritten by Lion in terms whereof premiums are paid by any means other than deductions from social grants in terms of regulation 26A of the regulations published under the Social Assistance Act 13 of 2004 to be attached hereto as Annexe A ; |
| 1.1.8 | "Effective Date" | 31 December 2019; |

1.1.9	"Emerald Life"	Emerald Life Proprietary Limited, registration number 2016/534835/07, a private company as defined in the Companies Act;
1.1.10	"Excluded Claims"	any claim incurred in terms of the Transferred Business on or before the Closing Date, whether or not reported as at the Closing Date. For purposes of clarity a claim is incurred on the date of death of the insured life;
1.1.11	"Fulfilment Date"	the date on which all the Suspensive Conditions have been fulfilled or waived, as the case may be;
1.1.12	"Implementation Agreement"	the implementation agreement to be entered into between Lion Life, Emerald Life and Emerald Wealth Administrators Proprietary Limited approximately at the same time as this Agreement;
1.1.13	"Insurance Act"	the Insurance Act 18 of 2017;
1.1.14	"Liability"	any liability or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, whether incurred or consequential and whether due or to become due);
1.1.15	"Lion Life"	Lion of Africa Life Assurance Company Limited, registration number 1942/015587/06, a public company as defined in the Companies Act;

- 1.1.16 **"Lion Shareholder"** CommLife Holdings Proprietary Limited, registration number: 1996/004766/07, the sole shareholder of Lion Life;
- 1.1.17 **"Parties"** the parties to this Agreement, being Lion Life and Emerald Life;
- 1.1.18 **"Prudential Authority"** means the Prudential Authority established in terms of the Financial Sector Regulation Act 9 of 2017;
- 1.1.19 **"R"** South African Rand, the lawful currency of the Republic of South Africa;
- 1.1.20 **"Regulation 26A Book"** the book of active policies underwritten by Lion Life in terms whereof premiums are paid by means of deductions from social grants in terms of regulation 26A of the regulations published under the Social Assistance Act 13 of 2004 to be attached as **Annexe B**;
- 1.1.21 **"Restated Financial Services Agreement"** the amended intermediary agreement to be renamed the 'Restated Financial Services Agreement' to be entered into by the Emerald Life and Lion Life at approximately the same time as this Agreement;
- 1.1.22 **"Retained Business"** 50% of the Regulation 26A Book retained by Lion Life as identified in the Implementation Agreement and to be attached hereto as **Annexe D**;
- 1.1.23 **"Settlement Agreement"** the settlement agreement to be entered into between Lion Life, Emerald Life and Emerald Wealth Administrators Proprietary Limited approximately at the same time as this Agreement;

- 1.1.24 **"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 either Party;
- 1.1.25 **"Suspensive Conditions"** the suspensive conditions in clause 3.1;
- 1.1.26 **"Takeover Regulation Panel"** the Takeover Regulation Panel established by section 196 of the Companies Act;
- 1.1.27 **"Transaction"** the transfer of the Transferred Business from Lion Life to Emerald Life as recorded in this Agreement;
- 1.1.28 **"Transferred Business "** the Debit Order Book and 50% of active policies pertaining the Regulation 26A Book as identified in terms of the Implementation Agreement and to be attached hereto as **Annexe C** which for the avoidance of doubt includes all debit orders, stop orders and other deduction authorisations in respect of premiums payable in terms of the respective books;
- 1.1.29 **"Transfer Policyholders"** any persons entitled to policy benefits under the Transferred Business;
- 1.1.30 **"VAT"** value-added tax levied in terms of the VAT Act; and
- 1.1.31 **"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 or paragraph of any annexe, the definition appearing in that clause or paragraph 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 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

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after such expiration or termination, notwithstanding that the relevant provisions themselves do not provide for this.

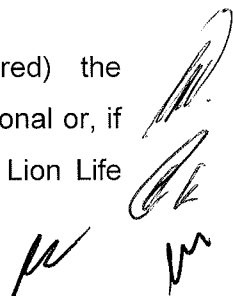
- 1.4 Each of the provisions of this Agreement has been negotiated by the Parties and drafted for the benefit of the Parties, and accordingly the rule of construction that the contract shall be interpreted against or to the disadvantage of the Party responsible for the drafting or preparation of the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

2. Introduction

- 2.1 Lion Life and Emerald Life were involved in litigation which was settled in terms of the Settlement Agreement.
- 2.2 Lion Life is the underwriter of the Transferred Business.
- 2.3 Lion Life wishes to transfer and Emerald Life wishes to acquire the Transferred Business on the terms and conditions contained in this Agreement.

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 and clauses 11 to 14, which shall be unconditional and of immediate force and effect from the Signature Date) are all subject to the fulfilment of the following Suspensive Conditions:
- 3.1.1 that the Prudential Authority approves the Transaction, provided that such approval shall either be unconditional or, if such approval is conditional, shall be subject to conditions acceptable to Emerald Life and to Lion Life (both acting reasonably) insofar as such conditions affect such Party;
- 3.1.2 the Takeover Regulation Panel has issued a compliance certificate in respect of the Transaction in terms of section 119(4)(b) of the Companies Act or exempted the Transaction in terms of section 119(6) of the Companies Act; and
- 3.1.3 the Competition Authorities approve (to the extent required) the Transaction, provided that such approval shall either be unconditional or, if such approval is conditional, such conditions are acceptable to Lion Life



and Emerald Life (both acting reasonably) insofar as such conditions affect such Party (acting reasonably).

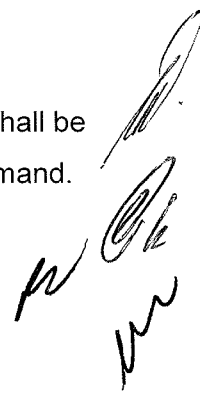
- 3.2 The Parties shall take all steps and implement all actions reasonably necessary (in the widest possible sense) in order to procure the fulfilment of each of the Suspensive Conditions forthwith and without delay.
- 3.3 If the Suspensive Conditions are not fulfilled within a reasonable time after the Signature Date, the provisions of this Agreement save for clause 1, clause 3.2, this clause 3.3, clauses 10 to 14 which will remain of full force and effect, will never become of any force or effect and the *status quo ante* will be restored as near as may be possible and none of the Parties will have any claim against the others in terms hereof or arising from the failure of a Suspensive Condition.
- 3.4 The Lion Shareholder has approved the Transfer in terms of sections 112 and 115 of the Companies Act, and a certified copy of the special resolution of the Lion Shareholder is attached hereto as **Annexe E**.

4. **Transfer**

- 4.1 Subject to the fulfilment of the Suspensive Conditions, Lion Life hereby transfers, and Emerald Life hereby acquires, the Transferred Business on and with effect from the Closing Date and for purposes of such transfer Lion Life (i) cedes of all its rights, title and interest in respect of the Transferred Business to Emerald Life; and (ii) the delegates of all its Liabilities in respect of the Transferred Business to Emerald Life, all as at the Closing Date, which cession and delegation Emerald Life hereby accepts.
- 4.2 The transfer of the Transferred Business is subject to the provisions of the Insurance Act, in particular the approval by the Prudential Authority. The Prudential Authority requires that the Transferred Business be identified as at the Effective Date in order to analyse the impact of the Transaction based on the financial position of Lion Life and Emerald Life as at the Effective Date.
- 4.3 No consideration shall be payable in respect of the transfer of the Transferred Business.



- 4.4 Lion Life shall continue to conduct the Transferred Business until the Closing Date, subject to the provisions of the Restated Financial Services Agreement.
- 4.5 Since Lion Life will continue to conduct the Transferred Business until the Closing Date, subject to the provisions of the Restated Financial Services Agreement, the Transferred Business as at the Effective Date and the Transferred Business delivered as at the Closing Date will differ.
- 4.6 Lion Life's delivery obligations are therefore limited to ceding the rights and delegating the Liabilities of Lion Life in respect of the Transferred Business that constitute the Transferred Business as at the Closing Date.
- 4.7 Lion Life shall transfer all premiums (less any direct costs incurred in collecting and reconciling such premiums) received in terms of any Transferred Business applying to a period following the Closing Date to Emerald Life within 3 Business Days after the Closing Date.
- 4.8 All premiums received by Emerald Life prior to the Closing Date pursuant to the provisions of the Restated Financial Services Agreement shall be dealt with in terms of that agreement.
- 4.9 The Parties record that the Transfer Policyholders are not parties to this Agreement; however, if and once the Prudential Authority approves the Transaction, as contemplated in section 50(6) of the Insurance Act, the Transfer Policyholders will, as at the Closing Date acquire against Emerald Life all those rights and entitlements previously held and enjoyed by them against Lion Life.
- 4.10 Lion Life and Emerald shall instruct their respective heads of their actuarial control functions ("**Company Actuaries**") to ensure that the reasonable benefit expectations of the Transfer Policyholders are not prejudiced by the Transaction. In this regard the Parties shall instruct their Company Actuaries to report to the Prudential Authority specifically on the policyholder expectations of the Transfer Policyholders.
- 4.11 All taxes arising pursuant to the Transaction, including any donations tax, shall be for the account of Emerald which taxes shall be payable by Emerald on demand.



5. **VAT**

The Transaction shall be exempt from VAT since insurance policies are an exempt supply for VAT purposes.

6. **Ownership, risk and benefit**

The ownership of, risk in, and the benefit of, the Transferred Business will pass to Emerald Life on the Closing Date.

7. **Delivery of the Transferred Business**

7.1 Lion Life shall deliver the Transferred Business to Emerald Life by placing Emerald Life in possession and control of the Transferred Business on the Closing Date

7.2 Subject to the provisions of the Restated Financial Services Agreement, it is recorded that Lion Life shall remain liable for payment of all Excluded Claims, notwithstanding the implementation of the Transaction.

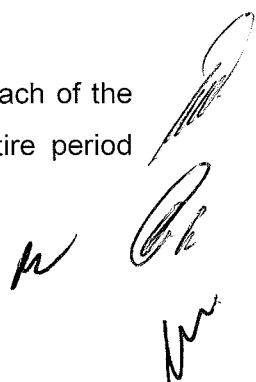
7.3 In the event that Emerald Life receives notification of an Excluded Claim after the Closing Date, it shall promptly and without delay advise Lion Life of such Excluded Claim, and shall provide all claim documents and supporting documents to Lion Life as Lion Life may require, subject to the terms and conditions of the Restated Financial Services Agreement.

8. **Employees**

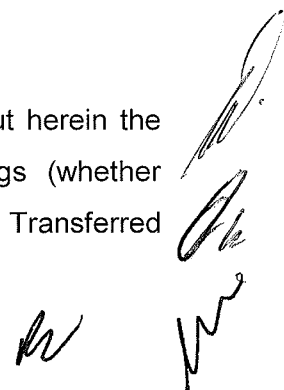
It is recorded and agreed that Lion Life does not employ any employees exclusively in relation to the Transferred Business and accordingly that no transfer of employees will be required in terms of section 197(1) of the Labour Relations Act 66 of 1998 in respect of the Transferred Business.

9. **Warranties, representations and undertakings given by the Parties**

Each Party warrants, represents and undertakes to the other Party, as at each of the Signature Date, the Effective Date and the Closing Date and for the entire period between those dates, if applicable, that:

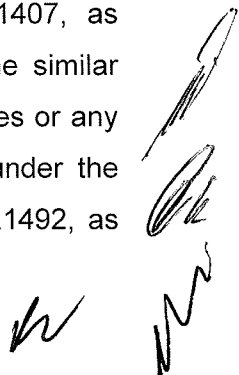
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- 9.1 it is and shall remain validly incorporated in the Republic of South Africa and is a company as defined in the Companies Act;
- 9.2 it has and shall continue to have the necessary legal capacity and powers to enter into and perform each of its obligations under this Agreement and has taken all necessary corporate and/or internal action to authorise the execution and performance of this Agreement;
- 9.3 subject to fulfilment of the Suspensive Conditions, the execution of this Agreement and performance of its obligations hereunder does not and shall not:
- 9.3.1 contravene any law or regulation to which the Party is subject; or
- 9.3.2 contravene any provision of the Party's memorandum of incorporation; or
- 9.3.3 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 that Party is a party or subject or by which it or any of its assets are bound; and
- 9.4 the provisions of this Agreement are and shall remain legally binding on the Party and the execution and performance of all rights and obligations imposed on it pursuant to this Agreement constitute legal, valid, binding and enforceable rights and obligations of the Party.
- 9.5 In addition to the general warranties set out in this clause 9, Lion Life gives to Emerald the following warranties:
- 9.5.1 as at the Closing Date it will be entitled to transfer the Transferred Business to Emerald free of any pledge, cession, lien, hypothec or any other encumbrances, and without the consent of any third party; and
- 9.5.2 upon transfer of the Transferred Business to Emerald, Emerald will become the sole underwriter of the Transferred Business to the exclusion of all others.
- 9.6 Other than the warranties, representations and undertakings set out herein the Parties give no other warranties, representations or undertakings (whether express, implied or tacit) in relation to or in connection with the Transferred Business.

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10. Restraint of Trade

- 10.1 Pursuant to the identification of the Transferred Business and the Retained Business in terms of this Agreement and the Implementation Agreement, the Parties shall list the policyholders and their spouses with reference to their names and identity numbers (where available) in a document to be signed by each Party to be attached to this Agreement as **Annexe F**.
- 10.2 The list referred to in clause 10.1 shall identify policyholders and spouses forming part of the Transferred Business and policyholders forming part of the Retained Business.
- 10.3 The Parties hereby agree that for a three year period calculated on and with effect from the Closing Date –
- 10.3.1 Lion Life shall not approach, market, underwrite or render financial services to individuals listed as forming part of the Transferred Business in respect any of their insurance and related products; and
- 10.3.2 Save for the services to be performed by Emerald Life pursuant to the provisions of the Restated Financial Services Agreement, Emerald Life shall not approach, market, underwrite or render financial services to individuals listed as forming part of the Retained Business in respect any of their insurance and related products.
- 10.4 For purposes hereof "**insurance or related products**" shall mean any assistance business product offered by Lion Life or Emerald Life forming part of long-term insurance business as defined in the Long-term Insurance Act 52 of 1998 and the classes or sub-classes of funeral business stipulated in Schedule 2, Table 1 to the Insurance Act, for which the insurer is licensed as well as all rider benefits (as defined in the Insurance Act) relating to any such products and includes all related services (as defined in the Policyholders Protection Rules (Long-term Insurance), 2017 published under Government Notice 1407, as amended) provided in respect of any such products and shall include similar products, rider benefits and related services offered by any of the Parties or any of their associates (as defined in regulation 6.1 of the Regulations under the Long-term Insurance Act, 1998 published under Government Notice R1492, as



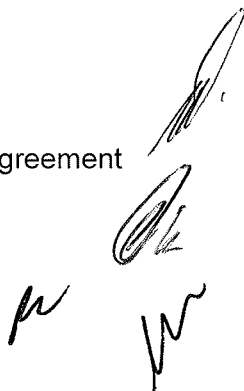
amended) and underwritten through cell structures (as defined in section 1 of the Insurance Act), or similar arrangements (as defined in the Insurance Act, 2017 Joint Communication 2 of 2018 issued by the Prudential Authority and the Financial Sector Conduct Authority).

- 10.5 The Parties however acknowledge that in the normal course and without the intentional breach of the restraint provided for in this clause 10, policyholders and spouses on their own accord and in the normal day to day conducting of business may cancel their policies with the one Party and may enter into policies with the other Party who *bona fide* fails to identify the policyholder, the Parties will therefore on a quarterly basis on or before the first day of the relevant month for a period of 2 years following the Closing Date instruct the Company Actuaries to perform a limited audit on the businesses of Lion Life and Emerald Life in order to identify and determine the number of policyholders and spouses who cancelled their policies with the one insurer and migrated to the other insurer compared with the list attached hereto as **Annexe F**.
- 10.6 In the event that on a quarterly basis a change event in favour of the one Party occurred in excess of 1% compared to the previous quarter, then the Party in whose favour the change event occurred will pay to the other Party on demand an amount equal to the monthly gross premium multiplied by 60 in respect of all policyholders exceeding the 1% tolerance level.
- 10.7 A "**change event**" means the net migration of policyholders and spouses from the one Party to the other Party compared with the list in **Annexe F** but not taking into account policyholders and spouses who migrated in a previous calculation cycle.
- 10.8 Any fees incurred for purposes of compiling the list referred to in clause 10.1 and the limited audit referred to in clause 10.5 shall for each Party's own account.

11. **Dispute resolution**

11.1 **separate, divisible agreement**

This clause 11 is a separate, divisible agreement from the rest of this Agreement and shall -

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11.1.1 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

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

11.2 **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 -

11.2.1 the existence of the Agreement apart from this clause 11;

11.2.2 the interpretation and effect of this Agreement;

11.2.3 the Parties' respective rights or obligations under this Agreement;

11.2.4 the rectification of this Agreement;

11.2.5 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;

11.2.6 the breach, expiry, termination or cancellation of this Agreement or any matter arising out of such a breach, expiry, termination or cancellation; and

11.2.7 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 11.3.

11.3 **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 11.8.

11.4 appointment of arbitrator

11.4.1 The Parties shall agree on the arbitrator who shall be a senior advocate (with at least 10 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 10 years' experience in commercial legal practice) nominated by the Chairperson of AFSA for the time being.

11.4.2 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.

11.5 venue and period for completion of arbitration

The arbitration shall be held in Cape Town and the Parties to the dispute shall endeavour to ensure that it is completed as expeditiously as possible after notice requiring the claim to be referred to arbitration is given.

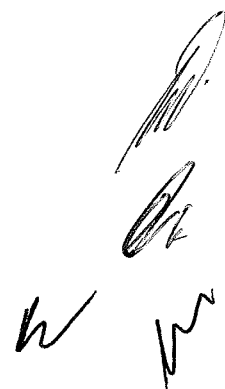
11.6 binding nature of arbitration

The Parties irrevocably agree that, subject to clause 11.7, any decisions and awards of the arbitrator -

11.6.1 shall be binding on them;

11.6.2 shall be carried into effect; and

11.6.3 may be made an order of any court of competent jurisdiction.

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11.7 **appeal**

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

11.8 **application to court for urgent interim relief**

Nothing contained in this clause 11 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 (Western Cape Division, Cape Town).

12. **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.

13. **Breach and termination**

13.1 If a Party ("**Defaulting Party**") breaches any provision of this Agreement and remains in breach of such provision for 10 Business Days after written notice by the other Party ("**Aggrieved Party**") to the Defaulting Party requiring the Defaulting 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:

13.1.1 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; and / or

13.1.2 claim any damages it has suffered.

- 13.1.3 The Aggrieved Party's rights shall be limited to the remedies herein stipulated and the Parties shall not be entitled to cancel or terminate the Agreement.

14. Miscellaneous matters

14.1 *domicilia* and notices

- 14.1.1 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*:

14.1.1.1 Lion Life at:

address Office 16/01
16th Floor
The Golden Acre
Cape Town, 8001

e-mail faizel.cariem@commlife.co.za

and marked for the attention of Faizel Cariem;

14.1.1.2 Emerald at:

address 3rd Floor, Sterling Place
86 Edward Street
Bellville
7530

e-mail ecdt@emeraldlife.co.za

and marked for the attention of EC du Toit.

- 14.1.2 The notice shall be deemed to have been duly given:

- 14.1.2.1 on delivery, if delivered to the Party's physical address in terms of clause 14.1 between 08:30 and 17:00 on a Business Day (or on the first Business Day after that if delivered outside such hours);

- 14.1.2.2 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 addresser 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.

14.1.3 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.

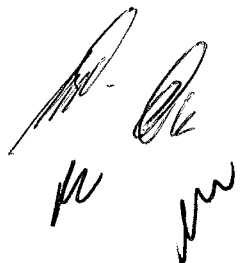
14.1.4 Notwithstanding anything to the contrary herein contained, a written notice or communication actually received by a Party shall be an adequate written notice or communication to that Party notwithstanding that it was not sent to or delivered at that Party's chosen address in clause 14.1.

14.2 **entire contract**

This Agreement contains all the express provisions agreed to between the Parties with regard to the subject matter of the Agreement, and supersedes and novates in its entirety any previous understandings or agreements among the Parties in respect thereof.

14.3 **severability**

Each and every provision of this Agreement (excluding only those provisions which are essential at Law for a valid and binding agreement to be constituted) shall be deemed to be separate and severable from the remaining provisions of this Agreement. If any of the provisions of this Agreement (excluding only those provisions which are essential at Law for a valid and binding agreement to be constituted) is found by any court of competent jurisdiction to be invalid and/or unenforceable then, notwithstanding such invalidity and/or unenforceability, the remaining provisions of this Agreement shall be and remain of full force and effect.

Handwritten signatures of three individuals, likely representing the parties to the agreement.

14.4 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.

14.5 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.

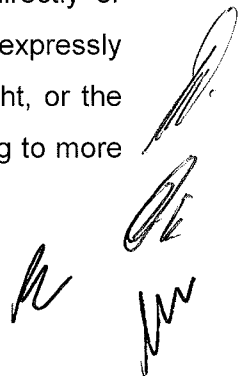
14.6 variation, cancellation and waiver

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. For the purposes of this clause 14.6, reference to "**writing**", "**signed**" and "**signature**" shall not include a "**data message**" and an "**electronic signature**" as defined in the Electronic Communications and Transactions Act 25 of 2002.

14.7 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:

- 14.7.1 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;

Three handwritten signatures in black ink are located in the bottom right corner of the page. The signatures are stylized and appear to be initials or names.

- 14.7.2 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
- 14.7.3 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.

14.8 cession and delegation

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, which consent may not be unreasonably withheld and/or delayed.

14.9 costs

- 14.9.1 The costs and disbursements incurred relating to the Transaction contemplated in this Agreement shall be allocated and paid by the Parties as follows:
- 14.9.1.1 Emerald shall be responsible for the costs and disbursements of and incidental to:
- 14.9.1.1.1 the costs and disbursements of Webber Wentzel relating to the negotiation, preparation, settling, signing and implementation of this Agreement and the implementation of the Transaction;
- 14.9.1.1.2 the preparation, settling and submission of any application to a regulatory authority in connection with the implementation of the Transaction;
- 14.9.1.1.3 the costs of any experts and/or independent auditors and/or independent actuaries appointed by the Prudential Authority in respect of the implementation of the Transaction;

14.9.1.1.4 all costs of communication with the Transfer Policyholders as may be required for the implementation of the Transaction; and

14.9.1.1.5 all regulatory filing fees in connection with the implementation of this Agreement.

14.9.1.2 Save as set out above, each Party shall be liable for its own reasonable auditing, actuarial and other third party costs incurred arising from the requirements of the Financial Sector Conduct Authority / Prudential Authority, the South African Revenue Service and/or any other governmental authority relating to the implementation of the Transaction.

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

14.10 **independent advice**

Each of the Parties hereby respectively agrees and acknowledges that:

14.10.1 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

14.10.2 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.

14.11 **applicable law**

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

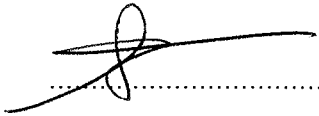
14.12 **signature in counterparts**

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.

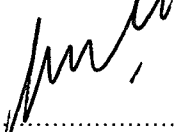
Signed at *CAPE TOWN*

on *7 AUGUST* 2020

Witness


.....

for **LION OF AFRICA LIFE ASSURANCE
COMPANY LIMITED**


.....
duly authorised and warranting such authority

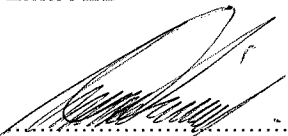
Signed at *BELLVILLE*

on *7 AUGUST* 2020

Witness

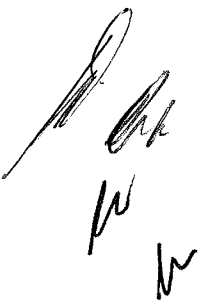

.....

for **EMERALD LIFE PROPRIETARY
LIMITED**


.....
duly authorised and warranting such authority

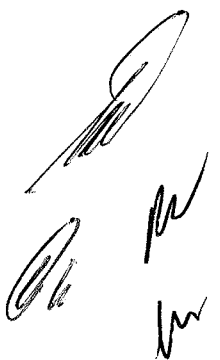
Annexe A

Debit Order Book

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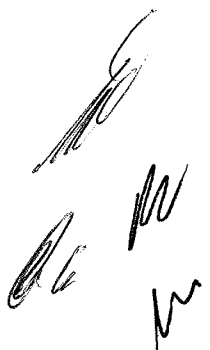
Annexe B

Regulation 26A Book

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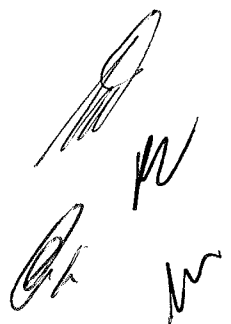
Annexe C

Transferred Business

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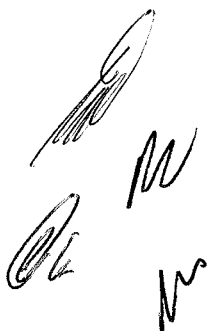
Annexe D

Retained Business

Four handwritten signatures in black ink, arranged in a cluster in the bottom right corner of the page. The signatures are stylized and appear to be initials or names.

Annexe E

Lion Shareholders' special resolution

Four handwritten signatures in black ink, arranged in a cluster in the bottom right corner of the page. The signatures are stylized and appear to be initials or names.

COMMLIFE HOLDINGS PROPRIETARY LIMITED

(Incorporated in the Republic of South Africa)

(Registration number 1996/004766/07)

("the Company" or "Commlife")

SPECIAL RESOLUTION OF THE SHAREHOLDERS OF THE COMPANY IN TERMS OF SECTION 112 AND 115 OF THE COMPANIES ACT, 71 OF 2008, AS AMENDED ("THE ACT")

For the purpose of this resolution **Transferred Business** will be defined as: The Active Debit Order Book and 50% of active policies pertaining to the Regulation 26A Book relating to the white labelled Emerald policies underwritten by Lion of Africa Life Assurance Company Limited ("LionLife") selected in accordance with clause 4 of the Implementation Agreement.

SPECIAL RESOLUTION NUMBER 1 –

Disposal of the Transferred Business to Emerald Life (Pty) Ltd ("Emerald").

"RESOLVED THAT the disposal by LionLife of the Transferred Business to Emerald as part of the settlement arrangement between the parties on the terms and conditions as agreed between the parties which this resolution has considered, be approved in terms of the provisions of section 112 and 115 of the Act."

In terms of the Act and the Takeover Regulations the disposal must be approved by this special resolution being passed by 75% of LionLife's shareholders exercising their voting rights on the disposal, at this general meeting at which sufficient persons must be present to exercise, in aggregate, at least 25% of all of the voting rights that are entitled to be exercised on the disposal.

Reason and Effect of Special Resolution Number 1

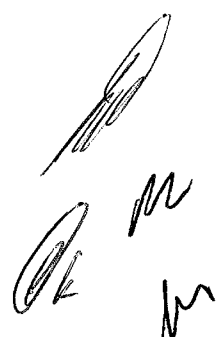
The reason for and effect of passing special resolution number 1 is to authorise the disposal of assets of LionLife as contemplated in terms of Section 112 of the Act. Shareholders are reminded of their rights in terms of Sections 115 and 164 of the Act.

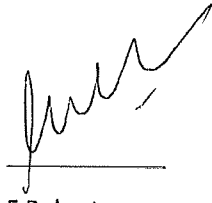
ORDINARY RESOLUTION NUMBER 1 –

Authority granted to directors

"RESOLVED THAT F Robertson be and is hereby authorised to sign all such documents and do all such other things as may be necessary for or incidental to the implementation of the above special resolution."

The percentage of voting rights required for the above ordinary resolution to be adopted: at least 50% of the voting rights exercised on such ordinary resolution.

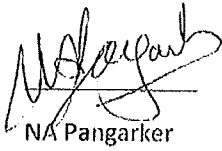
Three handwritten signatures are located in the bottom right corner of the page. The top signature is a large, stylized 'F' followed by a surname. Below it are two smaller, more cursive signatures.



F Robertson

7-8-2020

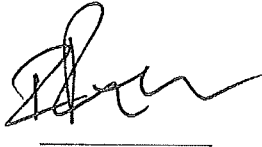
Date



NA Pangarker

07-08-2020

Date



R Robertson

07-08-2020

Date

U Robertson

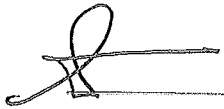
Date



MI Robertson

07/08/2020

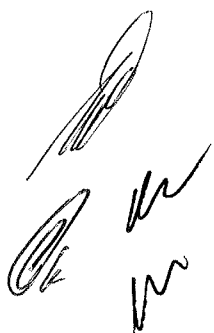
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MFH Cariem

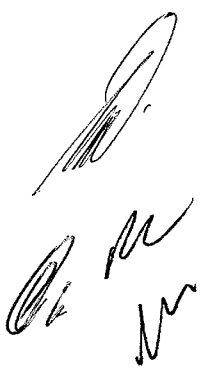
7/8/20

Date



Annexe F

List the policyholders and their spouses

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