



INDEMNITY FOR PAYMENT OF HOUSING COLLATERAL

I the undersigned,

in my capacity as Payroll Manager, and duly authorised thereto by a resolution of the

(the "Council")

hereby indemnify the Municipal Gratuity Fund (the "Fund") against any claim/s which may be instituted against the fund by any employee of the mentioned Council, which claim is based on:

A deduction by the Fund in the amount of R_____ of the benefit payable by the Fund to _____
(the "employee")

1. as a result of the granting of a housing loan by the Council to the employee; or
2. as a result of the housing guarantee granted by the Council and paid by the Fund to the Council,

including any legal costs on an attorney and client scale incurred or to be incurred by the fund as a result of such a deduction and payment and/or opposing or defence of such claim/s.

Signed at _____ on this ____ day of _____ 2006 in the presence of the undersigned witnesses.

WITNESSES:

1. _____

2. _____

PAYROLL MANAGER

EXEMPTED FROM STAMP DUTY IN TERMS OF SECTION 4(1)B(1) OF ACT 77 OF 1968.