SALE OF BUSINESS AGREEMENT

between

THE HOLLARD INSURANCE COMPANY LIMITED

and

LOMBARD INSURANCE COMPANY LIMITED

CONTENTS

1. **Definitions**

Unless otherwise stated, or the context otherwise requires, the words and expressions listed below shall bear the meanings ascribed to them:

1.1 **AFSA –** means the Arbitration Foundation of Southern Africa or, should it cease to exist for any reason, such other independent body or person as may be selected (at the request of any Party) by the Chairperson or Deputy Chairperson (for the time being) of the Legal Practice Council or its Gauteng provincial director or successor-in-title;

1.2 **Agreement** – means this sale of business agreement together with all Appendices hereto;

1.3 **Appendix** – means an annexure, appendix, addendum or exhibit to this Agreement;

1.4 **Assigned Contracts** – means all of the Subject Policies and, subject to the provisions of clause 5.8, the contracts listed in Appendix 2 hereto;

1.5 **Authorising Resolutions Due Date –** means the date which is 10 (ten) Business Days after the Signature Date;

1.6 **Binder Agreement** – means a binder agreement as contemplated in section 48 of the Short-term Insurance Act, 53 of 1998, and the regulations thereto;

1.7 **Brokers –** means the independent intermediaries (as contemplated in the Regulations issued in terms of the Short-term Insurance Act, 53 of 1998) which concluded Binder Agreements with the Seller as at the Signature Date, as listed in Appendix 1, and including, for the avoidance of doubt, any new Binder Agreements concluded by the Seller in accordance with the provisions of clause 10.2;

1.8 **Broker Binder Agreements** – means the Binder Agreements referred to clause 1.7;

1.9 **Business** – means the portion of the business conducted by the Seller as at the Closing Date comprising the Sale Assets and the Sale Liabilities relating to the Subject Policies, under the brand '*Lombard Broker Partners*';

1.10 **Business Day** – means any day other than a Saturday, Sunday or public holiday as defined in the Public Holidays Act, 1994;

1.11 **Business Records** – means all books, data, documents, drawings, electronic discs, files, records and other material relating to the conduct of the Business, which are, or have been, maintained by or on behalf of the Seller which includes records embodying or containing or otherwise recording the Sale Assets and Sale Liabilities;

1.12 **Call Rate –** means, in respect of any period, the published South African Repo interest rate ruling from time to time on the South African Reserve Bank's website (available at: Current Market Rates (resbank.co.za)), expressed as a rate per annum and calculated daily and capitalized on the last day of each month;

1.13 **Closing Accrued Employee Liability** – means the amounts owing to the Transferring Employees as at the Closing Date (including but not limited to the Closing Accrued Leave Liability), as set out in clause 14.2;

1.14 **Closing Accrued Leave Liability –** means the aggregate leave pay accrued but not paid to each of the Transferring Employees as at the Closing Date;

1.15 **Closing Date –** means the earlier of 1 July 2025 and the first day of the second month succeeding the month in which the Fulfilment Date occurs (for example, if the Fulfilment Date occurs on 5 March 2025, then the Closing Date shall be 1 May 2025);

1.16 **Closing Date UPR –** means the unearned premium reserves as contemplated in FSI 2.2 in relation to the Business as at the Closing Date;

1.17 **Closing Date Sale Liability Reserve –** means cash in the bank account of the Seller as at the Closing Date in an amount equal to the aggregate amount of the Closing Date UPR and the Closing Accrued Leave Liability;

1.18 **Companies Act –** means the Companies Act, No. 71 of 2008 as amended from time to time;

1.19 **Competition Act –** means the Competition Act, No. 89 of 1998 as amended from time to time;

1.20 **Competition Authorities** – means the Competition Commission or the Competition Tribunal established pursuant to Chapter 4, Part B of the Competition Act or the Competition Appeal Court established pursuant to Chapter 4, Part C of the Competition Act, as the case may be;

1.21 **Competition Condition** – shall bear the meaning ascribed to such term in clause 3.1.3.1;

1.22 **Conditions Precedent** – means the conditions precedent referred to in clause 3.1;

1.23 **Control –** bears the same meaning as defined in Section 2(2) of the Companies Act 2018;

1.24 **DD Findings Notice –** shall bear the meaning ascribed thereto in clause 5.5;

1.25 **DD Investigation –** means the due diligence investigation to be conducted by, or on behalf of, the Purchaser in relation to the Business, in the manner contemplated in clause 5 below;

1.26 **DD Period -** means the period from the Signature Date to the date which is 30 (thirty) days after the Signature Date;

1.27 **Excluded Assets –** means all assets of the Business other than the Sale Assets;

1.28 **Excluded Liabilities –** means any liability of the Seller in relation to the Business arising prior to the Closing Date, other than the Sale Liabilities, which Excluded Liabilities are retained by the Seller for its own account. It is specifically recorded and agreed that any liability of the Seller in respect of claims arising prior to the Closing Date under the Subject Policies shall constitute Excluded Liabilities;

1.29 **Financial Sector Regulations Act** or **FSRA –** means the Financial Sector Regulations Act, No 9 of 2017 as amended from time to time;

1.30 **First Tranche –** means an amount of R110,000,000.00 (one hundred and ten million Rand);

1.31 **First Tranche Payment Date** means the date which is 5 (five) Business Days after the Fulfilment Date;

1.32 **FSI 2.2** means the Financial Soundness Standards for Insurers FSI 2.2. and the guidance note on that standard titled Guidance Note FSI GN 2.2 issued by the Prudential Authority;

1.33 **Fulfilment Date –** means the date on which all of the Conditions Precedent have been fulfilled or waived (to the extent capable of waiver in Law) in accordance with the provisions of clause 3 below;

1.34 **Governmental Entity –** means any national, state, municipal or local government (including any subdivision, court, administrative agency or commission or other authority thereof), or any governmental department, or any agency, regulator, court, entity, commission, board, ministry, bureau, locality or authority of any of the foregoing, or any quasi-governmental or private body exercising any regulatory or other governmental or quasi-governmental authority or function;

1.35 **Initial Second Tranche Payment Amount –** shall bear the meaning ascribed to such term in, and be calculated in accordance with the provisions recorded in Appendix 6 hereto;

1.36 **Initial Second Tranche Determination Date –** means, subject to the proviso below, 31 July 2025, provided that if there is any dispute between the Parties in relation to the calculation of the Initial Second Tranche Payment Amount, then the "*Initial Second Tranche Determination Date*" shall be the date on which such dispute is finally agreed or determined in terms of the provisions of paragraphs 6 or 7 of Appendix 6;

1.37 **Initial Second Tranche Payment Date –** means the day which is 5 (five) Business Days after the Initial Second Tranche Determination Date;

1.38 **Initial Third Tranche Payment Amount –** shall bear the meaning ascribed to such term in, and be calculated in accordance with the provisions recorded in Appendix 6 hereto;

1.39 **Initial Third Tranche Determination Date –** means, subject to the proviso below, 31 July 2026, provided that if there is any dispute between the Parties in relation to the calculation of the Initial Third Tranche Payment Amount, then the "*Initial Third Tranche Determination Date*" shall be the date on which such dispute is finally agreed or determined in terms of the provisions of paragraphs 6 or 7 of Appendix 6;

1.40 **Initial Third Tranche Payment Date –** means the day which is 5 (five) Business Days after the Initial Third Tranche Determination Date;

1.41 **Insurance Act** means the Insurance Act, No 18 of 2017 as amended from time to time;

1.42 **Intellectual Property** means the following intellectual property rights of the Seller, to the extent used in connection with the Business, namely the Technology, the know-how in relation to the operation of the Business (including the Seller's manner of engagement with and management of the relationship with the Brokers), the policy wordings and products being offered to the Brokers in relation to the Business and the rating structures in relation to the Business;

1.43 **Interim Period –** means the period commencing on the Signature Date up to and including the Closing Date;

1.44 **Law** means any law of general application and includes the common law and any statute, constitution, decree, treaty, regulation, directive, ordinance, by-law, order or any other enactment of legislative measure of any Government Entity (including local and provincial government) statutory or regulatory body which has the force of law;

1.45 **LRA –** means the Labour Relations Act, No. 66 of 1995 as amended from time to time;

1.46 **Merger Notification –** means the merger notice to be submitted to the Competition Authorities in relation to the sale of the Business contemplated in this Agreement, in compliance with the provisions of the Competition Act and including any related processes mandated by the Competition Act, such as service on trade unions or employee representatives;

1.47 **Parties –** means the Seller and the Purchaser, and "**Party**" shall mean any of them as the context may require;

1.48 **PAYE –** means pay as you earn tax;

1.49 **Person –** means any individual or corporate or juristic entity;

1.50 **Policyholders –** means the persons who are entitled to be provided with policy benefits under the Subject Policies as at the Closing Date;

1.51 **Policy Liabilities –** means all the obligations and liabilities of the Seller under or in respect of the Subject Policies arising after the Closing Date;

1.52 **Prime Rate –** means, in respect of any period, the published prime lending rate (predominant rate) of interest ruling from time to time on the South African Reserve Bank's website (available at: Current Market Rates (resbank.co.za)), expressed as a rate per annum and applied as a rate of compound interest;

1.53 **Prudential Authority** has the meaning ascribed to it in the FSRA;

1.54 **Purchase Consideration –** means the purchase consideration payable by the Purchaser to the Seller in respect of the sale of the Business in terms of this Agreement, comprising the sum of the First Tranche, the Second Tranche and the Third Tranche;

1.55 **Purchaser –** means The Hollard Insurance Company Limited, a public company incorporated in South Africa with registration number 1952/003004/06;

1.56 **Regulatory Approvals Due Date –** means 31 May 2025;

1.57 **Regulatory Reference Date –** means 30 June 2023;

1.58 **Remaining Balance Second Tranche Payment Amount –** shall bear the meaning ascribed to such term in, and be calculated in accordance with the provisions recorded in Appendix 6 hereto;

1.59 **Remaining Balance Second Tranche Determination Date –** means, subject to the proviso below, 31 March 2026, provided that if there is any dispute between the Parties in relation to the calculation of the Remaining Balance Second Tranche Payment Amount, then the "*Remaining Balance Second Tranche Determination Date*" shall be the date on which such dispute is finally agreed or determined in terms of the provisions of paragraph 6 or 7 Appendix 6;

1.60 **Remaining Balance Second Tranche Payment Date –** means the day which is 5 (five) Business Days after the Remaining Balance Second Tranche Determination Date;

1.61 **Remaining Balance Third Tranche Payment Amount –** shall bear the meaning ascribed to such term in, and be calculated in accordance with the provisions recorded in Appendix 6 hereto;

1.62 **Remaining Balance Third Tranche Determination Date –** means, subject to the proviso below, 31 March 2027, provided that if there is any dispute between the Parties in relation to the calculation of the Remaining Balance Third Tranche Payment Amount, then the "*Remaining Balance Third Tranche Determination Date*" shall be the date on which such dispute is finally agreed or determined in terms of the provisions of paragraph 6 or 7 Appendix 6;

1.63 **Remaining Balance Third Tranche Payment Date –** means the day which is 5 (five) Business Days after the Remaining Balance Third Tranche Determination Date;

1.64 **Sale –** means the sale by the Seller of the Business to the Purchaser in terms of this Agreement;

1.65 **Sale Assets –** means the following assets of the Seller in relation to the Business, namely:

1.65.1 the rights, title and interest of the Seller in the Assigned Contracts;

1.65.2 the rights, title and interest of the Seller in the Broker Binder Agreements;

1.65.3 the Business Records;

1.65.4 the Intellectual Property, including the Technology; and

1.65.5 the Closing Date Sale Liability Reserve,

but specifically excluding the Excluded Assets;

1.66 **Sale Liabilities –** means the following liabilities of the Seller in relation to the Business, as at the Closing Date:

1.66.1 the liabilities in relation to the Assigned Contracts which arise with effect from or subsequent to the Closing Date (including but not limited to the Policy Liabilities);

1.66.2 Closing Accrued Leave Liability; and

1.66.3 Closing Date UPR;

1.67 **Second Tranche –** means the sum of the Initial Second Tranche Payment Amount and the Remaining Balance Second Tranche Payment Amount;

1.68 **Seller –** means Lombard Insurance Company Limited, a public company incorporated in South Africa with registration number 1990/001253/06;

1.69 **Seller's Nominated Bank Account –** means the bank account of the Seller with the following details or such other bank account as may be nominated by the Seller in writing:

Account Name:	Lombard Ins Operational Acc
Bank:	Standard Bank of South Africa
Branch:	Norwood

Swift/BIC: SBZA ZA JJ

Account number: 200828266;

1.70 **Signature Date –** means the date on which this Agreement is signed by the last Party signing;

1.71 **Signature Date Policies –** means the in-force policies as at the Signature Date as listed in Appendix 1, being policies underwritten by the Seller in relation to the Business which were placed with the Seller by any of the Brokers and in respect of which the Brokers render intermediary services on behalf of or for the benefit of the Seller (whether or not any of such policies is subsequently moved to the licence of the Purchaser subsequent to the Signature Date);

1.72 **South Africa –** means the Republic of South Africa;

1.73 **Subject Policies –** means all the in-force Signature Date Policies as at the Closing Date and all in-force policies as at the Closing Date underwritten by the Seller in relation to the Business which was placed with the Seller following the Signature Date by any of the Brokers and in respect of which the Brokers render intermediary services on behalf of or for the benefit of the Seller, less any such policies which are no longer in-force as at the Closing Date, and furthermore excluding any Excluded UAC Policies identified by the Purchaser in terms of the provisions of clause 5.5.4;

1.74 **Tax –** shall mean any tax including but not limited to:

1.74.1 income tax;

1.74.2 PAYE;

1.74.3 VAT;

1.74.4 all other forms of imports, duties or taxation;

1.74.5 taxation in respect of any assessments of taxation, including estimated and additional assessments;

1.74.6 regional services levies;

1.74.7 skills levies;

1.74.8 any claim in terms of the Basic Conditions of Employment Act, No. 75 of 1997, with particular reference to Sections 82 and 83 thereof; and

any penalties or interest as a result thereof;

1.75 **Technology –** means the process flows, data and integration and/or reporting systems set out in Appendix 4;

1.76 **Territory –** means the Republic of South Africa;

1.77 **Third Tranche –** means the sum of the Initial Third Tranche Payment Amount and the Remaining Balance Third Tranche Payment Amount;

1.78 **Transferring Employees –** means the natural persons employed by the Seller in the Business as at the Signature Date as listed in Appendix 5 hereto, but specifically excludes any such employees who cease to be employed by the Seller in relation to the Business during the Interim Period;

1.79 **Undertaking Period –** means a period of 36 (thirty-six) months from the Closing Date;

1.80 **VAT –** means Value-Added Tax in terms of the VAT Act;

1.81 **VAT Act –** means the Value-Added Tax Act, No. 89 of 1991, as amended from time to time;

1.82 **VDR –** means the virtual data room made available by the Seller to the Purchaser for the purposes of conducting the DD Investigation; and

1.83 **Warranties –** means the warranties and representations given by the Seller as set out in clauses 17 and 18, and in Appendix 3.

2. Introduction

2.1 The Seller carries on the Business as a going concern and is the owner of the Business.

2.2 The Seller wishes to sell to the Purchaser the Business as a going concern, and the Purchaser wishes to purchase the Business from the Seller, on the terms and subject to the conditions set out in this Agreement.

2.3 The Parties accordingly agree as set out herein.

3. Conditions Precedent

3.1 This Agreement (save for the provisions of clause 1, this clause 3, 5 and clauses 21 to 26 (all inclusive), all of which shall be of immediate force and effect on the Signature Date) is subject to the fulfilment or waiver (as the case may be) of the following conditions precedent, namely that:

3.1.1 on or before the Authorising Resolutions Due Date:

3.1.1.1 the Seller shall have delivered to the Purchaser a resolution of its board of directors (and a resolution of its shareholders, to the extent required), approving the terms of this Agreement and the transactions contemplated herein and authorising a signatory to sign this Agreement on behalf of the Seller;

3.1.1.2 the Purchaser shall have delivered to the Seller a resolution of its board of directors (and a resolution of its shareholders, to the extent required), approving the terms of this Agreement, mandating the individual signing the agreement to sign and the transactions contemplated herein and authorising a signatory to sign this Agreement on behalf of the Purchaser;

3.1.2 on or before a date that falls 30 (thirty) days after the Signature Date (or within the Resolution Period referred to in clause 5.6 in the circumstances

contemplated in such clause), the Purchaser has delivered to the Seller (or is deemed to have delivered to the Seller in the circumstances contemplated in clause 5.7) a written notice stating that the Purchaser is satisfied with the results of the Due Diligence Investigation and wishes to proceed with the Sale (the "**DD Satisfaction Notice**");

3.1.3 on or before the Regulatory Approvals Due Date, to the extent required in terms of the relevant legislation:

3.1.3.1 the Parties shall have obtained the written approval of the relevant Competition Authorities, to the implementation of the Sale (the "**Competition Condition**"), provided that such approval shall either be unconditional or, if such approval is conditional, shall be subject to conditions acceptable to the Party to which the condition applies;

3.1.3.2 the Parties shall have obtained the written approval of the Prudential Authority for the Sale in terms of section 50 of the Insurance Act, provided that such approval shall either be unconditional or, if such approval is conditional, shall be subject to conditions acceptable to the Party to which the condition applies; and/or

3.1.3.3 the controlling companies as contemplated in the Insurance Act of each Party, shall have obtained the approval of the Prudential Authority for the Sale in terms of section 51 of the Insurance Act, provided that such approval shall either be unconditional or, if such approval is conditional, shall be subject to the written approval by the Parties to such conditions.

3.2 The Parties shall use their reasonable commercial endeavours to procure the fulfilment of the Conditions Precedent as soon as reasonably possible after the Signature Date and by the relevant dates set out in clause 3.1 and, unless provided and/or otherwise agreed (including but not necessarily limited to the provisions of clause 4.8 below), each Party shall bear its own costs of and incidental to procuring the fulfilment of the Conditions Precedent.

3.3 The Parties shall not do or omit to do or permit anything which shall have an effect of delaying, impeding or preventing the fulfilment of the Conditions Precedent.

3.4 If the relevant Conditions Precedent, or any of them are not fulfilled or waived (as the case may be) by the relevant dates set out in clause 3.1, then:

3.4.1 clause 1, this clause 3, clause 5 and clauses 21 to 26 (all inclusive) shall continue in full force and effect;

3.4.2 this Agreement (other than the clauses listed in clause 3.4.1) shall not come into force and effect (or, to the extent already in force and effect, shall terminate), and no Party shall have any claim against any other Party arising out of the failure of the relevant Conditions Precedent, or any of them (save in respect of any breach of clause 3.2 or clause 3.3); and

3.4.3 to the extent that this Agreement may have been partially implemented, the Parties shall then be restored as near as may be possible to the positions in which they would have been had this Agreement not been entered into.

4. Regulatory Filings and Approvals

4.1 It is contemplated that the Sale will result in -

4.1.1 a change in control of the Business, as contemplated in the Competition Act, and the Sale will accordingly require the approval of the Competition Authorities prior to this Agreement being implemented;

4.1.2 an insurer transferring all or any part of its assets and liabilities relating to its insurance business to another insurer as contemplated in section 50 of the Insurance Act and that the Sale will accordingly require the approval of the Prudential Authority prior to this Agreement being implemented; and

4.1.3 an insurer or a controlling company making a material acquisition or disposal and the Sale will accordingly require the approval of the Prudential Authority prior to this Agreement being implemented,

(jointly the "**Regulatory Filings**").

4.2 To the extent required, the Parties shall take all reasonable steps to ensure that as soon as reasonably possible after the Signature Date but in any event no later than 30 (thirty) Business Days after the DD Satisfaction Notice has been delivered (or deemed to have been delivered in terms of the provisions of clause 5.7), the Regulatory Filings are submitted to the applicable authority.

4.3 Each of the Parties shall:

4.3.1 sign all documents and expeditiously provide all necessary information for preparation and submission of the Regulatory Filings;

4.3.2 use its reasonable endeavours and shall take all such steps and render all such assistance as may be reasonably necessary to procure that the Regulatory Filings are submitted timeously;

4.3.3 do everything required by the Competition Authorities in order to enable the Regulatory Filings to be considered and decided expeditiously, to the extent that it is within its power to do so; and

4.3.4 use their best endeavours and co-operate in good faith to procure the fulfilment of the Competition Condition.

4.4 The Purchaser shall:

4.4.1 give the Seller and its external legal advisers reasonable notice of, and the opportunity to participate in, all meetings and telephone calls with any Competition Authority, unless prohibited by such Competition Authority or such telephone calls or meetings relate merely to matters specific to the Purchaser or to practical arrangements for the handling of submissions of, or requests for, information;

4.4.2 inform the Seller, and provide the Seller the opportunity to provide input on any conditions proposed by the Competition Authorities, and do what is reasonably required from the Competition Authorities in order to ensure that the Competition Condition is fulfilled; and

4.4.3 to the extent that any information is necessary, reasonably desirable or legally required for the preparation of any filings or submissions to, or responses to

requests for information from a Competition Authority and is available to the Purchaser, promptly submit any such information to that Competition Authority and provide a copy to the Seller.

4.5 Preparation and submission of the Merger Notification shall be attended to by the Purchaser's attorneys.

4.6 Preparation and submission of the application for the Regulatory Filing contemplated in clause 4.1.2 shall be attended to by the Purchaser.

4.7 Preparation and submission of the application for the Regulatory Filing contemplated in clause 4.1.3 shall be attended to by the Party who (or whose controlling company) requires such approval.

4.8 The Purchaser and the Seller shall each pay 50% (fifty percent) of the filing fee payable in connection with the filing of the Merger Notification and the application fee payable in respect of the Regulatory Filing contemplated in clause 4.1.2. The legal fees of each Party's attorneys involved in the preparation and submission of the Regulatory Filings shall be borne by each Party separately. For the avoidance of doubt, the Parties each agree that, they shall not share in and shall be responsible for their own respective costs (together with any application fee) that becomes payable in respect of any Regulatory Filing contemplated in clause 4.1.3

4.9 Neither Party shall be entitled to file a notice of abandonment to the Competition Authorities in relation to the Sale without having first obtained the prior written consent of the other Party.

4.10 Any costs incurred by any Party in relation to the communication of the transfer of the Business to the Policyholders will be borne by the Party who is statutorily required to give such communication.

5. DD Investigation

5.1 The Purchaser shall be entitled to carry out the DD Investigation during the DD Period, subject to the provisions of the Non-Disclosure Agreement concluded between the Parties on 1 March 2024.

5.2 For the sake of clarity, the Purchaser shall not be liable to compensate the Seller for any time spent by the Seller, or its representatives, auditors or by any employees or directors of the Seller in respect of the DD Investigation.

5.3 The Seller will procure that the Purchaser and its representatives are given access to the VDR during the DD Period, for purposes of conducting the DD Investigation.

5.4 The Seller undertakes to procure that it shall populate the VDR, with all such information as may reasonably be required by the Purchaser for the purposes of conducting the DD Investigation.

5.5 The Purchaser shall only be entitled to deliver a written due diligence findings notice (the "**DD Findings Notice**") to the Seller prior to the end of the DD Period if the Purchaser identifies any of the following issues:

5.5.1 any material non-compliance with any financial services Laws applicable to the Business;

5.5.2 a breach of any of the Warranties listed in clauses 1.11 to 1.17 of Appendix 3 is identified in respect of any of the Assigned Contracts listed in Appendix 2;

5.5.3 the Technology does not perform or function in accordance with its ordinarily anticipated functionality or the Seller identifies a breach of any of the Warranties listed in clauses 1.18 to 1.24 of Appendix 3;

5.5.4 the Purchaser identifies that the risks underwritten in relation to certain of the Signature Date Policies do not comply with the Purchaser's underwriting acceptance criteria ("the **Excluded UAC Policies**"), to the extent that the remaining aggregate Gross Annualised Premium recorded in Appendix 1 in respect of the Signature Date Policies (other than the Excluded UAC Policies) is less than an amount of R414,000,000.00 (four hundred and fourteen million Rand).

5.6 The nominated senior managers of each Party shall forthwith enter into discussions to attempt to resolve the issues identified in the DD Findings Notice in good faith within 10 (ten) Business Days from the date of the DD Findings Notice (or such longer period as the Parties may agree) after the delivery of the DD Findings Notice ("**Resolution Period**"). The Purchaser shall, where possible and appropriate, allow the Seller an opportunity to remediate any findings within a reasonable time. Notwithstanding anything to the contrary herein, nothing in this clause 5.6 shall be construed nor interpreted as obliging the Purchaser or the Seller (or their nominated senior managers) to reach agreement on any matter under discussion with the other Party (and its nominated senior managers) and any failure to do so shall not constitute a breach of this Agreement.

5.7 In the event that:

5.7.1 the Purchaser does not issue a DD Findings Notice within the DD Period as contemplated in clause 5.5; or

5.7.2 the Purchaser issues a DD Findings Notice and the Parties resolve all the issues raised in the DD Findings Notice in writing within the Resolution Period,

the Purchaser shall be deemed to have issued the DD Satisfaction Notice to the Seller as contemplated in clause 3.1.2.

5.8 To the extent that the Purchaser, during the DD Period and pursuant to the DD Investigation, determines on a reasonable basis, that any of the supplier procurement agreements listed in Appendix 2 do not comply with the Purchaser's procurement policies, such agreements shall, upon receipt by the Seller of written notice from the Purchaser confirming such determination, be deemed to have been removed from Appendix 2, and shall not form part of the Assigned Contracts for purposes of this Agreement.

6. Sale

6.1 The Seller hereby agrees to sell and transfer to the Purchaser the Business as a going concern, and the Purchaser agrees to purchase from the Seller and take over the Business as a going concern, on the terms and subject to the conditions of this Agreement, with effect from the Closing Date, as one indivisible transaction.

6.2 The sale of the Sale Assets and the Sale Liabilities is subject to the provisions of the Insurance Act, in particular the approval by the Prudential Authority as contemplated in clauses 4.1.2 and 4.1.3. The Prudential Authority requires that the Sale Assets and the Sale Liabilities be identified as at the Regulatory Reference Date in order to analyse the impact of the Sale based on the financial position of the Seller and the Purchaser as at the Regulatory Reference Date.

6.3 The Seller shall continue to conduct its business until the Closing Date. Since the Seller will continue to conduct its business until the Closing Date, the Sale Assets and Sale Liabilities as at the Regulatory Reference Date and the Sale Assets and Sale Liabilities delivered as at the Closing Date will differ.

6.4 The Seller's delivery obligations are therefore limited to delivering all the Sale Assets and delegating all the Sale Liabilities as at the Closing Date.

6.5 The Parties record that the Policyholders are not parties to this Agreement. However, if and once the Prudential Authority approves the Sale, as contemplated in section 50 of the Insurance Act, the Policyholders will acquire, against the Purchaser, all those rights and entitlements in accordance with the Policies previously held and enjoyed by them against the Seller.

6.6 The Parties shall instruct their respective Heads of Actuarial Function to report on the financial soundness of the Sale as required in terms of the Insurance Act.

7. Purchase Consideration

The aggregate consideration payable by the Purchaser to the Seller for the Business shall be an amount equal to the Purchase Consideration, which shall be discharged in the manner recorded in clause 8.1 below.

8. Payment, Delivery and Closing

8.1 The Purchaser hereby undertakes in favour of the Seller that the Purchaser shall:

8.1.1 on the First Tranche Payment Date, effect payment of an amount equal to the First Tranche;

8.1.2 on the Initial Second Tranche Payment Date, effect payment of an amount equal to the Initial Second Tranche Payment Amount;

8.1.3 on the Remaining Balance Second Tranche Payment Date, effect payment of an amount equal to the Remaining Balance Second Tranche Payment Amount;

8.1.4 on the Initial Third Tranche Payment Date, effect payment of an amount equal to the Initial Third Tranche Payment Amount;

8.1.5 on the Remaining Balance Third Tranche Payment Date, effect payment of an amount equal to the Remaining Balance Third Tranche Payment Amount.

8.2 All payments to be effected by the Purchaser to the Seller in terms of this Agreement shall be effected (without deduction or set-off) by way of electronic funds transfer of such amount into the Seller's Nominated Bank Account, and the Purchaser shall immediately after effecting any such payment, deliver a copy of the proof of payment of such amount to the Seller.

8.3 Any amount not paid within 5 (five) Business Days of the due date therefore by the Purchaser to the Seller shall bear interest calculated on a daily basis, based on a 365 (three hundred and sixty-five) day year, for the period from the due date therefore to the date of payment thereof, at the Prime Rate. Any interest payable in terms hereof shall be treated as an upwards adjustment to the Purchase Consideration.

8.4 On the Closing Date, the Seller shall, subject to having received payment of the First Tranche from the Purchaser in accordance with the provisions of clause 8.1.1 above:

8.4.1 deliver possession and control of the Business to the Purchaser, by such mode of actual or constructive delivery as shall be appropriate in the circumstances, it being recorded that the Parties shall, prior to the Closing Date, use their reasonable endeavours to negotiate and conclude a written data migration plan to be given effect to with effect from the Closing Date;

8.4.2 deliver to the Purchaser all such documents in the Seller's possession, duly completed, as may be necessary to transfer to the Purchaser ownership of the Sale Assets, and all other documents relating to the Business; and

8.4.3 deliver to the Purchaser all Business Records, provided that:

8.4.3.1 insofar as the Seller is obliged in Law to retain any such Business Record(s), it shall deliver a copy of such Business Record(s) to the Purchaser; and

8.4.3.2 if the Seller requires, at any time after the Closing Date, to make copies of or inspect any such Business Record(s) relating to any period prior to the Closing Date, in terms of or in order to comply with any Law or other legal obligation, it shall be entitled to do so during normal business hours upon reasonable notice to the Purchaser, and

8.4.4 perform all such other acts as may be necessary, or reasonably required by the Purchaser to facilitate the transfer of the Business and the Sale Assets to the Purchaser.

8.5 In the event that the Seller receives any payment related to any Sale Asset after the Closing Date, the Seller agrees to promptly remit (or cause to be promptly remitted) such funds to the Purchaser within 5 (five) Business Days of receipt thereof.

8.6 In the event that the Purchaser receives any payment related to any Excluded Asset after the Closing Date, the Purchaser agrees to promptly remit (or cause

to be promptly remitted) such funds to the Seller within 5 (five) Business Days of receipt thereof.

9. **Ownership, Risk and Benefit**

Risk in and benefit of the Business shall pass to the Purchaser on the Closing Date when it is put in actual possession and operating control of the Business and the Sale Assets as contemplated in clause 8.2.

10. **Interim Period**

10.1 The Seller shall procure that, during the Interim Period, the Business will be carried on in substantially the normal and ordinary course, and the Seller shall not enter into any contract or commitment or do anything which is out of the normal and ordinary course of the Business which objectively would prejudice the Purchaser. In particular, but without limitation to the generality of the aforegoing, the Seller undertakes that, during the Interim Period, it will not:

10.1.1 alter the existing nature or scope of the Business;

10.1.2 manage the Business otherwise than in accordance with its business and trading policies and practices up to the Fulfilment Date, except as may be necessary to comply with any statutory changes;

10.1.3 acquire or enter into any agreement to acquire (whether by one transaction or a series of transactions) the whole or a substantial or material part of the business, undertaking or assets of any other Persons;

10.1.4 dispose of or enter into any agreement to dispose of (whether by one transaction or by a series of transactions) the whole or any substantial or material part of the Business;

10.1.5 create any mortgage, charge or other encumbrance over the whole or any part of the Sale Assets or incur any debt outside the ordinary course of business;

10.1.6 dispose of or grant any option or right of pre-emption in respect of the Sale Assets;

10.1.7 terminate the employment or office of any Transferring Employees or appoint any new employee in the Business, except in the normal and ordinary course of Business and consistent with operational requirements of the Business and past historical practices;

10.1.8 vary or breach the terms and conditions of employment of any Transferring Employee or vary the working conditions of any of the Transferring Employees, materially increase any of the employees renumeration structures, or agree to any compensation or benefit for the termination of the employment of any such Transferring Employees;

10.1.9 make or agree to any amendment, variation, deletion, addition, renewal or extension to or of, terminate or give any notice or intimation of termination of or breach or fail to comply with the terms of the Assigned Contracts or the Broker Binder Agreements; and

10.1.10 enter into a contract, on terms and conditions which are not at an arms' length and otherwise than in the ordinary course of business.

10.2 The Seller shall use its reasonable commercial endeavours, during the Interim Period, to keep the Business substantially intact, including the present operations, and relationships with any brokers and/or customers. The Seller shall continue to manage the insurance operations to the best of its ability and shall not cancel any Broker Binder Agreements or intermediary agreements concluded with any of the Brokers without notifying the Purchaser in writing first or enter into new arrangements in relation to the Business, including but not limited to entering into any new broker arrangements without obtaining the Purchaser's prior written approval first (which shall not be unreasonably withheld or delayed).

11. Sale Liabilities and Excluded Liabilities

11.1 The Seller hereby delegates the Sale Liabilities to the Purchaser with effect from the Closing Date and the Purchaser hereby accepts such delegation and assumes the Sale Liabilities with effect from the Closing Date.

11.2 The Purchaser undertakes to discharge each of the Sale Liabilities as and when they fall due.

11.3 The Purchaser hereby indemnifies and holds the Seller harmless against all, damages, loss and/or expense which may be made against and/or suffered by the Seller in connection with and/or arising in respect of the Purchaser's failure to discharge the Sale Liabilities timeously, including claims, damage, loss and/or expense which may be incurred by the Seller under any of the Subject Policies where the cause of action in respect thereof arose on or after the Closing Date.

11.4 The Seller shall notify the Purchaser of any claim which may be made against the Seller after the Closing Date in respect of any of the Sale Liabilities within 5 (five) Business Days after the date on which the Seller becomes aware thereof, in order to enable the Purchaser to take appropriate steps in respect of such claim. The Seller hereby indemnifies the Purchaser for any loss or damages incurred as a result of its failure to notify the Purchaser timeously or at all.

11.5 Other than the Sale Liabilities, the Purchaser will not assume any other liabilities of the Seller, whether in relation to the Business or otherwise, and the Seller shall remain liable for such liabilities.

11.6 The Seller hereby undertakes to discharge the Excluded Liabilities as and when they fall due for payment and shall indemnify and hold harmless the Purchaser against any claims or demands which may be made against the Purchaser in respect of or relating to the Excluded Liabilities.

12. Assigned Contracts

12.1 The Seller hereby, subject to compliance by the Purchaser with its obligations in terms of clause 8.1.1 above, and subject to the further provisions recorded in clauses 12.2 and 12.3 below, assigns all of its rights, title and interest in and to and all of its obligations under the Assigned Contracts to the Purchaser with

effect from the Closing Date, and the Purchaser hereby irrevocably and unconditionally accepts such assignment.

12.2 The Parties hereby undertake to use their reasonable commercial endeavours to procure the consent of all counterparties to the Assigned Contracts, for the assignment of such Assigned Contracts to the Purchaser (where such consent is required), with effect from the Closing Date.

12.3 Until the Assigned Contracts are assigned as contemplated in clause 12.2, as between the Seller and the Purchaser:

12.3.1 the Purchaser shall be entitled to the benefit and shall bear the risk of such Assigned Contracts from and including the Closing Date and the Seller shall give all reasonable assistance to the Purchaser to enable the Purchaser to enforce its rights under the Assigned Contracts;

12.3.2 the Seller irrevocably and in *rem suam* appoints the Purchaser, to be its lawful attorney and agent, and to do in its name all things reasonably required in order to perform the Seller's obligations, and exercise its rights, under the Assigned Contracts (if any); and

12.3.3 to the extent that the obligations to be performed and/or rights to be exercised are required by Law or the terms of the Assigned Contracts to be performed or exercised personally by the Seller as principal, the Seller shall perform the obligations and/or exercise the relevant rights in this capacity under the reasonable direction of the Purchaser.

12.4 The Parties agree that the Broker Binder Agreements shall not be assigned by the Seller to the Purchaser but shall be transferred on the following basis:

12.4.1 the Seller shall terminate all the Broker’s mandates in terms of the Broker Binder Agreements to render binder functions with effect from the Closing Date, save for the mandate to settle claims in respect of the Subject Policies relating to the period prior to the Closing Date; and

12.4.2 the Seller and the Purchaser hereby undertake to use all reasonable endeavours to procure that the Brokers conclude new Binder Agreements with the Purchaser with effect from the Closing Date.

13. Intellectual Property

13.1 The Seller hereby grants to the Purchaser the right to use the Intellectual Property, including the Technology, in relation to the Business, with effect from the Closing Date. This right may not be withdrawn unless both Parties agree in writing.

13.2 Notwithstanding the provisions of clause 13.1, the Purchaser hereby acknowledges and agrees that the Seller shall be entitled to continue to use the Intellectual Property for all purposes other than in relation to a breach of the Seller’s undertaking referred to in clause 19.1.

14. Transferring Employees

14.1 The Parties record that:

14.1.1 the Business will be transferred from the Seller to the Purchaser as a going concern and that the applicable provisions of section 197 of the LRA are accordingly applicable;

14.1.2 upon the transfer of the Business on the Closing Date, the contracts of employment of all Transferring Employees will continue in force with the Purchaser on terms and conditions of employment that are on the whole not less favourable to those provided to them by the Seller.

14.1.3 a schedule of the Transferring Employees as at the Signature Date is attached as Appendix 5, it being recorded and understood that the employees reflected in such schedule may change between the Signature Date and the Closing Date ("**Employee Schedule**"); and

14.1.4 the Employee Schedule will be updated by the Seller on the Closing Date to reflect the number and identity of the Transferring Employees as at the Closing Date as well as the severance package and annual leave pay attributable to the Transferring Employees as at the Closing Date.

14.2 For the purpose of section 197(7) of the LRA, the Seller and Purchaser agree the amounts set out in Appendix 5 in respect of the Transferring Employees as at the Closing Date (subject to the provisions of clauses 14.1.3 and 14.1.4 in relation to the updating of information between the Signature Date and the Closing Date) and the principles applied in calculating those amounts. The Employee Schedule (once updated as at the Closing Date in accordance with the provisions of clauses 14.1.3 and 14.1.4) shall record:

14.2.1 the Closing Accrued Leave Liability;

14.2.2 the severance pay that would have been payable to the Transferring Employees had they been retrenched with effect from the Closing Date; and

14.2.3 any other amounts accrued but not paid to the Transferring Employees, including any amounts owing in respect of any management incentive plan of the Seller, and including the aggregate annual bonus payments accrued but not paid, to the extent that this is practicably possible to be calculated by the Seller as at the Closing Date.

14.3 The Purchaser shall be liable to the Transferring Employees for all amounts referred to in clause 14.2, with effect from the Closing Date, to the extent that such payments become payable to the Transferring Employees or any of them, it being specifically recorded that there shall be no apportionment of liability between the Parties, and that the Purchaser shall be solely responsible for the full amounts referred to in clause 14.2.

14.4 The Purchaser undertakes that it will comply with the requirements of section 197 of the LRA and shall ensure that the Transferring Employees are transferred from the Seller to the Purchaser on terms and conditions that are not less favourable to the Transferring Employees than those on which the Transferring Employees were employed by the Seller as at the Closing Date. The Purchaser

hereby indemnifies and holds the Seller harmless against any and all claims which may be made by the Transferring Employees against the Seller as a result of the Purchaser failing to fully comply with the provisions of section 197 of the LRA.

14.5 The Purchaser shall ensure that it has implemented the necessary arrangements to comply with all applicable health and safety related statutory and regulatory requirements in relation to the Transferring Employees with effect from the Closing Date, including attending to all necessary legal appointments and registrations as required in terms of, amongst others, the Occupational Health and Safety Act No. 85 of 1993 (as well as the regulations published in terms thereof) and the Compensation for Occupational Injuries and Diseases Act No. 130 of 1993.

14.6 It is agreed that until 1 July 2026, the Purchaser will not retrench any Transferring Employees (other than terminations in the normal course of business and/or that are non-merger specific, including but not limited to, dismissals as a result of misconduct, poor performance or ill health or operational requirements) and any job losses that may be required due to merger specific reasons will only be undertaken by way of voluntary processes in terms of the LRA (including voluntary separation agreements, voluntary early retirement packages and/or resignations or retirements in the normal course).

14.7 The Seller warrants that as at the Signature Date there are no disputes relating to any of the Employees which are to be declared either at the Commission for Conciliation, Mediation and Arbitration ("**CCMA**") and/or a bargaining council and/or the Labour Court and/or the Labour Appeal Court and/or any other court of competent jurisdiction.

14.8 To the extent that any dispute is declared against the Purchaser by any Employee relating to an event or events which took place prior to the Closing Date, in that instance the Purchaser shall assume responsibility for defending any claim arising out of such dispute and the Seller shall:

14.8.1 provide the Purchaser with all reasonable assistance in respect of the defence of such claim;

14.8.2 indemnify the Purchaser for all costs and expenses (including legal costs) incurred by the Purchaser in defending such claim; and

14.8.3 indemnify the Purchaser to the extent that the Purchaser is ordered to make any payment in respect of any such claim and shall reimburse the Purchaser on demand in respect of its payment of any amount so ordered.

14.9 In the event that: (i) any claim is made against the Purchaser and/or the Seller concerning any term or condition of employment that arose prior to the Closing Date; or (ii) the CCMA and/or a bargaining council and/or the Labour Court and/or the Labour Appeal Court and/or any other court of competent jurisdiction makes any awards and/or judgments against the Purchaser and/or the Seller arising from any disputes contemplated in clause 14.8 above, the Purchaser shall be solely responsible to pay in full any such claim, or relief and/or compensation awarded, and the Seller indemnifies the Purchaser for all costs and expenses incurred by the Purchaser in respect of such claims, awards or judgments.

14.10 To the extent that any dispute is declared against the Purchaser and/or the Seller by any Employee relating to an event or events which take place on or after the Closing Date, in that instance the Purchaser shall assume responsibility for defending any claim arising out of such dispute and the Purchaser indemnifies the Seller to the extent that the Seller is ordered to make any payment in respect of such claim, and shall reimburse the Seller on demand in respect of its payment of any amount so ordered.

15. Value Added Tax

15.1 It is recorded that the Seller and the Purchaser are registered VAT vendors in terms of the VAT Act as at the Signature Date.

15.2 The Parties acknowledge and agree that, for the purposes of the VAT Act:

15.2.1 the Business is sold as a going concern;

15.2.2 the Business constitutes an enterprise capable of separate operation;

15.2.3 all the assets necessary to carry on the Business are being sold to the Purchaser;

15.2.4 the Business, is on the Signature Date, and will on the Closing Date, be an income earning activity;

15.2.5 the Purchase Consideration is exclusive of VAT; and

15.2.6 it is considered that section 11(1)(e) of the VAT Act will apply to the sale and purchase of the Business, so that VAT is payable at the rate of 0% (zero percent).

15.3 If the Commissioner for the South African Revenue Services rules that VAT is payable in respect of the sale of the Business or the Sale Assets in terms of this Agreement, at a rate exceeding 0% (zero percent), then the Purchaser shall pay any such VAT which is so payable.

16. Section 34 of Insolvency Act

16.1 The Parties agree that notice of this transaction is not required to be published in terms of section 34(1) of the Insolvency Act, No 24 of 1936.

16.2 To the extent that it is determined that the notice in terms of the Insolvency Act, No 24 of 1936 is required, the Seller hereby indemnifies the Purchaser and holds the Purchaser harmless against any claim of any nature which may be made against the Purchaser by any creditor of the Seller pursuant to the provisions of section 34 of the Insolvency Act, No 24 of 1936 during the 6 (six) month period contemplated therein, or against any loss or damage of any nature whatsoever which the Purchaser may suffer as a result of the non-publication of the notices referred to in clause 16.1.

17. General Warranties

Each Party warrants and represents to the other Parties that:

17.1 it has:

17.1.1 the legal capacity and power to enter into and perform; and

17.1.2 taken all necessary actions (whether corporate, internal or otherwise) to authorise its entry into and the performance of its obligations,

under this Agreement;

17.2 the obligations expressed to be assumed by it under this Agreement are duly authorised, valid and binding on, and enforceable against it;

17.3 it is solvent and in a position to pay its debts and meet its other obligations as and when they fall due in the normal course of business; and

17.4 the entry into of this Agreement and/or the performance of its respective obligations under this Agreement does not, and will not:

17.4.1 contravene any Laws or the like by which it is bound;

17.4.2 contravene any provision of its memorandum of incorporation and/or other founding or constitutional documents (as applicable); or

17.4.3 conflict with, or constitute a breach of any of the provisions of any other agreement, obligation, restriction or undertaking which is binding on it.

18. Seller's Warranties

18.1 The Seller gives to and in favour of the Purchaser the Warranties set out in Appendix 3 on the Signature Date and the Closing Date and for the entire period between those dates, if applicable, unless otherwise stated in Appendix 3 (in which case the specified period shall apply). The Seller warrants that the Warranty statements made herein by the Seller are true and correct and accurate as at the Signature Date and the Closing Date and for the entire period between those dates, if applicable, unless expressly specified otherwise in the respective statement.

18.2 Each Warranty is deemed to be material to the Purchaser's decision to purchase the Business and should there be any breach of a Warranty, the Purchaser reserves the right to cancel the transaction ab initio and claim restitution of the positions prior to entering into the Agreement or claims damages it may suffer as a result of such breach.

18.3 Each Warranty shall be a separate Warranty and in no way limited or restricted by any reference to, or inference from, the terms of any other Warranty or by any other provision in this Agreement.

18.4 Notwithstanding the terms in which the Warranties are expressed, the Warranties shall be qualified by the matters disclosed in the VDR provided that such matters are fairly disclosed with sufficient detail.

18.5 In each Warranty, where any statement is qualified as being made "as far as the Seller is aware", "to the best of the Seller's knowledge and belief" or any similar or analogous expression, such term(s) shall mean the actual knowledge of any director or officer of the Seller involved in the Business as at the Signature Date.

18.6 The Seller shall immediately notify the Purchaser in writing if anything happens that constitutes a misrepresentation or a breach of Warranty or other breach of this Agreement.

18.7 No matter disclosed by the Seller or any other person to the Purchaser or its representatives, whether orally or in writing, other than in the VDR, shall in any way limit the scope of the Warranties, or the Seller's liability therefor, under this clause.

18.8 Notwithstanding that the Purchaser has undertaken or shall undertake the DD Investigation, the Purchaser shall have no obligation to have investigated any matter relating to the Business or to have conducted its investigations with due care and skill, or otherwise. The DD Investigation and the acceptance by the Purchaser of the results of such DD Investigation, shall in no way limit the Seller's liability under this clause or otherwise under this Agreement.

19. Seller's Undertaking

19.1 The Seller hereby undertakes to the Purchaser that, for the duration of the Undertaking Period, neither the Seller, nor any other entity over which the Seller has Control, shall either alone or jointly or together with any other Person, be interested or engaged, directly or indirectly and whether as proprietor, partner, shareholder, member, director, employee, agent, consultant, adviser, financier, or member of, or holding any other capacity whatsoever in relation to any Person and whether for its direct or indirect benefit or otherwise, and whether for reward or otherwise and whether formally or otherwise, anywhere in the Territory -

19.1.1 in any firm, business or undertaking which carries on either solely or in connection with any other party, and will not himself carry on directly or indirectly, any activity which is the same as, or which competes with the Business as at the Closing Date;

19.1.2 in any activities which may:

19.1.2.1 draw away, canvas, entice or solicit from the Business (or induce others to do so) any Person who conducts any business with the Business in the Territory, which include (but without limiting) the Policyholders;

19.1.2.2 draw away, canvas, entice or solicit from the Business (or induce others to do so) any customer (whether actual or potential) of or suppliers (whether actual or potential) to the Business, which include (but without limiting) concluding Binder Agreements or similar arrangements with any of the Brokers or any independent intermediaries;

19.1.2.3 draw away, canvas, entice or solicit from the Purchaser, or employ or engage, (or induce others to do so), any Person who is employed in the Business;

provided that the undertakings above in relation to the Territory shall apply separately to each magisterial district (or the equivalent thereof) falling wholly or partly within the Territory. For the sake of clarity, the Seller shall not be precluded in terms of this Agreement from utilising the Intellectual Property for

any purpose other than competing with the Purchaser in relation to any of the Subject Policies.

19.2 The Seller acknowledges that in the circumstances referred to in this Agreement, the provisions of clause 19.1 are fair and reasonable as to area and period and are reasonable and necessary for the protection of the proprietary interests of the Purchaser.

19.3 Each of the provisions of clause 19.1 shall, notwithstanding how they have been grouped together or linked grammatically, be separate, divisible and severable from each other so that if any of the provisions is or becomes unenforceable for any reason whatsoever, then that provision shall be severable and shall not affect the validity of any other provision contained in this Agreement.

19.4 Nothing in this clause 19 shall operate to restrict or prevent the Seller from taking any action expressly contemplated by this Agreement or as otherwise agreed to between the Parties in writing.

20. Indemnity and Limitation of Liability

20.1 Each Party hereby indemnifies the other Party and holds it harmless from and against loss which the indemnified Party sustains as a result of a breach of the other Party's obligations in the terms of this Agreement or attributable to a failure of any of the Warranties or any undertakings contained in this Agreement to be true and correct.

20.2 The Purchaser will notify the Seller of any claim which may be made against the Purchaser, in respect of any of the matters referred to in 20.1 as expeditiously as possible after the Purchaser becomes aware thereof. The Seller will be entitled to contest, at its expense, the claim concerned in the name of the Purchaser and will be entitled to control the proceedings in regard thereto, provided that –

20.2.1 the Seller shall regularly, and in any event on reasonable demand by the Purchaser, inform the Purchaser fully of the status of the contested claim and furnish the Purchaser with all documents and information related thereto which may be reasonably requested by the Purchaser; and

20.2.2 the Seller shall consult with the Purchaser prior to taking any major steps in relation to or settling such contested claim and, in particular, before making or agreeing to any announcement or other publicity in relation to such claims.

20.3 The Seller shall not be liable for a Warranty claim unless:

20.3.1 subject to clause 20.3.3, the amount that would be recoverable from the Seller in respect of that claim exceeds an amount equal to R1,000,000 (one million Rand) ("**Individual Threshold**");

20.3.2 subject to clause 20.3.3, the amount that would be recoverable from the Seller in respect of that claim, when aggregated with any other amount or amounts recoverable or that would be recoverable in respect of other claims relating to the Warranties, exceeds an amount equal to R5,000,000 (five million Rand) ("**Cumulative Threshold**") and in the event that the aggregated

amount exceeds the Cumulative Threshold, the Seller shall be liable in respect of that total aggregated amount;

20.3.3 if a number of smaller claims, all of which are similar in nature and arise from the same facts, events or circumstances, do not individually meet the Individual Threshold, but cumulatively meet the Cumulative Threshold, then the Seller shall be liable for a Warranty claim;

20.3.4 the Purchaser provides written notice containing such details as are reasonably available of the matter giving rise to the claim by no later than 24 (twenty-four) months following the Closing Date (the "**Limit Date**"); and

20.3.5 if such claim is disputed by the Seller, by way of notice in writing, the Purchaser institutes legal or arbitration proceedings against the Seller on or before the expiry of a period of 6 (six) months from the Limit Date.

20.4 Notwithstanding anything to the contrary in this Agreement or otherwise, the aggregate liability of the Seller shall, in respect of all Warranty claims, not exceed an amount equal to 50% (fifty percent) of the Purchase Consideration received by the Seller.

20.5 The Seller shall not be liable for any claim (including a Warranty claim) if and to the extent that:

20.5.1 the fact, matter, event or circumstance giving rise to such claim was disclosed to the Purchaser in writing before the Signature Date or in the VDR; or

20.5.2 the Purchaser was aware of such fact, matter, event or circumstance giving rise to such claim as at Signature Date or pursuant to the Seller's disclosure in the VDR,

and the Purchaser confirms that, save as disclosed in the VDR, it is not aware of any fact, matter, event or circumstance as at the Signature Date which would give rise to any claim (including a Warranty claim) against the Seller.

20.6 Neither Party shall be liable under this Agreement in respect of:

20.6.1 any indirect or consequential loss or loss of profits;

20.6.2 any matter or thing done or omitted to be done pursuant to and in compliance with this Agreement or otherwise at the request in writing or with the approval in writing of the other Party; and

20.6.3 the passing of, or any change in, after the Closing Date, any Law including (without prejudice to the generality of the aforegoing) any increase in the rates of taxation or any imposition of taxation or any withdrawal of relief from taxation not actually (or prospectively) in effect at the Closing Date or any Law or change thereto that has retrospective effect.

21. Confidentiality

21.1 The Parties agree that the terms of this Agreement and all confidential and proprietary information of the Parties communicated to them in connection with this Agreement will be received in strict confidence and be used only for the purposes of this Agreement.

21.2 Each Party will use the same means as it uses to protect its own confidential information, but in no event less than reasonable means, to prevent the disclosure and to protect the confidentiality of such information.

21.3 This clause 21 shall not prevent the Parties from disclosing such information to their shareholders, officers, directors, employees, consultants and professional advisers who:

21.3.1 have a need to know (and then only to the extent that each such person has a need to know);

21.3.2 are aware that such information should be kept confidential;

21.3.3 are aware of the recipient Party's undertaking in relation to such information in terms of this Agreement; and

21.3.4 have been directed by the recipient Party to keep such information confidential and have undertaken to keep the information confidential.

21.4 These provisions do not apply to information which is:

21.4.1 publicly known or becomes publicly known through no unauthorised act of the recipient Party;

21.4.2 rightfully received by the recipient Party from a third party;

21.4.3 independently developed by the recipient Party without use of the other Party's information;

21.4.4 required to be disclosed pursuant to a sale transaction being entered into by one of the Parties, or to a requirement of a governmental agency or any Law, so long as the Party required to disclose the information gives the other Party prior notice of such disclosure; or

21.4.5 publicly disclosed with the other Party's written consent.

21.5 All media releases, public announcements and public disclosures by any Party, their respective employees or agents relating to this Agreement or its subject matter, including without limitation promotional marketing material, shall be co-ordinated with and approved by the Parties prior to the release thereof. The foregoing will not apply to any disclosure required by legal, accounting or regulatory requirements to which a Party is subject or submits.

22. Breach

22.1 Should a Party commit a breach of any provision of this Agreement and fail to remedy such breach within 10 (ten) Business Days after receiving written notice from the other Party (the "**Aggrieved Party**") requiring the Party in breach (the "**Defaulting Party**") to do so, then the Aggrieved Party shall be entitled, without prejudice to the Aggrieved Party's other rights in Law and in terms of this Agreement (including any right to claim damages) to claim immediate payment and/or specific performance by the Defaulting Party of the Defaulting Party's obligations at the date of default, provided that none of the Parties shall be entitled to cancel this Agreement after the Closing Date.

22.2 Subject to clause 22.1, no remedy conferred by this Agreement is intended to be exclusive of any other remedy which is otherwise available to the Aggrieved Party at Law, by statute or otherwise. Each remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at Law, by statute or otherwise. The election of any one or more remedy by the Aggrieved Party shall not constitute a waiver by it of the right to pursue any other remedy available to them.

23. Disputes

23.1 Internal dispute Resolution

23.1.1 Save as otherwise provided for in this Agreement, should any dispute ("**Dispute**") arise between the Parties in connection with:

23.1.1.1 the formation or existence of;

23.1.1.2 the rectification of;

23.1.1.3 the implementation of;

23.1.1.4 the interpretation or application of the provisions of;

23.1.1.5 the Parties' respective rights and obligations in terms of or arising out of, or the breach or termination of;

23.1.1.6 the validity, enforceability, rectification, termination or cancellation, whether in whole or in part of; or

23.1.1.7 any documents furnished by the Parties pursuant to the provisions of,

this Agreement or which relates in any way to any matter affecting the interests of the Parties in terms of this Agreement, that Dispute shall be referred, by delivery of a written notice by either Party to the other Party, in the first instance, for resolution by the nominated senior managers of each Party.

23.2 If the nominated senior managers of each Party are unable to reach agreement in relation to the Dispute within 7 (seven) days after referral of the Dispute to them, the Dispute shall be referred to arbitration in terms of clause 23.2.

23.3 Arbitration

23.3.1 In the event that the senior managers of each Party are unable to reach agreement in accordance with clause 23.2, or the Parties has agreed to refer the dispute to arbitration, such dispute shall be referred to and be determined by arbitration in terms of the Rules of AFSA.

23.3.2 This clause 23 shall not preclude any Party from obtaining interim or final relief on an urgent basis or from obtaining judgment in relation to a liquidated claim from a court of competent jurisdiction.

23.3.3 The Parties hereby consent to the arbitration being dealt with on an urgent basis in terms of the Rules of AFSA should any Party by written notice given to the others require the arbitration to be held on an urgent basis. In such event the Parties agree to apply jointly to the AFSA Secretariat as required in terms of the said Rules to facilitate such urgent arbitration.

23.3.4 The arbitration will be held in Johannesburg, South Africa.

23.3.5 The language of the arbitration will be English.

23.3.6 The arbitrator shall be, if the matter in dispute is principally:

23.3.6.1 a legal matter, a practicing advocate or attorney of Johannesburg of at least 20 (twenty) years' standing;

23.3.6.2 an accounting matter, an independent auditor of at least 20 (twenty) years' standing;

23.3.6.3 any other matter, any independent person with the relevant knowledge or expertise.

23.3.7 Should the Parties to the Dispute fail to agree in writing within 7 (seven) days after the arbitration was demanded:

23.3.7.1 whether the Dispute is principally a legal, accounting or other matter, the matter shall be deemed to be a legal matter;

23.3.7.2 on an arbitrator, the arbitrator shall be appointed at the request of any of the Parties to the Dispute in terms of the Rules of AFSA having reference to the provisions of clause 23.3.6 above.

23.3.8 The decision of the arbitrator, save in the event of a manifest error, shall be final and binding on the Parties to the Dispute and may be made an order of the court referred to in clause 23.3.9 below at the instance of any of the Parties to the Dispute.

23.3.9 The Parties hereby consent to the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Local Division, Johannesburg, in respect of any proceedings referred to in clauses 23.3.2 and 23.3.8 above.

23.3.10 The Parties agree to keep the arbitration, including the subject matter of the arbitration and the evidence heard during the arbitration, confidential and not to disclose it to anyone except for purposes of an order to be made in terms of clause 23.3.8 above.

23.3.11 The provisions of this clause:

23.3.11.1 constitute an irrevocable consent by the Parties to any proceedings in terms hereof and no Party shall be entitled to withdraw therefrom or claim at any such proceedings that it is not bound by such provisions; and

23.3.11.2 are severable from the rest of this Agreement and shall remain in effect despite the termination of or invalidity for any reason of this Agreement.

24. Notices and Legal Process

24.1 Each Party chooses the physical address below for all purposes under this Agreement ("**Chosen Address**"), whether for serving court process or documents, giving any notice, or making any other communications of whatsoever nature and for whatsoever purpose under this Agreement:

Purchaser

Address: Hollard Villa Arcadia
22 Oxford Road
Parktown
2193

Email: anzebet@hollard.co.za

Seller

Address: 22 Wellington Road,
Parktown
Johannesburg

Email: stephenv@lombardins.com

24.2 Any notice required or permitted under this Agreement is valid only if in writing.

24.3 Any notice delivered by hand to the Chosen Address of a Party before 17h00 is deemed to have been received on the date of delivery.

24.4 If a Party has chosen an email address in clause 24.1 ("**Email Address**"), then (save for court process, documents or notices) a notice or document delivered, or other communication made electronically to that email address is valid and is regarded as having been delivered to that Party on the date and time recorded by the computer used by the sender, unless there is conclusive evidence that it was delivered on a different date or at a different time, or not at all.

24.5 Any Party may by notice to the other Parties change:

24.5.1 its Chosen Address to another physical address in the Republic of South Africa; and/or

24.5.2 its Email Address,

and that change takes effect on the seventh day after the date of receipt by the Party who last receives the notice.

24.6 Despite anything to the contrary in this Agreement, a written notice actually received by a Party is an adequate notice to it even though not sent or delivered to its Chosen Address or Email Address.

25. Interpretation

25.1 Clause and paragraph headings are for purposes of reference only and shall not be used in interpretation.

25.2 Unless the context clearly indicates a contrary intention, any word connoting:

25.2.1 any gender includes the other gender and the neuter;

25.2.2 the singular includes the plural and vice versa;

25.2.3 natural persons includes juristic and artificial persons and vice versa;

25.2.4 insolvency includes provisional or final sequestration, liquidation or business rescue.

25.3 A reference to days (as opposed to Business Days) shall mean calendar days.

25.4 When any number of days, or Business Days, is prescribed, such number shall exclude the first and include the last, unless, in the case of days, the last day falls on a day which is not a Business Day, in which case the last day shall be the next succeeding Business Day.

25.5 A reference to an enactment is a reference to that enactment as at the date of signature of this Agreement (being the date of the last signature to this Agreement) and as amended or re-enacted from time to time.

25.6 The rule of interpretation that a written agreement shall be interpreted against the party responsible for the drafting or preparation of that agreement shall not apply in the interpretation of this Agreement.

25.7 If any provision in a definition is a substantive provision conferring rights or imposing obligations on any Party, notwithstanding that it is only in the definition clause, effect shall be given to it as if it were a substantive provision in the body of the Agreement.

25.8 The *eiusdem generis* rule shall not apply and accordingly, whenever a provision is followed by the word "including" and specific examples, such examples shall not be construed so as to limit the ambit of the provision concerned.

25.9 Where any term is defined within the context of any particular clause in this Agreement, then, unless it is clear from the clause in question that the term so defined has limited application to the relevant clause, the term so defined shall bear the meaning ascribed to it for all purposes in terms of this Agreement, notwithstanding that that term has not been defined in the definition clause.

26. General and miscellaneous

26.1 Sole record of agreement

This Agreement constitutes the sole record of the agreement between the Parties with regard to the subject matter hereof and supersedes and novates in its entirety any previous understandings or agreements among the Parties in respect thereof. No Party shall be bound by any express or implied term, representation, warranty, promise or the like not recorded herein.

26.2 Counterparts

This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original and all of which shall be deemed to constitute the same Agreement.

26.3 No amendments except in writing and signed

No addition to, variation or agreed cancellation of, or waiver of any right under this Agreement shall be of any force or effect unless recorded in writing and signed by or on behalf of the Parties, provided that the Parties hereby agree that electronic signature shall constitute compliance with this requirement.

26.4 **Waivers**

No relaxation or indulgence which any Party may grant to any other shall constitute a waiver of the rights of that Party and shall not preclude that Party from exercising any rights which may have arisen in the past or which might arise in future.

26.5 **Survival of obligations**

Any provision of this Agreement which contemplates performance or observance subsequent to any termination or expiration of this Agreement shall survive any termination or expiration of this Agreement and continue in full force and effect.

26.6 **Approvals and consents**

An approval or consent given by a Party under this Agreement shall only be valid if in writing and shall not relieve the other Party or Parties from responsibility for complying with the requirements of this Agreement nor shall it be construed as a waiver of any rights under this Agreement except as and to the extent otherwise expressly provided in such approval or consent, or elsewhere in this Agreement.

Signed at Parktown on 5 September 2024

The Hollard Insurance Company Limited

Nashir Omar

05/09/2024 10:07:55(UTC+02:00)

Who warrants authority

Signed at Montauk, New York on 5 September 2024

Lombard Insurance Company Limited

James Orford

05/09/2024 10:37:11(UTC-04:00)

Who warrants authority

Appendix 1

List of Signature Date Policies

Appendix 2

Assigned Contracts

Contractor	Capacity	Agreement in Place	Type of Agreement
GoBid Proprietary Limited	Motor Salvage Contractor	Yes	Service Level Agreement
Metal Used Spares and Rebuilds	Motor Salvage Contractor	Yes	Motor Vehicle Salvage Agreement
Mandos Holdings	Motor Salvage Contractor	Yes	Motor Vehicle Salvage Agreement
Quest Claims Solutions	Recoveries & Liabilities	Yes	Service Level Agreement
Bembridge Minnaar Attorneys Inc & BM Recoveries	Recoveries & Liabilities	Yes	Service Level Agreement
Hooker Claims (Pty) Ltd	Recoveries & Liabilities	Yes	Service Level Agreement
Zonke-Unicode	Vehicle Information System [Motor theft / Recovery]	Yes	User Access and Related Services
Codeplex Software Development (Pty) Ltd	Software	Yes	User Access and Related Services
Gage Car Rental (Pty) Ltd	Service Provider: Car Hire	Yes	Service Level Agreement
RMG Forensic Services (Pty) Ltd	Service Provider Due Diligence	No	Letter of Intent Only
One Loyalty Rewards (Pty) Ltd	Value Added Product / Services Supplier	Yes	Outsource Agreement
THESL	Service Provider: Claims Quantification	No	Service Level Agreement
DRM and Associates	Service Provider: Loss Adjustor	Yes	Service Level Agreement
Independent Claims	Service Provider: Loss Adjustor	Yes	Service Level Agreement
Associated Loss Adjustors	Service Provider: Loss Adjustor	Yes	Service Level Agreement

Sedgwick	Service Provider: Loss Adjustor	Yes	Service Level Agreement
Auto Boys	Service Provider: Auto Glass	Yes	Service Level Agreement
Cellvage	Service Provider: Non-motor Salvage	Yes	Service Level Agreement
Crash Data Forensics	Service Provider: Investigator	No	Service Level Agreement
Crash Investigation Group	Service Provider: Investigator	No	Service Level Agreement
DGC Glass	Service Provider: Auto Glass	No	Service Level Agreement
Digicall South Africa	Service Provider: Loss Adjustor	No	Service Level Agreement
Digital Support	Service Provider: Loss Adjustor	Yes	Service Level Agreement
Envision Consulting	Service Provider: Loss Adjustor	No	Service Level Agreement
Express Loss Analysts	Service Provider: Investigator	Yes	Service Level Agreement
Garlicke and Bousfield	Attorney	No	Service Level Agreement
HU Moderation	Service Provider: Moderation	Yes	Service Level Agreement
JIDZ Recoveries	Service Provider: Upliftment Agent	No	Service Level Agreement
Martin Auctioneers	Service Provider: Non-motor Salvage	No	Service Level Agreement
Mendle Consulting	Service Provider: Loss Adjustor	Yes	Service Level Agreement
Occusurv	Service Provider: Surveyor	No	Service Level Agreement
Peter Stokes	Service Provider: Loss Adjustor	Yes	Service Level Agreement
PG Group	Service Provider: Auto Glass	No	Service Level Agreement
Q2 Forensic Investigations	Service Provider: Investigator	Yes	Service Level Agreement
SA Glass Brokerage	Service Provider: Auto Glass	Yes	Service Level Agreement

Smart Assessing	Service Provider: Motor Assessor	Yes	Service Level Agreement
Specialist and Commercial	Service Provider: Loss Adjustor	Yes	Service Level Agreement
The African Adjusting Firm	Service Provider: Loss Adjustor	No	Service Level Agreement
The African Adjusting Firm (Cape)	Service Provider: Loss Adjustor	Yes	Service Level Agreement
The Initiative	Service Provider: Investigator	Yes	Service Level Agreement
Unicorn	Service Provider: Non Motor Salvage	No	Service Level Agreement
Windmill	Service Provider: Non Motor Salvage	Yes	Service Level Agreement
Wouter Van Der Merwe	Service Provider: Investigator	No	Service Level Agreement
Grail	Policy Administration System	Yes	Outsource Services Agreement
Barnowl	Data Warehouse	Yes	Product Licensing and Services Agreement
SAND	Data Science and AI Services	Yes	Month-to-month contract

Appendix 3

Warranties

Corporate authorisation and enforceability

1.1 The Seller has the legal capacity and authority to enter into and implement this Agreement on the terms and conditions set out in this Agreement.

1.2 This Agreement constitutes a valid agreement binding on the Seller and enforceable against it in accordance with its terms.

1.3 The Seller is the sole and beneficial owner of the Business and is entitled and able to give free and unencumbered title to the Business to the Purchaser

Disclosure

1.4 The Seller has, to the best of the Seller's knowledge and belief, disclosed to the Purchaser all information material to the transaction contemplated in this Agreement, or to the Purchaser's decision to enter into this Agreement, or which would be material or would be reasonably likely to be material to a purchaser of the Business and to the Purchase Consideration thereof.

1.5 All information given by the Seller to the Purchaser or its advisors, relating to the Business (including, but not limited to, all matters disclosed in the VDR) was (when given) and is, to the best of the Seller's knowledge and belief, accurate, complete and comprehensive in all respects.

Sale Assets

1.6 The Seller owns, lawfully possesses or controls the Sale Assets and has good and marketable title thereto, and, except for agreements entered into in the ordinary course of business, no other person has any rights to or in respect of the Sale Assets.

1.7 None of the Sale Assets is subject to any option or right of first refusal or similar right of any person or is subject to any agreement or commitment to grant or enter into any of the aforegoing.

1.8 The Sale Assets comprise all assets necessary or desirable for the continuation of the Business as carried on at the Closing Date.

1.9 No person is entitled (otherwise than as a shareholder of the Seller) to participate or share in, nor to a commission on (save for the Brokers with respect to the Business), the income or the profits of the Business or to any payment of any kind calculated with reference to the profits or income of the Business.

Goodwill and scope of Business

1.10 As at the Closing Date, the Seller will not have done or omitted to do anything which has or will:

1.10.1 materially prejudice the goodwill;

1.10.2 materially reduce the scope of the Business; or

1.10.3 result in any material customer or supplier ceasing to do business or varying the terms on which it does business with the Seller except in the ordinary course of business, which includes (without limitation) the Policyholders and Brokers.

Assigned Contracts and the Broker Binder Agreements

1.11 Other than the Assigned Contracts and the Broker Binder Agreements there are no other contracts, agreements, commitments or arrangements of whatsoever nature which are necessary or desirable for the conduct of the Business.

1.12 Copies of all Assigned Contracts, and the Broker Binder Agreements and other documents submitted to the Purchaser in connection with this Agreement fully and correctly reflect all the terms and conditions thereof, are not subject to any claim for rectification, and have not been amended in any respect.

1.13 The Assigned Contracts and the Broker Binder Agreements are in full force and effect.

1.14 The Seller is not in breach of any Assigned Contracts or Broker Binder Agreements and has complied in all respects with its obligations under such Assigned Contracts and the Broker Binder Agreements.

1.15 No customer or supplier (which include but without limiting any of the Brokers) has ceased, or has threatened to cease, to do business with, or varied the terms on which it does business with, the Business.

1.16 The Seller is not bound by any restraint of trade agreement which would prevent or limit the Seller's ability to conclude this Agreement.

1.17 The Sale contemplated in this Agreement does not constitute a breach of any of the contractual obligations of the Seller in respect of the Business nor will it entitle any person to terminate any Assigned Contracts ore Broker Binder Agreements.

Intellectual Property

1.18 The Seller is the sole beneficial owner of the Intellectual Property and there is no impediment to the Seller’s undertakings in relation to the Intellectual Property in terms of this Agreement.

1.19 All the Intellectual Property is free and clear of all liens, encumbrances, security interests, pledges, charges, restrictions, covenants not to sue and/or other similar restrictions.

1.20 Apart from the Intellectual Property, no other intellectual property rights are necessary for the conduct of the Business.

1.21 No part of the Intellectual Property is subject to any existing litigation and the Seller is not aware of any facts or circumstances which would give rise to litigation relating to the Intellectual Property.

1.22 No person has any option or right of first refusal to purchase any of the Intellectual Property and no person other than the Purchaser and the Seller has been granted any right or licence to use any of the Intellectual Property.

1.23 There is no infringement or suspected infringement by any person of any of the Intellectual Property.

1.24 The conduct of the Business does not infringe any patent, copyright, trade mark or other intellectual property rights or any other rights of any other person.

1.25 No person is entitled to an order requiring a change of name or trading style or any of the marks or designs applied to the products used in relation to the Business.

Laws, regulations, consents, licences and permits

1.26 To the best of the Seller's knowledge and belief, the Seller and its representatives have complied with all material laws and regulations applicable to the Business.

1.27 The Seller is in possession of all consents, permits and licences necessary for the conduct of the Business and ownership and use of the Sale Assets.

Transferring Employees

1.28 No Transferring Employee is entitled to any exceptional leave privileges, accumulated leave, payment in lieu of leave, pension or the like and none of the terms on which any Employee is employed (including without limitation any terms relating to compensation or benefits payable to that Transferring Employee upon his retrenchment or redundancy) have been changed since the Signature Date.

1.29 No employment contract in respect of the Transferring Employees is terminable on more than 30 (thirty) days' notice.

1.30 The retirement funds and medical aid funds relating to Transferring Employees are fully funded.

1.31 The Seller has not employed any person in relation to the Business, whether as a salaried or permanent Transferring Employee, other than in the normal course of business.

1.32 None of the conditions of employment applicable to the Employees is determined by a collective agreement for purposes of section 197(3)(b) of the LRA.

Litigation

1.33 The Seller is not party to any litigation, arbitration, quasi-judicial, governmental or administrative proceedings, enquiries or investigations affecting the Business (save for normal debt collections) and there are no such proceedings pending or threatened by or against the Seller.

1.34 The Seller is not aware of any circumstances that might lead to any such proceedings, enquiries or investigations by or against the Seller which may affect the Business.

Grail data provided

1.35 To the best of the Seller's knowledge and belief, all of the Grail data provided by the Seller to the Purchaser prior to the Signature Date is materially accurate and complete.

Appendix 4

Technology

- Licenced software
- Licenced processes and data formats, including file transfer formats and database structures
- Custom integration scripts developed by our software vendor to consume the licensed data format
- Data extraction scripts, Data models, reports and dashboards based on Industry best practice techniques
- Operational processes to deal with data inconsistencies and failures in the above processes, at a level consistent with third party data acquisition
- Policy instance data, including geolocation information where applicable

All of the above listed items are only insofar as they are utilized in relation to the Business as at the Signature Date and it is specifically recorded that the Seller shall continue to be entitled to utilize any of the items listed above in relation to its other businesses.

Appendix 6

Calculation of Second Tranche and Third Tranche

1. Definitions used throughout this Appendix 6

The following definitions apply throughout this Appendix 6:

1.1 **Gross Annualised Premium** means, in relation to any period, the Gross Written Premium during the specific period (including the effect of premium discounts and mid-term endorsements) annualized to 12 months on a per-policy basis;

1.2 **Gross Claims Incurred** means, in relation to any period and in relation to the Subject Policies, all claims paid, outstanding claims reserves, incurred not received claims reserves and offset by any salvages and recoveries for the specific period and excluding any re-insurance;

1.3 **Gross Written Premium**–means the gross premiums (exclusive of VAT) that an insurer is contractually entitled to receive from a Policyholder in relation to the Subject Policies;

1.4 **Independent Accountant** – means an independent third-party accountant appointed by written agreement between the Parties or, failing such agreement within 5 (five) Business Days of either Party calling on the other Party in writing so to agree, an independent third-party expert appointed by the Chairperson of the South African Institute of Chartered Accountants from one of the big four auditing firms in the Republic of South Africa, but specifically excluding any auditing firm which is the current auditors of either of the Parties;

1.5 **Year 1** means the underwriting year running from 1 July 2024 to 30 June 2025;

1.6 **Year 1 Technical Result** means the Year 1 Gross Annualised Premium minus the Year 1 Gross Claims Incurred, as agreed by the Parties in terms of the provisions of clause 6 below or determined by the Independent Accountant in terms of the provisions of clause 7 below; provided that:

1.6.1 if the Year 1 Technical Result equals or exceeds the Year 1 Maximum Amount, then the Year 1 Technical Result will be deemed to be an amount equal to the Year 1 Maximum Amount; and

1.6.2 if:

1.6.2.1 the Year 1 Technical Result equals or is less than the Year 1 Minimum Amount, or

1.6.2.2 the Year 1 Gross Annualised Premiums do not exceed R327,000,000.00 (three hundred and twenty-seven million Rand); or

1.6.2.3 the Year 1 Gross Claims Incurred on a weighted average basis do exceed 65% (sixty five percent),

then, in any of such circumstances, the Year 1 Technical Result will be deemed to be an amount equal to the Year 1 Minimum Amount, with the effect that no amount would be payable by the Purchaser to the Seller in relation to the Second Tranche;

1.7 **Year 1 Gross Annualised Premium** means the Gross Annualised Premium written in respect of the Subject Policies during Year 1;

1.8 **Year 1 Gross Claims Incurred** means the Gross Claims Incurred in respect of the Subject Policies during Year 1;

1.9 **Year 1 Maximum Amount** means an amount of R225,000,000.00 (two hundred and twenty-five million Rand);

1.10 **Year 1 Minimum Amount** means an amount of R115,100,000.00 (one hundred and fifteen million one hundred thousand Rand);

1.11 **Year 2** means the underwriting year running from 1 July 2025 to 30 June 2026;

1.12 **Year 2 Technical Result** means the Year 2 Gross Annualised Premium minus the Year 2 Gross Claims Incurred, as agreed by the Parties in terms of the provisions of clause 6 below or determined by the Independent Accountant in terms of the provisions of clause 7 below; provided that:

1.12.1 if the Year 2 Technical Result equals or exceeds the Year 2 Maximum Amount, then the Year 2 Technical Result will be deemed to be an amount equal to the Year 2 Maximum Amount; and

1.12.2 if:

1.12.2.1 the Year 2 Technical Result equals or is less than the Year 2 Minimum Amount, or

1.12.2.2 the Year 2 Gross Annualised Premiums do not exceed R348,000,000.00 (three hundred and forty-eight million Rand); or

1.12.2.3 the Year 2 Gross Claims Incurred on a weighted average basis do not exceed 65% (sixty five percent),

then, in any of such circumstances, the Year 2 Technical Result will be deemed to be an amount equal to the Year 2 Minimum Amount, with the effect that no amount would be payable by the Purchaser to the Seller in relation to the Third Tranche;

1.13 **Year 2 Maximum Amount** means an amount of R239,600,000.00 (two hundred and thirty-nine million six hundred thousand Rand);

1.14 **Year 2 Minimum Amount** means an amount of R122,600,000.00 (one hundred and twenty two million six hundred thousand Rand);

1.15 **Year 2 Gross Annualised Premium** means the Gross Annualised Premium written in respect of the Subject Policies during Year 2;

1.16 **Year 2 Gross Claims Incurred** means the Gross Claims Incurred in respect of the Subject Policies during Year 2.

2. Calculation of the Initial Second Tranche Payment Amount

The Initial Second Tranche Payment Amount shall be determined as follows:

2.1 **Initial Second Tranche Payment Amount** means an amount equal to the Initial Second Tranche Percentage multiplied by R52,500,000.00 (fifty-two million five hundred thousand Rand) multiplied by 80% (eighty percent);

2.2 **Initial Second Tranche Percentage** means an amount calculated as follows:

$$\frac{\text{(Initial Year 1 Technical Result – Year 1 Minimum Amount)}}{\text{Year 1 Minimum Amount}}$$

2.3 **Initial Year 1 Technical Result** means the Year 1 Technical Result agreed by the Parties (or determined by the Independent Accountant) during or about July/August 2025, in accordance with the provisions of clauses 6 and 7 below.

3. Calculation of the Remaining Balance Second Tranche Payment Amount

The Remaining Balance Second Tranche Payment Amount shall be determined as follows:

3.1 **Remaining Balance Second Tranche Payment Amount** means an amount equal to the Final Second Tranche Payment Amount minus the Initial Second Tranche Payment Amount, together with interest on such amount at the Call Rate between the Initial Second Tranche Payment Date and the Remaining Balance Second Tranche Payment Date, and provided further that to the extent that the Final Second Tranche Payment Amount is less than the Initial Second Tranche Payment Amount, the Remaining Balance Second Tranche Payment Amount shall be deemed to be zero and the Seller shall have no obligation to effect any payment to the Purchaser in such circumstances;

3.2 **Final Second Tranche Payment Amount** means an amount equal to the Final Second Tranche Percentage multiplied by R52,500,000.00 (fifty-two million five hundred thousand Rand);

3.3 **Final Second Tranche Percentage** means an amount calculated as follows:

$$\frac{\text{(Final Year 1 Technical Result – Year 1 Minimum Amount)}}{\text{Year 1 Minimum Amount}}$$

3.4 **Final Year 1 Technical Result** means the Year 1 Technical Result agreed by the Parties (or determined by the Independent Accountant) during or about March/April 2026, in accordance with the provisions of clauses 6 and 7 below.

4. Calculation of the Initial Third Tranche Payment Amount

The Initial Third Tranche Payment Amount shall be determined as follows:

4.1 **Initial Third Tranche Payment Amount** means an amount equal to the Initial Third Tranche Percentage multiplied by R52,500,000.00 (fifty-two million five hundred thousand Rand) multiplied by 80% (eighty percent);

4.2 **Initial Third Tranche Percentage** means an amount calculated as follows:

$$\frac{\text{(Initial Year 2 Technical Result – Year 2 Minimum Amount)}}{\text{Year 2 Minimum Amount}}$$

4.3 **Initial Year 2 Technical Result** means the Year 2 Technical Result agreed by the Parties (or determined by the Independent Accountant) during or about July/August 2026, in accordance with the provisions of clauses 6 and 7 below.

5. Calculation of the Remaining Balance Second Tranche Payment Amount

The Remaining Balance Third Tranche Payment Amount shall be determined as follows:

5.1 **Remaining Balance Third Tranche Payment Amount** means an amount equal to the Final Third Tranche Payment Amount minus the Initial Third Tranche Payment Amount, together with interest on such amount at the Call Rate between the Initial Third Tranche Payment Date and the Remaining Balance Third Tranche Payment Date, and provided further that to the extent that the Final Third Tranche Payment Amount is less than the Initial Third Tranche Payment Amount, the Remaining Balance Third Tranche Payment Amount shall be deemed to be zero and the Seller shall have no obligation to effect any payment to the Purchaser in such circumstances.

5.2 **Final Third Tranche Payment Amount** means an amount equal to the Final Third Tranche Percentage multiplied by R52,500,000.00 (fifty-two million five hundred thousand Rand);

5.3 **Final Third Tranche Percentage** means an amount calculated as follows:

$$\frac{\text{(Final Year 2 Technical Result – Year 2 Minimum Amount)}}{\text{Year 2 Minimum Amount}}$$

5.4 **Final Year 2 Technical Result** means the Year 2 Technical Result agreed by the Parties (or determined by the Independent Accountant) during or about March/April 2027, in accordance with the provisions of clauses 6 and 7 below.

6. **Dispute resolution mechanism in relation to Second Tranche and Third Tranche**

6.1 The Seller shall, by no later than:

6.1.1 31 July 2025, prepare and deliver to the Purchaser a statement setting out its initial calculation of the Year 1 Technical Result;

6.1.2 31 March 2026, prepare and deliver to the Purchaser a statement setting out its finalised calculation of the Year 1 Technical Result;

6.2 The Purchaser shall, by no later than:

6.2.1 31 July 2026, prepare and deliver to the Seller a statement setting out its initial calculation of the Year 2 Technical Result;

6.2.2 31 March 2027, prepare and deliver to the Seller a statement setting out its finalised calculation of the Year 2 Technical Result.

6.3 Each of the statements referred to in clause 6.1 and 6.2 shall be referred to below as the "**Tranche Calculation Statement**" and the Party to whom any Tranche Calculation Statement is delivered shall be referred to as the "**Recipient Party**".

6.4 The Recipient Party shall, subject to the provisions of clause 6.6 below, be entitled to object to any Tranche Calculation Statement by giving written notice

of such objection (the "**Calculation Objection**") to the other Party by no later than the dates referred to below:

6.4.1 in relation to the statement referred to in clause 6.1.1 above, by no later than 15 August 2025;

6.4.2 in relation to the statement referred to in clause 6.1.2 above, by no later than 15 April 2026;

6.4.3 in relation to the statement referred to in clause 6.2.1 above, by no later than 15 August 2026;

6.4.4 in relation to the statement referred to in clause 6.2.2 above, by no later than 15 April 2027.

6.5 To the extent that a Calculation Objection is not delivered within the period provided therefore in terms of clause 6.4, the Party which receives any Tranche Calculation Statement shall be deemed to have accepted the correctness of such Tranche Calculation Statement.

6.6 In order to be valid, any Calculation Objection delivered by the Recipient Party to the other Party shall be required to specify in detail:

6.6.1 the exact items being disputed and the rationale for such dispute; and

6.6.2 to the extent practicable, the amount by which the Recipient Party believes such disputed item is incorrect.

6.7 Only those items or amounts specified in any Calculation Objection shall be treated as being in dispute (the "**Disputed Items**") and no amendment may be made by the Parties or the Independent Accountant to any items or amounts that are not Disputed Items.

6.8 Each Party shall provide such reasonable access to its personnel, books, records and calculations as the other Party or its advisers may reasonably require in connection with its preparation or review of any Calculation Objection.

6.9 If any Party delivers a Calculation Objection to the other Party in accordance with the provisions of clauses 6.4 and 6.6 above, then the nominated senior managers of each Party shall forthwith enter into discussions to try and resolve such Calculation Objection in good faith within 5 (five) Business Days after the delivery of the Calculation Objection ("**Resolution Period**").

6.10 If the Parties reach agreement on any Disputed Item within the Resolution Period, then the amount so agreed by the Parties shall be deemed to be the final undisputed amount in respect of any Disputed Item.

6.11 If the Parties fail to resolve any Disputed Item within the Resolution Period, then either of them may within, 5 (five) Business Days after the expiry of the Resolution Period, refer the dispute to an Independent Accountant for determination in accordance with the provisions of clause 7 below.

6.12 If neither of the Parties refer a dispute within the 5 (five) Business Day period referred to in clause 6.11 above, then the Calculation Objection shall be deemed to be resolved and the amounts set out in the Tranche Calculation Statement (or such other amount agreed to in writing by both Parties prior to the expiry of such

5 (five) Business Day period) shall be deemed to have been accepted and finally agreed to by the Parties and shall constitute the final and settled amounts in respect thereof.

7. Determination by Independent Accountant

To the extent that any matter is referred to the Independent Accountant in terms of the provisions of clause 6.11 above, the following provisions shall apply:

7.1 the Parties shall use their reasonable commercial endeavours to procure that the Independent Accountant:

7.1.1 rules only on Disputed Items submitted to it in terms of the provisions of clause 6.11 above, accepting all other aspects of the relevant Tranche Calculation Statement;

7.1.2 makes a decision on the dispute and notifies the Parties of its decision within 10 (ten) Business Days of receiving the referral pursuant to clause 6.11 above;

7.1.3 renders a written report to the Parties containing the resolution of each Disputed Item, a summary of the Independent Accountant's reasoning for the resolution of each Disputed Item and the resulting adjustment to the calculation of such Disputed Item;

7.2 the Independent Accountant shall act as an expert and not as an arbitrator, and its decision shall (in the absence of manifest error or fraud) be final and binding on the Parties;

7.3 each of the Parties shall provide the Independent Accountant with all information relating to the matter which the Independent Accountant reasonably requires and the Independent Accountant shall make its determination based solely on such information and not by independent review;

7.4 in resolving any Disputed Item the Independent Accountant shall not assign a value to such Disputed Item that is:

7.4.1 greater than the greatest value for such Disputed Item claimed by either Party (whether in terms of the relevant Tranche Calculation Statement or the relevant Calculation Objection, as the case may be), or

7.4.2 less than the smallest value for such Disputed Item claimed by either Party (whether in terms of the relevant Tranche Calculation Statement or the relevant Calculation Objection, as the case may be); and

7.5 the costs of the Independent Accountant shall be borne and paid by the Parties in equal shares, unless otherwise determined by the Independent Accountant in its sole discretion.