**INSURANCE BROKING SERVICE AGREEMENT**

**BETWEEN**

**AND**

STRATEGIC TRANSFER SOLUTIONS (PTY) LIMITED

Dated __________________________

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**Introduction**

Strategic Transfer Solutions (Pty) Limited ("STS") is an Authorised Financial Services Provider and operates under FSP Licence number 36382. We follow the rules and principles established by the Financial Services Board as set down by the Financial Advisory and Intermediary Services Act, 2002.

We are an independent intermediary and offer transactional and/or advisory services for your insurance requirements. We advise on various types of Short Term insurance products (as defined in the FAIS Act as Commercial and Personal Lines) and we are not tied to any one insurer.

This document sets out the terms of our relationship with you for the provision of insurance broking services.

**STS Services**

**Furnishing of Advice**

Prior to furnishing advice we will discuss with you your insurance requirements.

We do not offer advice in relation to tax, accounting, regulatory or legal matters and you should take separate advice as you consider necessary regarding such matters.

**Negotiation and Placing**

Upon receipt of your instructions, whether written or verbal, we will endeavour to satisfy your insurance requirements.

During the course of the placement of your insurance we will endeavour to keep you informed of the progress of our negotiations and identify any inability to obtain the coverage sought by you.

We will use reasonable endeavours to implement your insurance programme, subject to available insurers, before the intended date of inception, renewal or extension of cover.

We will provide you with information about the recommended insurance cover to enable you to decide whether to accept the insurance cover available.

As your insurance intermediary we will furnish a reasonable and appropriate general explanation about the financial service and material contractual information and will answer any questions you may have on the proposed cover, its benefits, restrictions, exclusions and conditions.

**Market Security**

We will not in any circumstances act as an insurer nor will we guarantee or otherwise warrant the solvency of any insurer used for your requirements. As a consequence the decision regarding the suitability of any insurer rests with you. If you have any concerns regarding any insurers chosen for your insurance requirements you must advise us as soon as possible.

**Policy Administration**

We will send you documentation confirming the basis of the cover secured on your behalf, including details of the insurers, with an invoice which is payable on presentation.

We will forward policy documents, endorsements to your policy as soon as reasonably practicable.

**Claims**

We will provide our claims handling services during the policy period for the policies placed by us. Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers; representing you in the resolution of the claim and arranging the collection and/or settlement of the claim.

**Electronic Communications**

We will communicate with each other by electronic mail, sometimes attaching further electronic data. By consenting to this method of communication we and you accept the inherent risks (including the security risks of interception of or unauthorised access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices).

**Your Responsibilities**

**Proposal Forms**

You may be required to complete a proposal form, questionnaire or similar document. We will provide guidance but we are not allowed to complete the document on your behalf.

**Disclosure of Information**

You are responsible for providing us with the information we request from you to enable us to seek the cover sought. We will not be responsible for any consequences which may arise from any delay or failure by you to do so.

Further, all information which is material to your coverage requirements or which might influence insurers in deciding to accept your business, finalising the terms to apply and/or the cost of cover must be disclosed. There is no duty on insurers to make enquiries of you. Failure to make such disclosure allows insurers to avoid the policy. This duty of disclosure applies equally at renewal of your policies and on taking out new insurance policies.

Please discuss with us if you have any doubts about what is material or have any concerns that we may not be aware of material information.

**Your Policy**

You are responsible for reviewing the evidence of insurance cover to confirm that it accurately reflects the cover, conditions, limits and other terms that you require. Particular attention should be paid to any policy conditions, warranties and claims notification provisions as failure to comply may invalidate your coverage. If there are any discrepancies, you should consult us immediately.

**Claims**

You are responsible for notifying claims or potential circumstances that may give rise to a claim.

To ensure full protection under your policy or similar documentation provided you should familiarise yourself with the coverage conditions or other procedures immediately relating to claims and to the notification of those claims. Failure to adhere to the notification requirements particularly timing, as set out in the policy or other coverage document, may entitle insurers to deny your claim. In presenting a claim it is your responsibility to disclose all facts which are material to the claim.

Claims may be made against a policy long after its expiry. Therefore it is important that you keep your policy documents in a secure place.

**Change in Circumstances**

You will advise us as soon as reasonably practicable of any changes in your circumstances that may affect the services to be provided by us or the cover provided under your insurance policy.
Provision of Information
All activities undertaken by us as outlined in this document are provided by us for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use.

You agree not to permit access by any third party to this information without our express written permission. We reserve our right to take action to protect proprietary information.

Payment of Premium
You will provide settlement of all monies due on presentation of our invoice. Failure to timely remit payment may lead to insurers cancelling your policy.

Representatives
STS accepts responsibility for the activities performed by its Representatives within the scope of, or in the course of their duties, as mandated by STS.

STS hold Professional Indemnity and Fidelity Guarantee Insurance.

Product Supplier
We confirm we have no shareholding in any insurer and we do not derive more than 30% of our total remuneration from any one product supplier. Full details of your Product Supplier are noted on your policy and annexed hereto is a list of some of our major Product Suppliers.

Remuneration
Our remuneration will be either a fee as agreed with you or statutory brokerage which is a percentage of the insurance premium paid by you and allowed to us by the insurer with whom the insurance contract is placed. Statutory brokerage:

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<tr>
<th>Class</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Motor Classes</td>
<td>12.5%</td>
</tr>
<tr>
<td>Non Motor Classes</td>
<td>20.0%</td>
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<tr>
<td>Sasria</td>
<td>12.0%</td>
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</tbody>
</table>

Brokerage and fees are earned for the policy period and we will be entitled to retain all fees and brokerage in respect of the full policy period in relation to policies placed by us.

You may also choose to use a premium finance company or other service provider in connection with the insurance we place for you or the services we provide. If we receive any remuneration from any such provider by reason of your use of their service, we will disclose to you the amount of that remuneration before you make a final decision to use that service provider.

In the ordinary course of business we may also receive interest on client and insurer monies from the date when we receive funds until we settle to those due to receive them. We confirm that we shall retain such interest.

Conflicts of Interests
Circumstances may arise where we may find we have a conflict of interest or otherwise have a material interest in or related to a matter in which we are acting. We have conflict management procedures and we seek to avoid conflicts of interest but where a conflict is unavoidable we will explain the position fully and manage the situation in such a way as to avoid prejudice to any party. A copy of our internal policy on managing potential conflict of interests and insider trading will be made available on request.

Financial Intelligence Centre
We have a legal responsibility to report any suspicious or unusual transactions to the Financial Intelligence Centre in terms of the Financial Intelligence Centre Act 38 of 2001.

Confidentiality
We will treat any information in our possession as confidential. It will be necessary, however, for us to disclose information that you consider confidential to insurers or other parties, when acting on your behalf, where we consider such information to be material to the risks being covered. We will not disclose your confidential information to any other party without your prior consent, other than a regulatory body with legal authority to request such information.

Complaints
Should you have any cause for complaint about our services please raise the matter in the first instance with the person who handles your account. Alternatively, you may contact one of our Directors at the under-mentioned address.

Strategic Transfer Solutions (Pty) Limited
Building 5, Inanda Greens Business Park, 54 Wierda Road West, Wierda Valley, Sandton, 2196
Tel: (011) 783-4997
Fax: (011) 783-8993
e-mail: alove@stsbrokers.co.za
Website: www.stsbrokers.co.za

We will acknowledge your written complaint within five days of receipt and will advise you of the person dealing with it. Should you not be happy with the response to your complaint you have the right to take your complaint to:

The Ombud for Short-Term Insurance
PO Box 32334, Braamfontein, 2107
Tel: (011) 726 8900
Fax: (011) 726 5501
e-mail: info@osti.co.za

The FAIS Ombud
PO Box 74571, Lynnwood Ridge, 0040
Tel: 0860 324 766
e-mail: info@faisombud.co.za

Compliance Officer
Eas-E Comply (Pty) Ltd
Compliance Practice No: 28
PO Box 940, Houghton, 2041
Tel: 0861 266 759
Fax: 086 504 4119
Website: www.iisssa.co.za

Termination
Our services may be terminated either by us or you upon the giving of one month’s notice in writing to the other or as otherwise agreed.

In the event our services are terminated by you we will be entitled to receive any and all fees or brokerage payable (whether or not the same have been received by us) in relation to policies placed by us.

Governing Law
This agreement, which sets out the terms of our relationship with you, will be governed by and construed in accordance with South African Jurisdiction and any dispute arising under it shall be subject to the exclusive jurisdiction of the South African Jurisdiction courts.