

# ADMINISTRATION AGREEMENT

between

**CHANNEL LIFE LIMITED**  
(Registration Number 1969/012487/06)

and

**RENTMEESTER ASSURANCE LIMITED**  
(Registration Number 1957/002523/06)

JOWELL GLYN & MARAIS INCORPORATED  
4<sup>TH</sup> FLOOR, JOWELL GLYN & MARAIS HOUSE  
72 GRAYSTON DRIVE  
SANDOWN, 2196  
JOHANNESBURG  
SOUTH AFRICA  
TEL +27 (0)11 292 6700 / 784 4200  
FAX +27 (0)11 784 4215 / 784 7501



# INDEX

NO	CLAUSE HEADING	PAGE
	DEFINITIONS AND INTERPRETATION.....	1
1	Definitions.....	1
1.1	Interpretation.....	3
1.2	SUSPENSIVE CONDITION.....	4
2	DURATION AND TERMINATION.....	5
3	ADMINISTRATION.....	5
4	General.....	5
4.1	Service Levels.....	7
4.2	Support from Rentmeester.....	7
4.3	RESPONSIBILITY AND LIABILITY.....	8
5	INFORMATION, CO-OPERATION AND REPORTING.....	9
6	DISPUTE RESOLUTION.....	10
7	NOTICES AND DOMICILIA.....	13
8	MISCELLANEOUS.....	14
9	Warranty of Authority.....	14
9.1	Implementation and Good Faith.....	14
9.2	Confidentiality.....	15
9.3	Independent Advice.....	15
9.4	Relationship of the Parties.....	16
9.5	Assignment.....	16
9.6	Whole Agreement.....	16
9.7	<i>Stipulatio Alteri</i> .....	16
9.8	Variation.....	17
9.9	Relaxation.....	17
9.10	Severability.....	17
9.11	Costs.....	17
9.12		

## APPENDIX

1 SERVICE LEVELS

The bottom right corner of the page contains several handwritten signatures and initials in black ink. There are approximately four distinct marks, including what appears to be a signature 'J.W.' and another 'W.P.' or similar.

## ADMINISTRATION AGREEMENT

This Agreement is made and entered into between -

- (1) Channel Life Limited (Registration Number 1969/012487/06); and
- (2) Rentmeester Assurance Limited (Registration Number 1957/002523//06).

### RECITALS

A The Parties have agreed to enter into the Reinsurance Agreement.

B As part of the reinsurance transaction contemplated by the Reinsurance Agreement, it is imperative from the point of view of both Rentmeester and Channel Life that Channel Life administers the Policies Covered on the terms and conditions set out in this Agreement.

The Parties agree as follows:

### DEFINITIONS AND INTERPRETATION

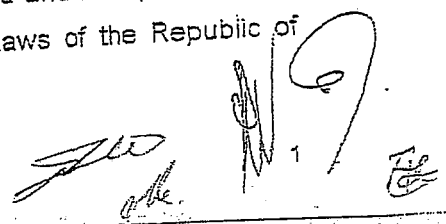
#### 1.1 Definitions

In this Agreement and the recitals, unless clearly inconsistent with or otherwise indicated by the context -

1.1.1 "Agreement" means the agreement set out in this document and the appendix hereto;

1.1.2 "Business Day" means a day, other than a Saturday, a Sunday or a public holiday, on which banks are open for business in Johannesburg and in the event that a day referred to in terms of this Agreement should fall on a day which is not a Business Day, the relevant date shall be extended to the next succeeding Business Day;

1.1.3 "Channel Life" means Channel Life Limited (Registration Number 1969/012487/06), a public company duly registered and incorporated with limited liability in accordance with the company laws of the Republic of



South Africa and authorised as a long-term insurer under the Long-term Insurance Act, herein represented by Mr Pieter de la Rey, in his capacity as a director of Channel Life, he having been duly authorised thereto by a resolution of the board of directors of Channel Life;

1.1.4

"Cornerstone Policies" means the Cornerstone Policies defined as such in the Reinsurance Agreement;

1.1.5

"Date of Signature" means the date of signature of this Agreement by the last Party signing;

1.1.6

"Effective Date" means the Effective Date defined as such in the Reinsurance Agreement;

1.1.7

"Effective Date Liabilities" means the Effective Date Liabilities defined as such in the Reinsurance Agreement;

1.1.8

"Long-term Insurance Act" means the Long-term Insurance Act, No. 52 of 1998, as amended;

1.1.9

"Other Groups Policies" means the Other Groups Policies defined as such in the Reinsurance Agreement;

1.1.10

"Parties" means Channel Life and Rentmeester and "Party" means either one of them as the context may indicate;

1.1.11

"Policies Covered" means, collectively, the Cornerstone Policies and the Other Groups Policies;

1.1.12

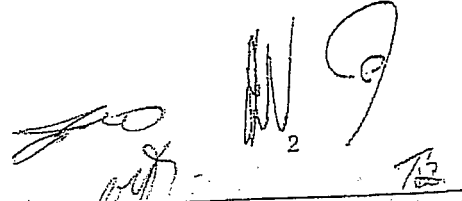
"Premiums" means the Premiums payable in terms of the Policies Covered defined as such in the Reinsurance Agreement;

1.1.13

"Reinsurance Agreement" means the reinsurance agreement to be concluded between the Parties simultaneously with this Agreement in respect of the Policies Covered;

1.1.14

"Reinsurance Period" means the Reinsurance Period defined as such in the Reinsurance Agreement; and



1.1.15

"Rentmeester" means Rentmeester Assurance Limited (Registration Number 1957/002523/06), a public company duly registered and incorporated with limited liability in accordance with the company laws of the Republic of South Africa and authorised as a long-term insurer under the Long-term Insurance Act, herein represented by Mr Hennie Nortjé, in his capacity as a director of Rentmeester, he being duly authorised thereto.

1.2

## Interpretation

1.2.1

In this Agreement, unless clearly inconsistent with or otherwise indicated by the context -

1.2.1.1

any reference to the singular includes the plural and *vice versa*;

1.2.1.2

any reference to natural persons includes legal persons and *vice versa*; and

1.2.1.3

any reference to a gender includes the other genders.

1.2.2

Where this Agreement requires a Party to use "Reasonable Endeavours" in relation to an action or omission, that Party shall do all such things as are or may be necessary so as to achieve that action or omission and, to the extent that the action or omission is frustrated, hindered or otherwise difficult to attain, the Parties shall consult and co-operate with each other and continue to take action so as to achieve that action or omission until the Parties agree that it is not reasonable to take the action or to omit taking an action, provided that no Party shall be required to take any actions or omit to do anything to the extent that such action or omission -

1.2.2.1

is not commercially reasonable as regards both Parties; and

1.2.2.2

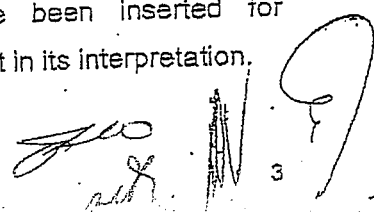
results in a breach of fiduciary duty or contravention of any law.

1.2.3

Where appropriate, meanings ascribed to defined words and expressions in 1.1, shall impose substantive obligations on the Parties.

1.2.4

The clause headings in this Agreement have been inserted for convenience only and shall not be taken into account in its interpretation.

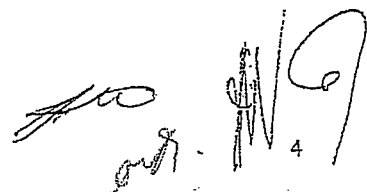


3

- 1.2.5 Words and expressions defined in any sub-clause shall, for the purposes of the clause of which that sub-clause forms part, bear the meanings assigned to such words and expressions in that sub-clause.
- 1.2.6 Words and phrases, the definitions of which are contained or referred to in the Companies Act, No. 61 of 1973, as amended, and the Long-term Insurance Act, shall be construed as having the meanings thereby attributed to them.
- 1.2.7 The use of the word "including" followed by a specific example or examples shall not be construed or interpreted as limiting the meaning of the general wording preceding it and the *eiusdem generis* rule shall not be applied in the interpretation of such general wording and/or such specific example or examples.
- 1.2.8 Where a conflict between words and numbers occurs in any provision of this Agreement, effect will be given to the words.
- 1.2.9 This Agreement shall be governed by and construed and interpreted in accordance with the law of the Republic of South Africa.

## 2 SUSPENSIVE CONDITION

- 2.1 The operation of this Agreement (other than the provisions of 1, this 2, 8 and 9 inclusive, which shall nevertheless apply and be binding from the Date of Signature), is suspended until the fulfilment of the suspensive condition that the Reinsurance Agreement is signed and becomes unconditional in accordance with its terms.
- 2.2 If the suspensive condition set out in 2.1 is not fulfilled on or before 31 May 2005, or such later date as the Parties may agree in terms of the Reinsurance Agreement, then this Agreement shall lapse and be of no further force or effect and –
- 2.2.1 the Parties shall have no claims against each other arising out of or in connection with this Agreement; and



Handwritten signatures and initials, including a large signature and the number 4.

2.2.2

to the extent that this Agreement may have been partially implemented, the Parties shall be restored to their *status quo ante*.

3

### DURATION AND TERMINATION

3.1

Subject to 2, this Agreement shall commence and become effective on the Effective Date and shall, subject to 3.2, endure for the full remaining extent of the Reinsurance Period.

3.2

Neither Party shall, notwithstanding any breach of this Agreement by the other Party, be entitled to cancel this Agreement and this Agreement shall only terminate upon the termination of the Reinsurance Agreement, provided that if a Party commits a material breach of the provisions of this Agreement, and notwithstanding written demand, fails to rectify the breach within such time as would be reasonably necessary to rectify the breach, the other Party shall be entitled to cancel this Agreement. The provisions of this 3.2 are without prejudice to a Party's rights in law or in terms of this Agreement to claim damages and/or specific performance.

3.3

If the Agreement is terminated for any reason whatsoever pursuant to 3.2, the Parties shall seek to restore their *status quo ante* as near as possible in accordance with the principles contained in this Agreement.

4

### ADMINISTRATION

4.1

#### General

4.1.1

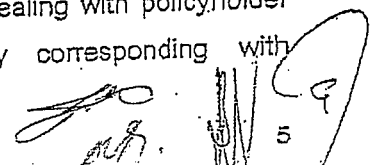
Channel Life shall, with effect from the Effective Date, administer the Policies Covered in the manner set out in this Agreement for the duration of the Reinsurance Period. Channel Life shall effect such administration at no cost to Rentmeester, except as expressly stated otherwise.

4.1.2

The administration of the Policies Covered as contemplated in 4.1 comprises –

4.1.2.1

performing all aspects of policy maintenance and client service relating to the Policies Covered, including dealing with policyholder and intermediary queries and generally corresponding with



5

4.1.2.2 policyholders and intermediaries and at least to the extent required by the Long-term Insurance Act or the regulations made thereunder; endeavouring to amicably resolve all claims or disputes with policyholders under the Policies Covered;

4.1.2.3 payment of all valid claims on behalf of Rentmeester in accordance with the terms and conditions of the Policies Covered;

4.1.2.4 collecting all Premiums and performing all reconciliations in respect thereof;

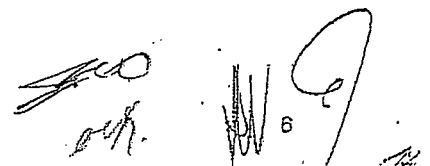
4.1.2.5 complying with, and fulfilling, all reasonable requirements of third party administrators and intermediaries in terms of the relevant administration agreements, save for conflicting or disputed portions of the relevant agreements;

4.1.2.6 performing all requirements, within the ordinary course of business, in respect of management information, commission statements and other reporting requirements to the relevant administrators and intermediaries; and

4.1.2.7 generally doing all things necessary for the proper administration of the Policies Covered.

4.1.3 Notwithstanding 4.1.2, the Parties agree that in order to maintain the goodwill of the long-term life business of Rentmeester, all written correspondence with policyholders in relation to the Policies Covered, whether by post, fax or e-mail, will reflect that Rentmeester remains the insurer in terms of the Policies Covered and that Channel Life is acting on behalf of Rentmeester in administering the Policies Covered.

4.1.4 Rentmeester grants Channel Life full power and authority to administer the Policies Covered and to do all things necessary therefor, provided always that Channel Life is obliged to administer the policies in accordance with this Agreement and the relevant terms and conditions of such policies and the Long-term Insurance Act and the regulations promulgated thereunder. In this regard, it is specifically agreed that --

Handwritten signatures and initials, including a large stylized signature and the number '6'.

4.1.4.1

Channel Life need not revert to Rentmeester in any respect in order to obtain any further authority to take any lawful action, including the termination of Policies Covered, in relation to the Policies Covered;

4.1.4.2

notwithstanding the aforesaid, in relation to termination provisions of the Policies Covered, Channel Life will act in accordance with the minimum requirements contained in the policy documentation relating to the Policies Covered as may be issued by Rentmeester from time to time in relation thereto; and

4.1.4.3

Channel Life shall ensure that all the applicable requirements of the Financial Advisory and Intermediary Services Act, No. 37 of 2002, as amended, and all other applicable statutory and regulatory requirements are complied with at all times.

4.1.5

The administration arrangement set out in this Agreement shall in no way detract from or affect Rentmeester's primary obligations in terms of and in respect of the Policies Covered.

4.2

#### Service Levels

Channel Life shall, in rendering the administration services to Rentmeester in terms of this Agreement, render the services in accordance with the service levels set out in Appendix 1.

4.3

#### Support from Rentmeester

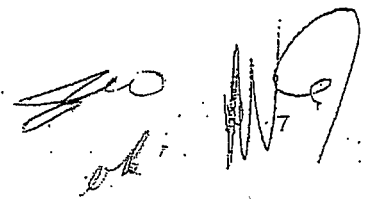
Rentmeester hereby undertakes, for the duration of this Agreement and in order to assist Channel Life to properly comply with its administration obligations set out herein, that –

4.3.1

it will not do anything unreasonable which could jeopardise any of the administration and/or distribution relationships in place in respect of the Policies Covered;

4.3.2

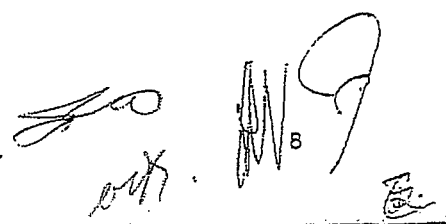
it will afford Channel Life such support and assistance as it may reasonably require for purposes of enforcing Channel Life's rights against third parties in respect of the Policies Covered;



- 4.3.3 it will make its systems and records available to Channel Life as may be reasonably required by Channel Life for purposes of fulfilling the administration function in terms hereof;
- 4.3.4 it will allow, to the extent within its control, Channel Life reasonable access to the current systems, servers and information technology personnel relevant to the Policies Covered from the Effective Date until 30 November 2005;
- 4.3.5 it will supply Channel Life with the required letterheads and stationery to enable it to comply with its reinsurance responsibilities pursuant to the Reinsurance Agreement;
- 4.3.6 it will supply Channel Life with all system and policy specifications in its possession relating to the conversion of the Policies Covered to Channel Life's administration platform and systems; and
- 4.3.7 it will allow Channel Life reasonable access to Rentmeester's bank accounts pertaining to the Policies Covered, in which bank accounts premiums are received and from which bank accounts claims are paid in order to enable Channel Life to comply with its administration obligations in terms of this Agreement.

## 5 RESPONSIBILITY AND LIABILITY

- 5.1 Nothing contained in this Agreement shall be construed or interpreted as –
- 5.1.1 an assumption by Channel Life of any obligation to increase the sales or profits of Rentmeester or otherwise to guarantee the success of Rentmeester's operations;
- 5.1.2 an assumption by Channel Life of any financial obligation to Rentmeester, save as specifically provided herein or in the Reinsurance Agreement;
- 5.1.3 an assumption by Channel Life of any of the Effective Date Liabilities;



5.1.4

the creation of any relationship of employment or partnership or joint venture of any kind between Rentmeester, on the one hand, and Channel Life and/or the employees of Channel Life, on the other hand;

5.1.5

an assumption by Channel Life of any responsibility for the work performed by outside suppliers employed by Rentmeester at the suggestion or recommendation of Channel Life, in the ordinary and normal course of business; and/or

5.2

Channel Life shall incur liability for all claims, losses, liabilities, costs, expenses or damages in the administration of the Policies Covered, which are attributable to fraud, dishonesty or gross negligence of Channel Life or any employee or agent of Channel Life, but shall incur no other liability in respect of the proper administration of the Policies Covered, unless stated to the contrary in this Agreement.

5.3

Save as set out in 5.2, Channel Life will not be liable to Rentmeester or any policyholder in terms of Policies Covered for any loss, liability, costs, expense or damages, whether direct, indirect or consequential, arising out of or pursuant to the terms of this Agreement or its termination.

6

## INFORMATION, CO-OPERATION AND REPORTING

6.1

Rentmeester shall be entitled to examine the relevant books, records, accounts and information technology infrastructure to be kept by Channel Life in respect of its reinsurance and administration responsibility in terms of this Agreement and the Reinsurance Agreement, provided that Rentmeester shall give reasonable notice of its intention to inspect. Without prejudice to the generality of the foregoing and to any provision to the contrary in this Agreement, Rentmeester shall, at its election, be supplied by Channel Life with copies of -

6.1.1

the annual audited financial statements of Channel Life; and

6.1.2

the monthly administration accounts prepared by Channel Life in respect of its administration of the Policies Covered in terms of this Agreement,

as may be required by Rentmeester in order to comply with all applicable statutory and regulatory reporting requirements.

6.2 Channel Life recognises that Rentmeester, as the insurer, is and remains responsible to the Registrar of Long-term Insurance in terms of the Long-term Insurance Act and that part of this responsibility involves the reporting requirements of Rentmeester in respect of its long-term insurance business, which includes the Policies Covered. Channel Life accordingly hereby agrees to provide Rentmeester, without limiting the generality of 6.1, with all such information as Rentmeester may require to comply with its statutory and regulatory obligations.

6.3 Rentmeester recognises that Channel Life, as the administrator, will require access to certain records of Rentmeester in respect of the Policies Covered from time to time and, accordingly, undertakes to make such records available to Channel Life as may be reasonably requested by it and only in respect of the Policies Covered.

7

## DISPUTE RESOLUTION

7.1

Save as otherwise provided in this Agreement, should any dispute of whatever nature arise in regard to the interpretation or effect of, or the validity, enforceability or rectification, whether in whole or in part of, or the respective rights or obligations of the Parties, or any of them, under, or a breach or termination or cancellation of this Agreement, the Parties shall endeavour in good faith to make every effort to resolve the dispute on its merits by negotiation forthwith after such dispute arises and shall, for that purpose, attend at least 1 (one) meeting with each other. If, following such mutual consultation, the dispute still remains outstanding, the matter shall be referred to the chief executive officers of Channel Life and Rentmeester, who shall negotiate for a period of up to 7 (seven) days in an attempt to resolve the dispute.

7.2

If the Parties are unable to resolve the dispute in question despite compliance with 7.1, then the dispute shall, unless the Parties otherwise agree in writing, be referred for determination to an expert ("Expert") in accordance with the remaining provisions of this 7.

7.3

The Expert shall –

Handwritten signatures and initials at the bottom right of the page, including a large stylized signature and the number 10.

7.3.1

if the matter in issue is agreed in writing to be primarily an accounting matter, be an independent practising chartered accountant of not less than 15 (fifteen) years standing;

7.3.2

if the matter in issue is agreed in writing to be primarily a legal matter, be a practising senior counsel of not less than 15 (fifteen) years standing and practising at the Johannesburg bar;

7.3.3

if the matter in issue is agreed in writing to be primarily an actuarial matter, be a practising independent actuary of not less than 15 (fifteen) years standing as such; or

7.3.4

if the matter in issue is any other matter (or is not agreed in writing to be a matter referred to in 7.3.1, 7.3.2 or 7.3.3), be an independent accountant or be a senior counsel as envisaged in 7.3.1 or 7.3.2, or be any other suitably qualified independent person as agreed upon by the Parties or, failing agreement within 7 (seven) days, appointed by the Chairman for the time being of the Johannesburg Bar Council or his successor-in-title.

7.4

The Expert selected as aforesaid shall be an arbitrator having the powers conferred by this Agreement and the Arbitration Act No. 42 of 1965, as amended (the "Arbitration Act").

7.5

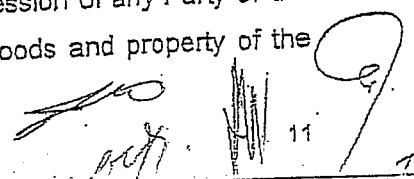
It shall not be necessary for the Expert to observe or carry out either the strict rules of evidence or any other legal formalities or procedures, but the Expert shall be bound to follow principles of law in deciding matters submitted to him. To the extent that the Expert is required to decide a dispute relating to the valuation of an asset or a liability and this Agreement fails to specify how such valuation should occur, the Expert shall value such asset or liability in such a manner as he deems fair and reasonable.

7.6

The Expert shall have the power, *inter alia*, to —

7.6.1

investigate or cause to be investigated any matter, fact or thing which he considers necessary or desirable in connection with the dispute and, for that purpose, shall have the widest powers of investigating all the books, records, documents and other things in the possession of any Party or the company under its control, the right to inspect goods and property of the

 11

Parties and the company, the right to make copies and/or take extracts therefrom and the right to have them produced and/or delivered at any place reasonably required by him for the aforesaid purposes;

7.6.2

interview and question under oath any of the Parties or other Parties to the dispute, including the right to cross-examine such Parties;

7.6.3

summon witnesses;

7.6.4

record evidence;

7.6.5

make an interim award;

7.6.6

make an award regarding legal fees/costs and the Expert's reasonable remuneration. If he fails or declines to do so, then each of the Parties to the dispute shall bear and pay its own costs. Until such time as the Expert's decision is given, the Parties shall bear and pay such costs in equal shares;

7.6.7

call for the assistance of any other person whom he may deem necessary to assist him in arriving at his decision; and

7.6.8

exercise any additional powers, which he may be exercised by an arbitrator in terms of the Arbitration Act.

7.7

Any hearing by the Expert shall be held in Johannesburg, unless the Expert determines that it is more convenient or equitable that the hearing or any part thereof, including, but without limitation, the taking of evidence, be held elsewhere, in which event the hearing or the relevant part thereof shall be held in the place so determined by the Expert.

7.8

The Parties shall use their best endeavours to procure that the decision of the Expert shall be given within 30 (thirty) days or so soon thereafter as is possible after it has been demanded.

7.9

The decision of the Expert shall be final and binding on the Parties affected thereby, shall be carried into effect and may be made an order of any competent court at the instance of any Party.

*[Handwritten signatures and initials]*

7.10

This clause constitutes an irrevocable consent by the Parties to any proceedings in terms hereof and no Party shall be entitled to withdraw therefrom or to claim at any such proceedings that it is not bound by this clause.

7.11

This clause is severable from the rest of this Agreement and shall remain in effect even if this Agreement is terminated for any reason.

7.12

This 13 shall not preclude any Party from obtaining interim relief on an urgent basis from a court of competent jurisdiction pending the final decision of the Independent Expert.

8

## NOTICES AND DOMICILIA

8.1

The Parties choose as their *domicilia citandi et executandi* their respective addresses set out in this 8 for all purposes arising out of or in connection with this Agreement, at which addresses all the processes and notices arising out of or in connection with this Agreement, its breach or termination, may validly be served upon or delivered to the Parties.

8.2

For the purpose of this Agreement, the Parties' respective addresses shall be -

8.2.1

as regards Channel Life at 195 Jan Smuts Avenue, Rosebank, Johannesburg,

facsimile number: (011) 441-2480,

marked for the attention of: the Company Secretary and Financial Director,  
and

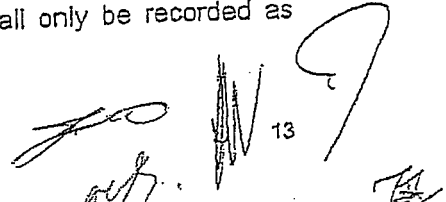
8.2.2

as regards Rentmeester at 162 Anderson Street, Johannesburg,

facsimile number: (011) 334-7718,

marked for the attention of: the Company Secretary,

or at such other address in the Republic of South Africa, not being a post office box or *poste restante*, of which the Party concerned may notify the other in writing, provided that any such change of address shall only be recorded as

  
13

being effective from the 10<sup>th</sup> Business Day after notice thereof is received by the addressee.

8.3 Any notice given in terms of this Agreement shall be in writing and shall -

8.3.1 if delivered by hand, be deemed to have been duly received by the addressee on the first Business Day after the date of delivery;

8.3.2 if delivered by recognised international courier service, be deemed to have been received by the addressee on the first Business Day following the date of such delivery by the courier service concerned; and

8.3.3 if transmitted by facsimile, be deemed to have been received by the addressee one Business Day after despatch.

8.4 Notwithstanding anything to the contrary contained in this Agreement, a written notice or communication actually received by one of the Parties from another shall be adequate written notice or communication to such party.

## 9 MISCELLANEOUS

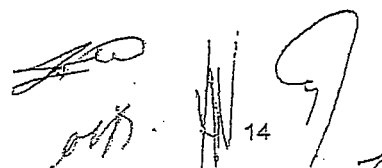
### 9.1 Warranty of Authority

Each Party warrants to the other Party that it has the power, authority and legal right to sign and perform this Agreement and that this Agreement has been duly authorised by all necessary actions of its directors and constitutes valid and binding obligations on it in accordance with the terms of this Agreement.

### 9.2 Implementation and Good Faith

9.2.1 The Parties undertake to do all such things, perform all such acts and take all steps to procure the doing of all such things and the performance of all such acts, as may be necessary or incidental to give or be conducive to the giving of effect to the terms, conditions and import of this Agreement.

9.2.2 The Parties shall at all times during the continuance of this Agreement observe the principles of good faith towards one another in the

 14

performance of their obligations in terms of this Agreement. This implies, without limiting the generality of the foregoing, that they -

9.2.2.1 will at all times during the term of this Agreement act reasonably, honestly and in good faith;

9.2.2.2 will perform their obligations arising from this Agreement diligently and with reasonable care; and

9.2.2.3 will make full disclosure to each other of any matter that may affect the execution of this Agreement.

9.3

### Confidentiality

9.3.1

Subject to 9.3.2, none of the Parties to this Agreement shall without the consent of the other, which consent shall not be unreasonably withheld, issue or make any public announcement or statement or release or make available any information regarding this Agreement or its implementation. Once the other Party has approved any such announcement or statement or release of information, the approving Party shall automatically be entitled to issue or make the same announcement or statement or release the information in question in the same approved format.

9.3.2

The provisions of 9.3.1 shall not apply to a public announcement or release of information which any Party is required to make in order to comply with any law or the requirements of a competent governmental authority or a recognised stock exchange or if such Party or one of its subsidiaries wishes to disclose any such information in its annual financial statements, in which event a copy of the announcement or statement shall, prior to publication or release, be furnished to the other Party for its approval, which approval shall not unreasonably be withheld.

9.4

### Independent Advice

Each Party hereto acknowledges it has been free to secure independent legal advice as to the nature and effect of all of the provisions of this Agreement and that it has either taken such independent legal advice or dispensed with the necessity of doing so. Accordingly, this Agreement shall not be subject to the

*contra proferentem* rule. Further, each Party hereto acknowledges that all of the provisions of this Agreement and the restrictions herein contained are fair and reasonable in all the circumstances and are part of the overall intention of the Parties in connection with this Agreement.

9.5

#### Relationship of the Parties

The relationship of the Parties, *inter se*, shall be governed by the terms of this Agreement and nothing contained herein shall be deemed to constitute a partnership, joint venture or the like between them nor to constitute one Party the agent or employee of the other for any purpose other than as expressly set out in this Agreement. No Party shall, by reason of the actions of the other Party incur any personal liability as a co-partner to any third party and no Party shall be entitled to authorise, to represent or hold out to any third party that the relationship between the Parties is that of a partnership, joint venture or the like as aforesaid.

9.6

#### Assignment

No Party shall assign any of its rights or delegate any of its responsibilities in terms of this Agreement without the express prior written consent of the other Party.

9.7

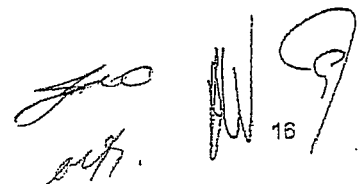
#### Whole Agreement

This Agreement constitutes the whole agreement between the Parties as to the subject matter hereof and no express or implied terms, representations or warranties between the Parties other than those set out herein are binding on the Parties.

9.8

#### *Stipulatio Alteri*

This Agreement shall not constitute a *stipulatio alteri* capable of acceptance by or enforcement by any third party.

 16

**9.9 Variation**

No addition to or variation, consensual cancellation or novation of this Agreement and no waiver of any right arising from this Agreement or its breach or termination shall be of any force or effect unless reduced to writing and signed by all the Parties or their duly authorised representatives.

**9.10 Relaxation**

No latitude, extension of time or other indulgence which may be given or allowed by any Party to any other Party in respect of the performance of any obligation hereunder or enforcement of any right arising from this Agreement and no single or partial exercise of any right by any Party shall under any circumstances be construed to be an implied consent by such Party or operate as a waiver or a novation of, or otherwise affect any of that Party's rights in terms of or arising from this Agreement or estop such Party from enforcing, at any time and without notice, strict and punctual compliance with each and every provision or term hereof.

**9.11 Severability**

None of the provisions of this Agreement are severable from each other.

**9.12 Costs**

**9.12.1** The Parties agree that the costs of Jowell, Glyn & Marais Incorporated in respect of the negotiation, drafting and settling of this Agreement will be shared equally by the Parties.

**9.12.2** Each Party shall pay its own costs in implementing this Agreement and, except where expressly stated to the contrary, shall be liable for the cost associated with the performance of its obligations set out in this Agreement.

*[Handwritten signatures and initials]*  
17

Signed at Johannesburg on this the 13 day of May 2005



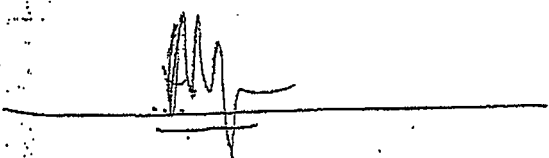
For: CHANNEL LIFE LIMITED

Duly Authorised

Name: Pieter de la Rey / C.K. FOORD

Designation: CFO / C.O.O.

Signed at Johannesburg on this the 13 day of May 2005



For: RENTMEESTER ASSURANCE LIMITED

Duly Authorised

Name: A.H. NORTJE

Designation: DIRECTOR

APPENDIX 1

SERVICE LEVELS

*Geo*  
*ent.* *W9* *ES*

SERVICE LEVELS

This Appendix 1 shall be binding on the Parties, and deemed to be an integral part of the Agreement pursuant to the provisions of 4.2 of the Agreement.

1 Premium Collections

1.1 Stop Orders

The date of commencement is always calculated 2 months after the load date, except if the load-date is after the 10th of the month – in this case the date of commencement will be 3 months after the load date.

For example: Load Date 17/08/2000

Date of Commencement 01/11/2000

Load Date 04/08/2000

Date of Commencement 01/10/2000

If the 10th falls on a weekend or public holiday then the file will be processed on the first working day prior to that.

1.2 Debit Orders

If the debit date is before the load date, then the date of commencement will be the first of the month following the load date.

If the debit date is after the load date plus seven days, then the date of commencement will be the first of the current month and the debit will be raised in the current month.

E.g. Debit Date = 02/12/2000

Load Date = 05/12/2000

Date of Commencement 01/01/2001

Debit Date = 20/12/2000

Load Date = 05/12/2000

Date of Commencement 01/01/2001

2 Cash Payments (for arrear premiums only)

*[Handwritten signatures and initials]*

Mandatory referencing on the bank account requires that policy number be supplied.  
Validation against policy file at bank and processed to contract administration system

SLA - Within 48hours

3 Commissions Department

EFT transfer of commission to specified account

Statements

Summary statements reflect:

i. Commission due

ii. VAT

iii. Closing balance

Detailed statements reflect:

i. New policies sold

ii. Lapses

Cash flow report

SLA - at month end

4 Client Services

Refunds of premiums paid in respect of, for e.g., miscalculations, premiums deducted after cancellation of a policy.

Ensure that all requirements are received, correct amount is refunded, that deduction cease and that all rules and procedures are adhered to in respect of these payouts

SLA - On receipt of written refund request, together with copy of ID and proof of banking details, the refund will be processed within 72 hours

5 Claims

Ensure that all requirements have been received and that the pay-out, after verification, is correct. Ensure that all rules and procedures are adhered to in respect of these payouts

*[Handwritten signatures and initials]*

SLA - Within 72 hours after receipt of the required documentation

Processing of verified claims

SLA - Within 48 hours of receipt of verification

6 Policy Servicing

Attending to:

- Increase or reduction of benefits
- Addition or deletion of lives
- Expiries
- Address changes
- Beneficiary changes

SLA - 72 hours from receipt of request

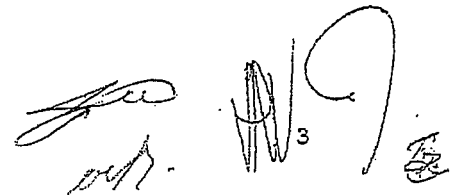
7 Premium administration

Ensure that correct requirements are received in respect of the following requests, and that the clients will be notified after the updates have been done:

- Reinstatements
- Rebates
- Debit order changes
- Simple reconciliation's

SLA - Within 72 hours from receipt of request

8 Reports



Management Information Reports

SLA - Monthly

*Handwritten signature and initials*