

EXECUTION

SALE AGREEMENT

between

MMI GROUP LIMITED
(Registration number 1904/002186/06)
("MMI Group")

and

FIRSTRAND LIFE ASSURANCE LIMITED
(Registration number 2014/264879/06)
("FirstRand Life")

LUCIENNE JASON VAN ROMBURG
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Practising Attorney RSA
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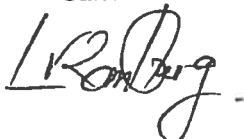
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1. Definitions and interpretation

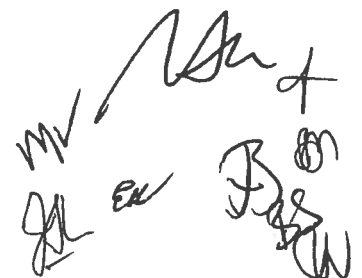
1.1 In this Agreement, the following words shall, unless otherwise stated or inconsistent with the context in which they appear, bear the following meanings and other words derived from the same origins as such words (that is, cognate words) shall bear corresponding meanings:

- | | | |
|-------|---------------------------|--|
| 1.1.1 | "Actuaries" | the statutory actuaries of Momentum Ability and MMI Group, acting jointly; |
| 1.1.2 | "Addendum" | a written addendum to the Master Agreement regulating the amendments to the profit share arrangements stipulated in the Master Agreement; |
| 1.1.3 | "Agreed Rate" | the rate that appears on the Reuters screen SAFEX page under the caption "Overnight Dep. Rate" (or on the SAFEX nominated successor screen) at approximately 11h00, Johannesburg time, on each relevant date, plus 20 basis points. For each relevant day that the rate is unavailable, including weekends, the rate obtained on the previous day, plus 20 basis points, will be deemed to be the rate for that day; |
| 1.1.4 | "Agreement" | this sale agreement, including the Annexe, as amended from time to time in terms of clause 15.5; |
| 1.1.5 | "Annexe" | the annexe attached to this Agreement; |
| 1.1.6 | "Ashburton" | Ashburton Investor Services Proprietary Limited, registration number 2011/139123/07, a private company as defined in the Companies Act; |
| 1.1.7 | "Ashburton Assets" | the Ashburton Contracts and all assets held by the Nominees (on behalf of MMI Group) that are linked to the Ashburton Liabilities; |

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1.1.8	"Ashburton Business"	the Ashburton Assets and the Ashburton Liabilities;
1.1.9	"Ashburton Contracts"	all Ashburton Policies, contracts, agreements, mandates, commitments and arrangements, whether written, oral, tacit or otherwise, as amended from time to time, entered into by MMI Group in relation to the Ashburton Business, but excluding the Excluded Ashburton Contract;
1.1.10	"Ashburton Liabilities"	all Liabilities of MMI Group arising from the Ashburton Policies;
1.1.11	"Ashburton Policies"	the Ashburton branded linked endowment policies and living annuity policies underwritten by MMI Group and administered by Ashburton;
1.1.12	"Business"	collectively, the FNB Life Business and the Ashburton Business;
1.1.13	"Business Day"	any day other than a Saturday, Sunday or public holiday in the Republic of South Africa;
1.1.14	"Cell Agreements"	the Master Agreement and the treaty reinsurance agreement concluded between Momentum Ability and MMI Group, dated 2 December 2010;
1.1.15	"Closing Date"	the last Business Day of the calendar month during which the Fulfilment Date occurs, provided that if the Fulfilment Date occurs prior to 30 June 2016 the Closing Date shall be 30 June 2016;
1.1.16	"Companies Act"	the Companies Act 71 of 2008;
1.1.17	"Competition Act"	the Competition Act 89 of 1998;

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1.1.18 **"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;

1.1.19 **"Effective Date"** 1 July 2015;

1.1.20 **"Excluded Ashburton Contract"** the binder and outsourcing agreement concluded between Ashburton and MMI Group, dated 17 September 2013, as amended on 25 September 2015, which binder and outsourcing agreement shall terminate on the Closing Date in accordance with the terms of the applicable Termination Notice issued in relation thereto;

1.1.21 **"Excluded FNB Life Contracts"** the:

1.1.21.1 (i) non-mandated intermediary binder agreement concluded between FirstRand Bank and MMI Group, dated 6 November 2013; (ii) outsourcing agreement concluded between FirstRand Bank and MMI Group, dated 6 November 2013; (iii) intermediary agreement concluded between FirstRand Bank and MMI Group, dated 6 November 2013; and (iv) fee agreement concluded between FirstRand Bank and MMI Group, dated 6 November 2013; which agreements shall terminate on the Closing Date in accordance with the terms of the applicable Termination Notice issued in relation thereto; and

1.1.21.2 (i) strategic relationship agreement concluded between MMI Group, FirstRand Bank and

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FirstRand Limited, dated 24 August 2010; and
(ii) service level agreement concluded between
MMI Group and FirstRand Bank, dated 13
February 2012; which agreements shall
continue in force in accordance with their terms;

- | | | |
|--------|-------------------------------|---|
| 1.1.22 | "FirstRand Bank" | FirstRand Bank Limited, registration number 1929/001225/06, a public company as defined in the Companies Act; |
| 1.1.23 | "FirstRand Life" | FirstRand Life Assurance Limited, registration number 2014/264879/06, a public company as defined in the Companies Act; |
| 1.1.24 | "FNB Life Assets" | assets with a value equal to the sum of the IBNR and the Reported But Unpaid Claims Reserves; |
| 1.1.25 | "FNB Life Business" | the bancassurance business that consists of the FNB Life Assets, the FNB Life Contracts and the FNB Life Liabilities; |
| 1.1.26 | "FNB Life Contracts" | all FNB Life Policies, contracts, agreements, mandates, commitments and arrangements, whether written, oral, tacit or otherwise, as amended from time to time, entered into by MMI Group in relation to the FNB Life Business, but excluding the Excluded FNB Life Contracts; |
| 1.1.27 | "FNB Life Liabilities" | all Liabilities of MMI Group arising from the FNB Life Policies; |
| 1.1.28 | "FNB Life Policies" | the FNB Life branded credit life, funeral, personal accident, cover for life, hospital cash plan and lifestyle protector policies underwritten by MMI Group; |

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1.1.29	"FRIHL"	FirstRand Investment Holdings Proprietary Limited, registration number 2001/023466/07, a private company as defined in the Companies Act;
1.1.30	"Fulfilment Date"	the date on which the last of the Suspensive Conditions are fulfilled or waived, as the case may be;
1.1.31	"IBNR"	the reserve held in respect of the claims incurred but not reported in terms of the FNB Life Policies, as determined by the Actuaries;
1.1.32	"Income Tax Act"	the Income Tax Act 58 of 1962;
1.1.33	"Liability"	any liability or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether incurred or consequential and whether due or to become due);
1.1.34	"LTIA"	the Long-term Insurance Act 52 of 1998;
1.1.35	"Master Agreement"	the master agreement concluded between FRIHL and Momentum Ability, dated 8 December 2010, as amended;
1.1.36	"MMI Group"	MMI Group Limited, registration number 1904/002186/06, a public company as defined in the Companies Act;
1.1.37	"MMI Group Bank Account"	the following bank account of MMI Group:

Bank: FirstRand Bank Limited
Account name: MMI Group Limited - Shareholders Portfolio
Account number: 62140085558
Branch: RMB Corporate Banking, Johannesburg

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Branch code: 255005;

- 1.1.38 **"Momentum Ability"** Momentum Ability Limited, registration number 1999/005364/06, a public company as defined in the Companies Act,
- 1.1.39 **"Momentum Ability Cell"** the segregated portion of the business of Momentum Ability relating to the Reinsurance Business;
- 1.1.40 **"Nominees"** Ashburton Nominees Proprietary Limited, registration number 2012/202431/07, Ashburton Fund Managers Nominee Proprietary Limited, registration number 2004/026720/07, and Gardenview Nominees Proprietary Limited, registration number 1995/006392/07;
- 1.1.41 **"Ordinary Capital Adequacy Requirement"** the ordinary capital adequacy requirement as set out in version 8 of the document issued by the Actuarial Society of South Africa entitled "*SAP 104: Calculation of the Value of the Assets, Liabilities and Capital Adequacy Requirement of Long-Term Insurers*";
- 1.1.42 **"Parties"** the parties to this Agreement, being MMI Group and FirstRand Life and **"Party"** shall refer to any one of them as the context may indicate;
- 1.1.43 **"Policyholders"** collectively, the policyholders of Ashburton Policies and FNB Life Policies;
- 1.1.44 **"Purchase Price"** the purchase price referred to in clause 5.1;
- 1.1.45 **"R"** South African Rand, the lawful currency of the Republic of South Africa;
- 1.1.46 **"Reconciliation Report"** has the meaning set out in clause 7.5;

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1.1.47	"Registrar"	the Registrar of Long-term Insurance appointed in terms of the LTIA;
1.1.48	"Reinsurance Business"	the FNB Life Policies fully reinsured by MMI Group to Momentum Ability in terms of the Reinsurance Agreement;
1.1.49	"Reinsurance Agreement"	the reinsurance agreement concluded between MMI Group and Momentum Ability in respect of the Reinsurance Business, dated 2 December 2010, as amended;
1.1.50	"Reported But Unpaid Claims Reserve"	the reserve held in respect of claims reported on or before the Closing Date but not yet paid by MMI Group in respect of the FNB Life Policies, as determined by the Actuaries;
1.1.51	"Sale Assets"	collectively, the Ashburton Assets and the FNB Life Assets;
1.1.52	"Sale Liabilities"	collectively, the Ashburton Liabilities and the FNB Life Liabilities;
1.1.53	"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;
1.1.54	"Suspensive Conditions"	the suspensive conditions in clause 3.1;
1.1.55	"Termination Capital Adequacy Requirement"	the termination capital adequacy requirement as set out in version 8 of the document issued by the Actuarial Society of South Africa entitled "SAP 104: Calculation of the Value of the Assets, Liabilities

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and Capital Adequacy Requirement of Long-Term Insurers";

- 1.1.56 **"Termination Notice"** the termination notice(s) issued in respect of the Excluded FNB Life Contract and/or the Excluded Ashburton Contracts, as the case may be;
- 1.1.57 **"Transaction"** the transaction recorded in this Agreement;
- 1.1.58 **"VAT"** the value-added tax levied in terms of the VAT Act; and
- 1.1.59 **"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

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- 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 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 (ie 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 (ie the *contra proferentem* rule), shall not apply.
2. Introduction
- 2.1 MMI Group is the owner of the Business.
- 2.2 FirstRand Life has been awarded a long-term insurance licence and wishes to purchase the Business from MMI Group, which is willing to sell the Business to FirstRand Life, on the terms and conditions contained herein.

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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 13 to 15, 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 31 October 2016:

3.1.1 the board of directors of FRIHL unconditionally approves the Transaction;

3.1.2 FRIHL, as a preference shareholder in Momentum Ability approves -

3.1.2.1 the termination of the Reinsurance Agreement, subject to this Agreement becoming unconditional and being implemented in accordance with its terms; and

3.1.2.2 the transfer to MMI Group (or FirstRand Life, on the written instructions of MMI Group) of the assets backing the liabilities in respect of:

3.1.2.2.1 the claims incurred but not yet reported reserve; and

3.1.2.2.2 the reserve in respect of the reported but unpaid claims as at the Closing Date,

held by Momentum Ability in respect of the Reinsurance Business as at the Closing Date, in accordance with the relevant provisions of the Reinsurance Agreement;

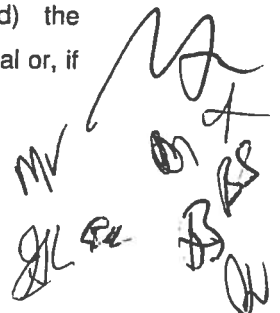

3.1.3 a written indemnity agreement between FRIHL, Momentum Ability and MMI Group is concluded and becomes unconditional in accordance with its terms (save for any condition relating to this Agreement becoming unconditional);

3.1.4 the Addendum is concluded and becomes unconditional in accordance with its terms (save for any condition relating to this Agreement becoming unconditional);

3.1.5 the Competition Authorities approve (to the extent required) the Transaction, provided that such approval shall either be unconditional or, if

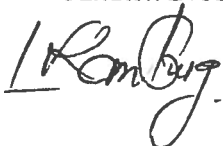
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- such approval is conditional, shall be subject to conditions acceptable to FirstRand Life (acting reasonably) insofar as such conditions affect FirstRand Life and to MMI Group (acting reasonably) insofar as such conditions affect MMI Group;
- 3.1.6 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 FirstRand Life (acting reasonably) insofar as such conditions affect FirstRand Life and to MMI Group (acting reasonably) insofar as such conditions affect MMI Group; and
- 3.1.7 the Parties receives any further regulatory approvals that may be required for the implementation of the Transaction, provided that such approvals shall either be unconditional or, if any such approvals are conditional, shall be subject to conditions acceptable to FirstRand Life (acting reasonably) insofar as such conditions affect FirstRand Life and to MMI Group (acting reasonably) insofar as such conditions affect MMI Group.
- 3.2 The Parties 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 The Parties 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 the Parties 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 and clauses 13 to 15) 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.

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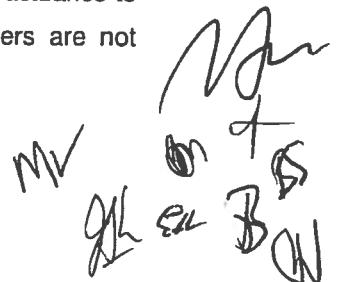
4. Sale

- 4.1 MMI Group hereby sells and FirstRand Life hereby purchases the Business.
- 4.2 The sale of the Business encompasses (i) the acquisition by FirstRand Life of the Sale Assets; (ii) assignment of all the rights and liabilities in respect of the FNB Life Contracts to FirstRand Life; and (iii) the assumption by FirstRand Life of the Sale Liabilities, all as at the Closing Date.
- 4.3 The sale 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 Transaction based on the financial position of MMI Group and FirstRand Life as at the Effective Date. For this reason the Purchase Price is calculated based on the value of the Business as at the Effective Date.
- 4.4 MMI Group shall continue to conduct the Business until the Closing Date.
- 4.5 Save as amended in terms of the Addendum, the profits and losses arising from the FNB Life Business for the period between the Effective Date and the Closing Date will be regulated in the same manner as at the Signature Date in accordance with the terms of the Cell Agreements.
- 4.6 Since MMI Group will continue to conduct the Business until the Closing Date, the Business as at the Effective Date and the Business delivered as at the Closing Date will differ.
- 4.7 MMI Group's delivery obligations are therefore limited to delivering all the Sale Assets, delegating the Sale Liabilities and assigning the rights and liabilities of MMI Group in respect of the FNB Life Contracts that constitute the Business as at the Closing Date.
- 4.8 The Parties record that the Policyholders are not parties to this Agreement, however, if and once the Registrar approves the Transaction, as contemplated in Part V of the LTIA, the Policyholders will acquire, against FirstRand Life, all those rights and entitlements previously had and enjoyed by them against MMI Group.
- 4.9 MMI Group and FirstRand Life shall instruct their respective statutory actuaries to ensure that the reasonable benefit expectations of the Policyholders are not

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prejudiced by the Transaction. In this regard the Parties shall instruct their respective statutory actuaries to report to the Registrar specifically on the policyholder expectations of the Policyholders.

5. Purchase Price

5.1 The purchase price for the Business shall be the aggregate of:

5.1.1 R92 000 000, escalating daily (on a compound basis) at the Agreed Rate from 1 July 2016 until the Fulfilment Date ("**Initial Amount**"); and

5.1.2 an amount equal to X calculated in terms of clause 5.3 ("**Additional Amount**"),

(together, the "**Purchase Price**").

5.2 The Initial Amount shall be calculated in the manner stipulated in the *pro forma* calculation attached hereto as Annexe A.

5.3 The Additional Amount shall be calculated by using the following formula -

$$X = A / (1 - (B * C))$$

Where:

A = the capital gains tax payable as a result of the sale of the assets held by the Nominees (on behalf of MMI Group) in respect of the Ashburton Policies, which assets are linked to the Ashburton Liabilities and limited to the assets held in the individual policyholder fund and the corporate policyholder fund (as defined in section 29A of the Income Tax Act) of MMI Group as at the Closing Date;

B = the corporate income tax rate at the Closing Date expressed as a percentage;

C = the applicable capital gains tax inclusion rate of MMI Group as at the Closing Date expressed as a percentage.

5.4 The Additional Amount shall be calculated by the statutory actuary of MMI Group by no later than 20 (twenty) Business Days after the Closing Date and MMI Group shall deliver a copy of such calculation ("**Additional Amount**

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Calculation") to FirstRand Life, which Additional Amount Calculation shall be final and binding on the Parties unless disputed by FirstRand Life pursuant to clause 5.5.

5.5 Should FirstRand Life dispute the Additional Amount Calculation:

5.5.1 FirstRand Life shall notify MMI Group thereof in writing by no later than 3 (three) Business Days after the date of receipt of the Additional Amount Calculation; and

5.5.2 the Parties shall meet within 5 (five) Business Days of delivery of such notice to attempt, in good faith, to resolve the matter within a further period of 5 (five) Business Days. Should the Parties be unable to resolve the matter within such 5 (five) Business Day period, the matter will be referred to arbitration pursuant to clause 13.

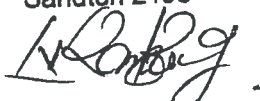
5.6 FirstRand Life shall pay the Purchase Price (free of exchange and bank commission and free of set off or any other withholding or deduction and free of any levies, surcharge, sales tax, withholding tax or any other taxes, duties or imposts levied from time to time) by way of electronic transfer into the MMI Group Bank Account as follows:

5.6.1 the Initial Amount, within 5 (five) Business Days after the Fulfilment Date; and

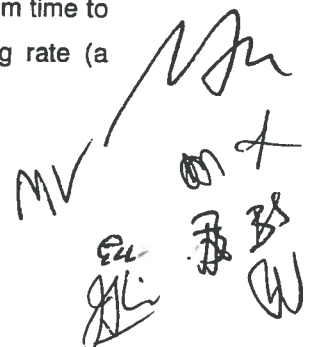
5.6.2 the Additional Amount, within 5 (five) Business Days after delivery of the calculation contemplated in clause 5.4 to FirstRand Life or, if FirstRand Life disputes the Additional Amount Calculation pursuant to clause 5.5, 5 (five) Business Days after such dispute has been resolved between the Parties or an award has been made by an arbitrator (as the case may be), or such other date as may be agreed between the Parties in writing.

5.7 Any portion of the Purchase Price not paid on the due date for payment stipulated in clause 5.6 shall bear interest at the Prime Rate with effect from the due date for payment until the outstanding Purchase Price and all interest thereon has been paid. For purposes of this clause, the "**Prime Rate**" shall mean the rate of interest (nominal annual compounded monthly in arrears) from time to time published by ABSA Bank Limited as its prime overdraft lending rate (a

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certificate from any manager of ABSA Bank Limited, whose appointment or authority need not be proved, as to the prime rate at any time and the usual way in which it is calculated and compounded at such time shall, in the absence of manifest or clerical error, be final and binding on the Parties).

6. Ownership, risk and benefit

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

7. Delivery of the Business

7.1 Ashburton Business

MMI Group shall deliver the Ashburton Business to FirstRand Life by placing FirstRand Life in possession and control of the Ashburton Business on the Closing Date.

7.2 FNB Life Business

7.2.1 It is recorded that the IBNR and Reported But Unpaid Claims Reserve as at the Closing Date (and therefore also the Sale Assets) can only be finally calculated after the Closing Date. It is for this reason that the value of the FNB Life Assets (as at the Closing Date) shall be adjusted as set out in clause 7.2.4.

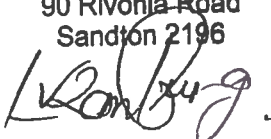
7.2.2 For purposes of the implementation of this clause 7.2, MMI Group shall procure that the IBNR and the Reported But Unpaid Claims Reserve as at the Closing Date (together, the "**Closing Date Reserve**") is determined by the Actuaries by no later than 60 (sixty) Business Days after the Closing Date and that the Actuaries provide MMI Group and FirstRand Life with their determination of the Closing Date Reserve in writing forthwith after it has been completed. The determination of the Actuaries shall be final and binding on the Parties.

7.2.3 MMI Group shall deliver the FNB Life Business to FirstRand Life by:

7.2.3.1 on the Closing Date, placing FirstRand Life in possession and control

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- 7.2.3.1.1 the FNB Life Contracts and FNB Life Liabilities; and
- 7.2.3.1.2 FNB Life Assets with a value equal to the most recent value determined for the IBNR and Reported But Unpaid Claims Reserve held in respect of the FNB Life Liabilities; and
- 7.2.3.2 placing FirstRand Life in possession and control of the FNB Life Assets, as contemplated in clause 7.2.4.1, if applicable.
- 7.2.4 Within 5 (five) Business Days after the Actuaries have provided MMI Group and FirstRand Life with their determination of the Closing Date Reserve, as contemplated in clause 7.2.2:
 - 7.2.4.1 MMI Group shall, if the value of the Closing Date Reserve exceeds the amount contemplated in clause 7.2.3.1.2, transfer FNB Life Assets with a value equal to such difference to FirstRand Life; or
 - 7.2.4.2 FirstRand Life shall, if the value of the Closing Date Reserve is less than the amount contemplated in clause 7.2.3.1.2, transfer FNB Life Assets with a value equal to such difference to MMI Group.
- 7.3 It is recorded that the Excluded Ashburton Contract and the Excluded FNB Life Contracts referred to in clause 1.1.21.1 will in all respects remain in force and effect until the Closing Date, whereafter they will automatically terminate, subject to the terms of the Termination Notices.
- 7.4 Notwithstanding anything to the contrary contained in this Agreement, all premiums which are due and payable on or prior to the Closing Date in respect of the Ashburton Policies and/or the FNB Life Policies and which are paid to FirstRand Life after the Closing Date shall be payable to MMI Group and be taken into account in the Reconciliation Report.
- 7.5 The Parties shall for a period of 3 (three) calendar months from the Closing Date keep and maintain records and reports in respect of the Business and shall, in consultation with one another, as soon as reasonably possible after the expiry of such 3 (three) month period, prepare a report ("**Reconciliation Report**") detailing any amounts which were due to:

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 Practising Attorney RSA
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[Handwritten signature of Lucienne Jason van Romburg]

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[Handwritten initials and signatures: MV, JL, BS, W, and others]

- 7.5.1 MMI Group in relation to the period up to and including the Closing Date but were instead paid to FirstRand Life, including as contemplated in clause 7.4;
- 7.5.2 FirstRand Life in relation to the period after the Closing Date but were instead paid to MMI Group;
- 7.5.3 third parties by MMI Group in relation to the period up to and including the Closing Date but were instead paid by FirstRand Life; and
- 7.5.4 third parties by FirstRand Life in relation to the period after the Closing Date but were instead paid by MMI Group.
- 7.6 Each Party agrees to provide such information in its possession and such assistance as may be reasonably requested by the other Party for the purposes of preparing the Reconciliation Report.
- 7.7 Each Party shall, by no later than 10 (ten) Business Days after the date of finalisation of the Reconciliation Report pay to the other Party such amounts as may be required by the Reconciliation Report.
- 7.8 MMI Group irrevocably undertakes in favour of FirstRand Life to sign such documents and do such things as may be necessary or desirable to effect delivery as contemplated in this clause 7. Without limitation hereof, MMI Group shall transfer all Policyholder data to FirstRand Life to enable FirstRand Life to conduct the Business.

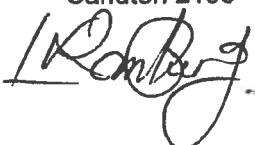
8. VAT

The Purchase Price shall be exempt from VAT since life business is an exempt supply for VAT purposes.

9. Employees

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

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10. 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.

11. Breach and termination

If a Party breaches any provision of this Agreement and remains in breach of such provision for 10 (ten) 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:

- 11.1 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
- 11.2 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.

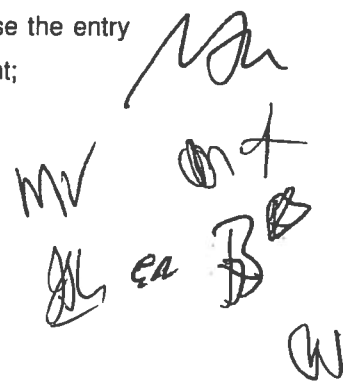
12. Warranties and representations

- 12.1 Each Party gives to the other Party the following warranties on the Signature Date and the Closing Date (unless expressly stated otherwise):
 - 12.1.1 it has and will have the power and capacity to enter into and perform its obligations in terms of this Agreement;
 - 12.1.2 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;

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- 12.1.3 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
- 12.1.4 the execution of this Agreement and the performance by it of its obligations under this Agreement does not and will not:
- 12.1.4.1 contravene any law or regulation to which it is subject;
- 12.1.4.2 contravene any provision of its memorandum of incorporation; or
- 12.1.4.3 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.
- 12.2 In addition to the general warranties set out in clause 12.1, MMI Group gives to FirstRand Life the following warranties:
- 12.2.1 as at the Closing Date it will be:
- 12.2.1.1 the sole beneficial owner of the Business;
- 12.2.1.2 entitled to sell and transfer the Business to FirstRand Life free of any pledge, cession, lien, hypothec or any other encumbrances, and without the consent of any third party; and
- 12.2.2 upon delivery of the Business to FirstRand Life as contemplated in clause 7, FirstRand Life will become the sole beneficial owner of the Business to the exclusion of all others.
- 12.3 In addition to the general warranties set out in clause 12.1, FirstRand Life warrants to MMI Group that it will, as at the Closing Date, be capitalised either:
- 12.3.1 at 2 (two) times the Ordinary Capital Adequacy Requirement; or
- 12.3.2 at 1.5 (one and a half) times the Termination Capital Adequacy Requirement,

as stipulated in the LTIA, in each instance taking the sale of the Business into account for purposes of such calculations.

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12.4 Other than the warranties and representations set out in clauses 12.1 to 12.3, MMI Group and FirstRand Life give no other warranties or representations (whether express, implied or tacit) in relation to or in connection with the Business and the Business is accordingly sold to and purchased by FirstRand Life on a "voetstoots" basis.

12.5 The liability of both MMI Group and FirstRand Life in respect of all claims made in respect of any warranties set out in this clause 12 shall be limited to a maximum amount equal to the Purchase Price, save that there shall be no limitation to such liability where the fact, matter or circumstance giving rise to the claim arises as a result of fraud or wilful concealment, at any time, or deliberate non-disclosure at the Signature Date on the part of the Party giving the warranty.

13. **Dispute resolution**

13.1 **separate, divisible agreement**

This clause 13 is a separate, divisible agreement from the rest of this Agreement and shall:

13.1.1 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

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

13.2 **disputes subject to arbitration**

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

13.2.1 the existence of the Agreement apart from this clause 13;

13.2.2 the interpretation and effect of this Agreement;

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

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- 13.2.4 the rectification of this Agreement;
- 13.2.5 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;
- 13.2.6 the breach, expiry, termination or cancellation of this Agreement or any matter arising out of such a breach, expiry, termination or cancellation; and
- 13.2.7 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 13.3.

13.3 **arbitration**

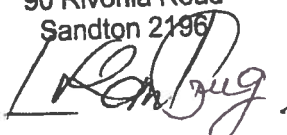
All disputes shall be finally determined in accordance with the Commercial Arbitration Rules of the Arbitration Foundation of Southern Africa ("AFSA") without recourse to the ordinary courts of law, except as explicitly provided for in clause 13.8.

13.4 **appointment of arbitrator**

- 13.4.1 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.

- 13.4.2 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 5 (five) Business Days, submit written comments on the request to the addressee of the request with a copy to the first Party.

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13.5 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.

13.6 binding nature of arbitration

The Parties irrevocably agree that, subject to clause 13.7, any decisions and awards of the arbitrator:

13.6.1 shall be binding on them;

13.6.2 shall be carried into effect; and

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

13.7 appeal

The Parties agree that there shall be no appeal against the decision of the arbitrator unless the amount in dispute exceeds R10 000 000, in which event any Party to the dispute may appeal the decision of the arbitrator to an appeal panel of three arbitrators appointed by agreement between the Parties to the dispute, failing which the appeal arbitrators appointed by the Chairperson of AFSA.

13.8 application to court for urgent interim relief

Nothing contained in this clause 13 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).

14. Confidentiality

Without the prior written consent of the other Party, each of the Parties will keep confidential and will not disclose to any person the details of this Agreement, as well as the details of all the transactions or agreements contemplated in this Agreement, except as may be required to be disclosed by law.

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L. Romberg

[Handwritten signatures and initials]

15. Miscellaneous matters

15.1 *domicilia* and notices

15.1.1 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*:

15.1.1.1 MMI Group at:

address : 268 West Avenue
Centurion

e-mail : Gkruger@mmiholdings.co.za

and marked for the attention of the Gerhard Kruger;

15.1.1.2 FirstRand Life at:

address : 4 Merchant Place
Cnr Fredman Drive and Rivonia Road
Sandton

e-mail : Jolandi.Wassermann@fnb.co.za

and marked for the attention of Jolandi Wassermann.

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

15.1.2.1 on delivery, if delivered to the Party's physical address in terms of clause 15.1 between 08:30 and 17:00 on a Business Day (or on the first Business Day after that if delivered outside such hours);

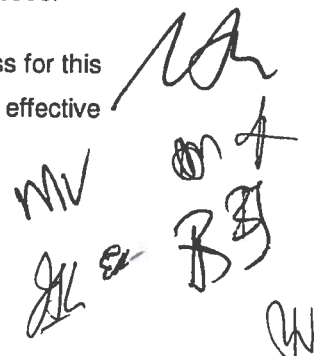
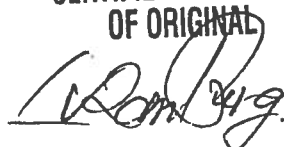
15.1.2.2 on despatch, if sent to the Party's e-mail address between 08:30 and 17:00 on a Business Day (or on the first Business Day after that if despatched outside such hours), provided that the sender has proof of successful transmission,

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.

15.1.3 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

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only on and with effect from the fifth Business Day after the giving of such notice.

- 15.1.4 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 15.1.

15.2 **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.

15.3 **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 (ie a *stipulatio alteri*) which, if accepted by the person, would bind any Party in favour of that person.

15.4 **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.

15.5 **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.

15.6 **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

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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:

15.6.1 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;

15.6.2 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

15.6.3 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.

15.7 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.

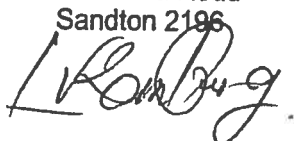
15.8 costs

15.8.1 FirstRand Life shall bear the reasonable costs directly related to the Transaction and the unwinding of the Momentum Ability Cell.

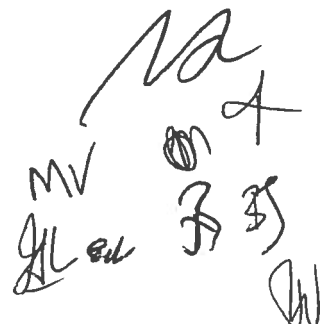
15.8.2 Without derogating from the generality of clause 15.8.1, FirstRand Life shall bear:

15.8.2.1 the legal costs and disbursements of Webber Wentzel relating to the negotiation, preparation, settling, signing and implementation of:

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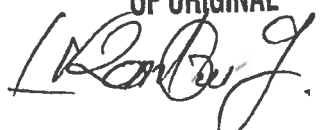
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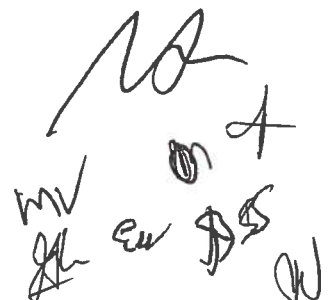


- 15.8.2.1.1 this Agreement and the Transaction recorded in this Agreement;
- 15.8.2.1.2 any application to a regulatory authority required for the implementation of this Transaction; and
- 15.8.2.1.3 the unwinding of the Momentum Ability Cell;
- 15.8.2.2 the cost of all regulatory filing fees required for the implementation of the Transaction; and
- 15.8.2.3 all reasonable auditing, actuarial and other third party costs arising from the requirements of the Financial Services Board, the Competition Authority, SARS or any other governmental authority for the application, implementation or finalisation of the Transaction incurred by MMI Group or Momentum Ability, to the extent that such costs would not have been incurred if the Transaction had not been entered into.
- 15.8.3 Each Party shall be responsible for the costs incurred by such Party in respect of the preparation and finalisation of the Reconciliation Report.
- 15.8.4 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.
- 15.9 **applicable law**
- This Agreement is to be governed, interpreted and implemented in accordance with the laws of the Republic of South Africa.
- 15.10 **jurisdiction of South African courts**
- Subject to clause 13, the Parties consent to the non-exclusive jurisdiction of the Court (or its successor) for any proceedings arising out of or in connection with this Agreement.
- 15.11 **signature in counterparts**

This Agreement may not be executed in counterparts.


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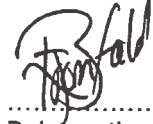


Signed at Johannesburg on 30 March 2016

Witness


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Res Stern

For: FirstRand Life Assurance Limited


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Duly authorised and warranting such authority

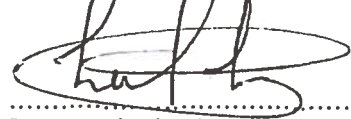
LEE BROMFIELD

Signed at Johannesburg on 30 March 2016

Witness

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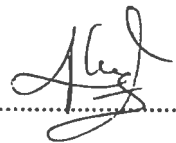
For: FirstRand Life Assurance Limited


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Duly authorised and warranting such authority

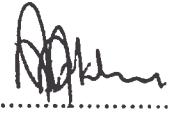
EUGENE LUFHUGU

Signed at CENTURION on 5 APRIL 2016

Witness


.....
VIMAL CHAGAN


For: MMI Group Limited


.....
Duly authorised and warranting such authority

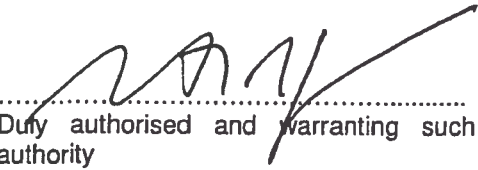
MARY VILAKAZI

Signed at Centurion on 5 April 2016

Witness


.....
Carol Mouton


For: MMI Group Limited


.....
Duly authorised and warranting such authority

NICOLAS KRUGER

LUCIENNE JASON VAN ROMBURG
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Annexe A

Pro forma calculation

	Effective Date								Fulfilment Date	
	01-Jul-16	02-Jul-16	03-Jul-16	04-Jul-16	05-Jul-16	06-Jul-16	07-Jul-16	08-Jul-16	09-Jul-16	10-Jul-16
Days	1	2	3	4	5	6	7	8	9	10
Floating Rate (Safex overnight rate + 20bps)	6.85%	6.80%	6.83%	6.76%	6.70%	6.82%	6.85%	6.80%	6.81%	6.84%
Gross up factor	1.000187671	1.000186	1.000187	1.000185	1.000184	1.000187	1.000188	1.000186	1.000187	1.000187397
										1.001866223

Purchase price R 92,000,000.00

Purchase Price Gross up (floating rate)
Daily Compounding R 92,171,692.51

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