

BENEFIT PAYMENT
AGREEMENT

Between

THE DATA FACTORY (PTY) LIMITED

("DF")

A Company duly incorporated in accordance with the laws of

The Republic of South Africa,

Registration number 2000/013055/07

and

("Client")

1. **INTRODUCTION**

- 1.1 **DF** and **CLIENT** wish to enter into an agreement to facilitate the verification of bank account details, the payment of surplus apportionment and/or unclaimed benefits former members to whom benefits are due, the issue of IT3 tax forms and/or payment notification advices to each of the former members upon successful payment;
- 1.2 **DF** shall utilize the services of Netcash, an entity registered with the FSB, to perform payments and at no time shall amounts payable to former members be deposited into the DF bank accounts;
- 1.3 **DF** shall utilize the **CLIENT'S** data within the **DF** payment process flow as outlined in Annexure A;
- 1.4 The parties shall provide the necessary support to the other party in order to achieve the stated objective of this *agreement*.

2. **PRESCRIBED DATA**

- 2.1 **CLIENT** shall provide **DF** with an electronic file containing the following prescribed data for each individual that requires payment under this agreement:
- 2.1.1 Member Reference Number;
- 2.1.2 Surname;
- 2.1.3 First Names;
- 2.1.4 Identity Number or Date of Birth;
- 2.1.5 Gross Amount Payable;
- 2.1.6 Tax Reference Number(where known to the **CLIENT**);
- 2.1.7 Bank Account Details (inclusive of Account Number, Bank Name, Account Type, Branch Code, Account Name);
- 2.1.8 Member Postal Address; and
- 2.1.9 Member Telephone Contact Details.
- 2.2 The **CLIENT** shall also provide the following information for the fund:
- 2.2.1 Fund Registered Name;
- 2.2.2 Fund Contact Details;
- 2.2.3 Surplus Accrual Date; and
- 2.2.4 FSB Approval Date.

3. **DUTIES AND RESPONSIBILITIES OF THE PARTIES**

- 3.1 **DF** shall perform its duties and facilitate payments to former members in line with Annexure A;
- 3.2 **DF** shall only facilitate payments into Bank Accounts registered in the name of the former member and payments shall only be made to banks registered in South Africa;
- 3.3 **DF** shall not be responsible for providing more than one follow-up call to obtain correct bank account details where bank account details are not verified or confirmed by the relevant bank at the time of first payment run attempt. The Parties shall address incorrect member bank account details which are not corrected after initial DF follow-up call and agreed procedures will be added to this agreement as an addendum;

- 3.4 **DF** shall not be responsible for providing more than one follow-up call where letters have been sent to former members and no response is received. The Parties shall address this area at a later date and agreed procedures will be added to this agreement as an addendum;
- 3.5 **DF** shall comply with the service levels as outlined under Annexure B;
- 3.6 **DF** shall utilize its PAYE employer number with respect to SARS IT3 generation and associated annual returns (if applicable);
- 3.7 **DF** shall maintain an electronic audit trail which shall be made available to **CLIENT** upon 72 hours written notice;
- 3.8 **CLIENT** shall endeavor to perform its functions in terms of Annexure A process flow on a timely basis, thereby minimizing payment delays and costs to **DF**;
- 3.9 While **DF** indemnifies the **CLIENT** against losses incurred due to negligence committed by **DF** under this agreement and shall ensure that appropriate indemnity insurance is in place, the **CLIENT** acknowledges that the data provided to **DF** by the **CLIENT** per clause 2 is fundamental to **DF** completing its duties.

4. PAYMENT TERMS

- 4.1 **DF** shall invoice **CLIENT** and the **CLIENT** shall pay **DF** according to Annexure C;
- 4.1.1 All fees outlined under this clause are exclusive of Value Added Tax;
- 4.1.2 **DF** shall submit a single monthly invoice to **CLIENT**, together with supporting documentation to be determined by the Parties;
- 4.1.3 All invoices shall be payable within 30 calendar days of receipt by **CLIENT**;
- 4.1.4 Where the **CLIENT** pays and **DF** receives payment within 15 (fifteen) days of an invoice date, **DF** shall apply a discount of 3% (three percent) of the total invoice;
- 4.1.5 No discount shall be applicable where **CLIENT** has not paid in full any invoices which have an earlier invoice date and/or late payment interest remains outstanding;
- 4.1.6 **DF** reserves the right to charge interest calculated at 20% per annum (pro rata) where payment is received outside payment terms outlined under 4.1.5.

5. CONFIDENTIALITY

- 5.1 Confidential information shall, for the purposes of this Agreement include, without limitation, any **CLIENT**, member, beneficiary or **DF** confidential information and business information, any technical, commercial and scientific information, know-how, annual financial statements, trade secrets, processes, machinery, designs, drawings, technical specifications, data in whatever form, and specifically includes the details of THE **CLIENT's** beneficiaries and members, communicated to the receiving party or required by the receiving party from the disclosing party during the course of operations contemplated in this agreement.
- 5.2 The Parties agree that:
- 5.2.1 They will not, during the term of this Agreement or thereafter into perpetuity, disclose the confidential information to any third party for any reason or purpose whatsoever without the prior written consent of the disclosing party, save in accordance with the provisions of this Agreement.

- 5.2.2 that the unauthorised disclosure of the confidential information to a third party may cause irreparable loss, harm and damage to the disclosing party, accordingly, the receiving party indemnifies and holds the disclosing party harmless against any loss, action, expense, claim, harm or damage of whatever nature suffered or sustained by the disclosing party pursuant to a breach by the receiving party of the provisions of this Agreement.
- 5.2.3 Not to utilise, exploit or in any other manner whatsoever use the confidential information disclosed pursuant to the provisions of this Agreement for any purpose whatsoever otherwise than as contemplated in this Agreement, without the prior written consent of the disclosing party;
- 5.3 The parties agree that they shall protect the confidential information disclosed pursuant to the provisions of this Agreement, using the same standard of care that each party applies to safeguard its own proprietary, secret or confidential information and that the information shall be stored and handled in such a way as to prevent any unauthorised disclosure thereof.
- 6. ARBITRATION**
- 6.1 Any dispute arising from or in connection with this Contract shall be finally resolved in accordance with the Rules of the Arbitration Foundation of Southern Africa ("AFSA"), by an arbitrator who is agreed to between the parties, or failing agreement within 7 (seven) days of the dispute arising, an arbitrator or arbitrators appointed by the president of AFSA.
- 6.2 Nothing in this clause shall prevent any party from obtaining urgent and interim relief in the courts pending the outcome of the arbitration.
- 7. AMENDMENTS**
- 7.1 No amendment, interpretation or waiver of any of the provisions of this Agreement shall be effective unless reduced to writing and signed by, or on behalf of the parties.
- 8. ENFORCEMENT**
- 8.1 A failure to enforce or to require the performance at any time of any of the provisions of this Agreement shall not be construed to be a waiver of such provision and shall not affect either the validity of this Agreement, or any part hereof, or the right of any party to enforce the provisions of this Agreement.
- 9. ENTIRE AGREEMENT**
- 9.1 This Agreement contains the entire Agreement between the parties with respect to the subject matter of this Agreement and supercedes all prior Agreements between the parties, whether written or oral, with respect to the subject matter of this Agreement.
- 10. GOVERNING LAW**
- 10.1 This Agreement, and the relationships of the parties in connection with the subject matter of this Agreement, shall be governed and determined in accordance with the laws of the Republic of South Africa.
- 11. JURISDICTION**
- 11.1 The parties hereby submit themselves to the exclusive jurisdiction of the Cape Town Local Division of the High Court of South Africa.
- 12. BREACH**

12.1 Subject to any provision of this Agreement specifically providing for the remedy of any breach, should **DF** on the one hand, or **CLIENT** and/or the Trustees on the other hand, ("the defaulting party") commit a breach of any of the terms and conditions of this Agreement or any of the warranties incorporated herein and fail to remedy such breach within 14 (fourteen) days after receipt of written notice by the other party calling upon the defaulting party to do so, the other party shall be entitled without prejudice to any of the Parties' rights in law, to cancel this Agreement or to claim specific performance, in either event without prejudice to the aggrieved party's right to claim damages.

13. POSTAL ADDRESSES

13.1 Any written notice in connection with this Agreement must be addressed:
in the case of **CLIENT** to:

and shall be marked for the attention of _____

in the case of **DF** to: The Data Factory
 Noland House
 River Park Offices
 Liesbeek Parkway
 Mowbray
 7700

and shall be marked for the attention of Mr. Sean Rossouw

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

13.2.1 7 (seven) days after posting and posted by registered post to the party's address in terms of this sub-clause;

13.2.2 on delivery, if delivered to the party's physical address in terms of this sub-clause, the next sub-clause dealing with service of legal documents;

13.2.3 on dispatch, if sent to the party's then telefax number and confirmed by registered letter, posted no later than the next business day.

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

13.3 A party may change that party's address for this purpose by notice in writing to the other party. No notice shall be necessary in respect of a new, or changed, telefax number.

14. COSTS

14.1 Each party shall bear the party's own legal costs incidental to the negotiation preparation settling and signing this Agreement. The stamp duty on this Agreement, if any, shall be borne in equal shares by the parties hereto.

14.2 Any costs, including attorney and own client costs, incurred by the other party arising out of the breach by the other party of any the provisions of this Agreement shall be borne by the party in breach.

15. DURATION OF AGREEMENT

- 15.1 This Agreement shall become effective as at the date of the last signatory hereto;
- 15.2 The Agreement shall remain in force for a period of 4 (Four) Months;
- 15.3 The Agreement shall automatically renew for a further period of 4 (Four) Months, unless either party provides notice at least 1 (One) Months prior to the expiry of the period referred to in clause 15.2.

16. REJECTIONS

- 16.1 The CLIENT shall determine whether to instruct **DF** to remit any monies held by Netcash to the **CLIENT's** or fund's bank account as result of banks advising of payment rejections;
- 16.2 **DF** undertakes to facilitate the transfer by the next business day following receipt of written instruction;
- 16.3 **DF** shall not be liable for any lost interest due to bank rejections and **CLIENT** instruction delays to remit funds held to **CLIENT's** or fund's bank account.

17. LIABILITY FOR LATE PAYMENT OF BENEFIT

- 17.1 **DF** undertakes to facilitate the transfer of monies to individuals from Netcash on the same business day where **CLIENT** monies are received by Netcash prior to 10am on any business day;
- 17.2 **DF** undertakes to facilitate the transfer of monies to individuals from Netcash on the next business day where **CLIENT** monies are received by Netcash after 10am on any business day;
- 17.3 **DF** shall not be liable for any lost interest that may have accrued to an individual where **DF** has complied with 16.1 and 16.2 above.
- 17.4 Clause 16.3 shall also apply where payment delays are as a result of **CLIENT** transfer delays or delays caused by interbank transfers.

SIGNED at _____ this _____ day of _____ 2008

Name: _____

For and on behalf of the **CLIENT**, who by his /her signature warrants that he/she, is duly authorized thereto.

AS WITNESS:

Name: _____

SIGNED at Cape Town this _____ day of _____ 2008

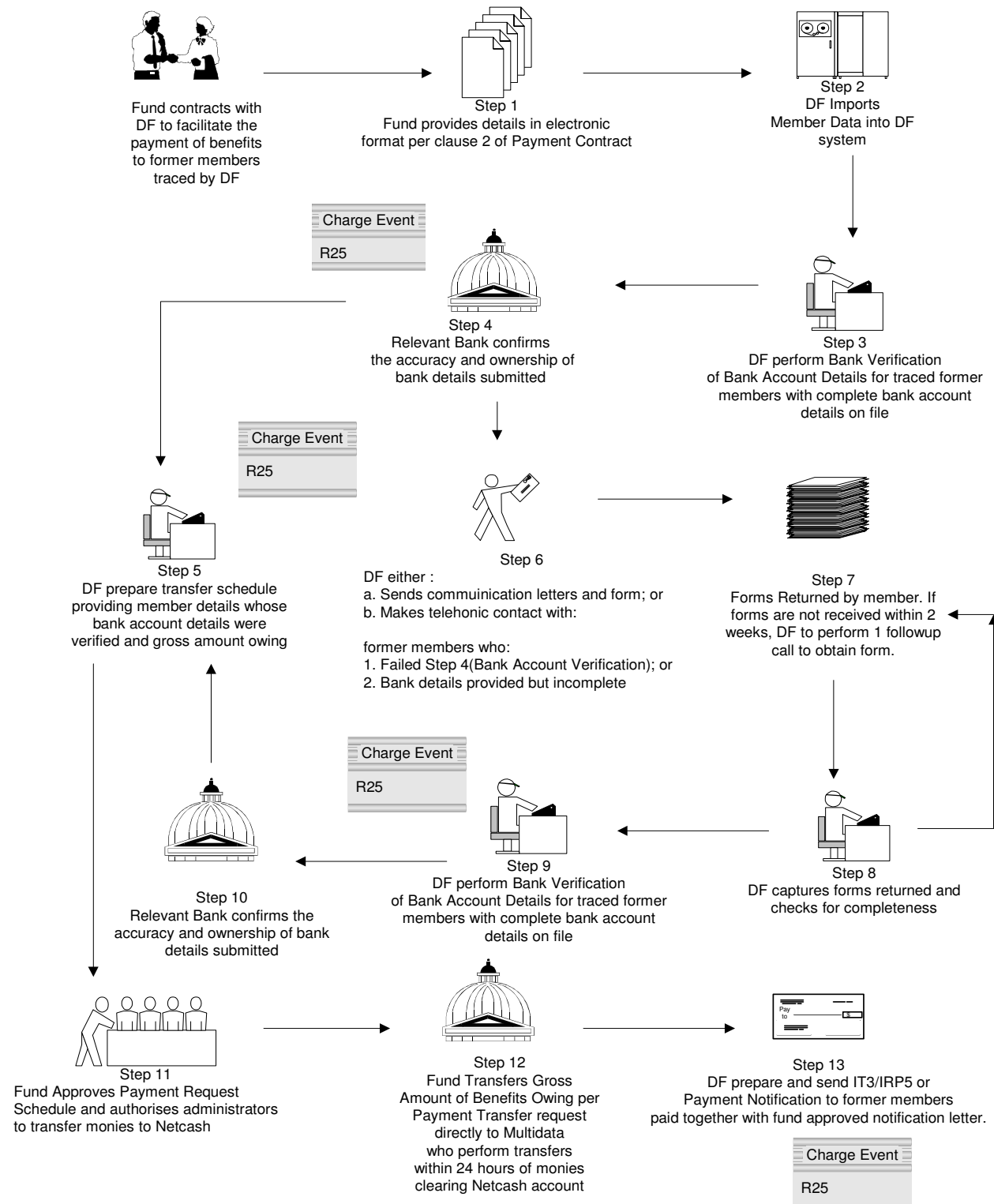
Name: _____

For and on behalf of Data Factory (Pty) Limited who by his/her signature warrants that he/she is duly authorized thereto.

AS WITNESS:

Name: _____

Annexure A	
Payment Process Flow	v1.3



Annexure B

Service Level Agreement

The Fund recognises that certain processes and requirements that are required by DF to perform its duties and responsibilities under this agreement are dictated by third party performance. DF is, therefore, unable to provide service levels and completion time in these areas.

With reference to Annexure A, these relate to the following process steps:

- a. Step 1;
- b. Step 7; and
- c. Step 11.

DF provides the following turnaround and completion times by reference to the process as outlined under Annexure A:

- a. Step 2 – 2 business days;
- b. Step 3 – 3 business days;
- c. Step 4 and 5 – 3 business days;
- d. Step 6 – 4 business days;
- e. Step 12 – 2 business days;
- f. Step 13 – 2 business days;
- g. Step 8 – 2 business days; and
- h. Step 9 and 10 – 5 business days.

The following represents an indicative timeline for DF to complete its mandate. They exclude the time taken by former members and the Fund to complete its responsibilities under Steps 1, 7 and 11.

1. Where former members owed monies have provided correct and complete bank account details (Steps 2, 3, 4, 5, 12 and 13) – 12 business days;
2. Where former members owed monies have submitted incorrect bank account details (Steps 2, 3, 4, 5, 6, 8, 9, 10, 12 and 13) – 23 business days.

Annexure C

Fees Chargeable

DF will charge the fund upon completion of a chargeable event per individual where the chargeable event has been completed.

Annexure A indicates the step which is defined as a chargeable event and the amount chargeable per person (excluding VAT).

The fund shall be invoiced on a monthly basis in arrears for all chargeable events completed during the preceding month and is payable within 30 days of receipt of invoice.

The following represents the chargeable events applicable per individual payable:

1. Step 4 or 9 – Bank Account Verification (irrespective whether confirmed or not) – R25.00;
2. Step 5 – Payment Approval Request received by client from DF – R25.00; and
3. Step 13 – IT3 and Notification Letter sent to member following payment – R25.00.