

INTERMEDIARY AGREEMENT

BETWEEN

Resolution Underwriters(Pty)Ltd

as the UNDERWRITING MANAGER

Hereinafter known as "RESOLUTION UNDERWRITERS (PTY) LTD"

Registration Number 1993/001387/07 on the one part

INTERMEDIARY

As the Intermediary

Hereinafter known as (_____)

Registration Number (_____) of the other part

1. GENERAL

The headings of this agreement are inserted for reference purposes only and shall in no way govern or affect the interpretation of this agreement:

Unless inconsistent with the context, an expression which denotes:

- 1.1 Any gender includes the other genders;
- 1.2 A natural person includes an artificial person and vice versa;
- 1.3 The singular includes the plural and vice versa.

The following expressions shall, unless the context indicates otherwise, bear the meanings ascribed to them here:

- 1.4 Companies Act: Companies Act No 61 of 1973, including all amendments thereto.
- 1.5 The Act: The Short Term Insurance Act No 58 of 1998, including amendments thereto
- 1.6 Marketing intermediary: a person appointed as an intermediary to develop and promote the business of the intermediary.
- 1.7 The business: Products specified as per annexure A
- 1.8 Person: any natural or artificial person, including any body of persons corporate or unincorporate.
- 1.9 Rating guide: the set of insurance rates applied by RESOLUTION UNDERWRITERS (PTY) LTD to price risks.
- 1.10 Sub-agent: any person with whom the intermediary may conclude an agreement according to which such person shall act as an intermediary on behalf of the intermediary subject to the written approval of RESOLUTION UNDERWRITERS(PTY)LTD
- 1.11 RESOLUTION UNDERWRITERS(PTY)LTD: Resolution Underwriters(Pty)Ltd
- 1.12 Intermediary: the person with whom RESOLUTION UNDERWRITERS(PTY)LTD concludes this agreement
- 1.13 The notice period: a period of one (1) calendar month. The notice period shall commence on the first day of the calendar month and shall expire at midnight on the last day of the calendar month
- 1.14 This agreement: the written agreement incorporated herein plus any annexure hereto
- 1.15 Underwriting Guide: the underwriting manual published by RESOLUTION UNDERWRITERS(PTY)LTD setting out the underwriting rules and principles applied by RESOLUTION UNDERWRITERS(PTY)LTD for the underwriting of risks. The underwriting guide is amended from time to time and will be available on request from RESOLUTION UNDERWRITERS(PTY)LTD
- 1.16 The Insurer: any insurance company with whom RESOLUTION UNDERWRITERS(PTY)LTD is contracted
- 1.17 FAIS: Financial Advisory Intermediary Services Act of 2002

- 1.18 Intermediary
Application: an application form completed by the intermediary on signing this contract

2. APPOINTMENT AS INTERMEDIARY

RESOLUTION UNDERWRITERS (PTY) LTD hereby appoints the Intermediary to procure the business as of the date on which this contract is signed

3. POWERS AND DUTIES OF THE INTERMEDIARIES

- 3.1 The intermediary will obtain written approval from RESOLUTION UNDERWRITERS(PTY)LTD on all marketing material and any documentation in which RESOLUTION UNDERWRITERS(PTY)LTD or the insurer is mentioned
- 3.2 The intermediary will inform RESOLUTION UNDERWRITERS (PTY) LTD immediately in writing on receipt of any communication indicating possible and/or definite amendments to their FAIS license.
- 3.3 The intermediary will inform RESOLUTION UNDERWRITERS(PTY)LTD immediately in writing of any possible litigation and/or ombudsman matters relating to any of the RESOLUTION UNDERWRITERS(PTY)LTD products
- 3.4 The intermediary will ensure that he and all his employees and/or representatives and/or sub-agents are trained by RESOLUTION UNDERWRITERS(PTY)LTD before engaging in any sales activities
- 3.5 The Intermediary may not quote premium rates other than those specified in the rating guide unless specifically so authorised by RESOLUTION UNDERWRITERS(PTY)LTD in writing
- 3.6 Any contravention of the provisions of Section 48 of the Insurance Act or the FAIS Act shall constitute a material breach of this agreement.
- 3.7 The Intermediary may not extend credit to any policy holder in respect of the payment of premiums
- 3.8 No policy document endorsements thereon or renewal receipts may be handed to the policy holder until the relevant premium has been paid. Policy wordings may be supplied to applicants provided that they are clearly marked as being for information purposes only
- 3.9 The Intermediary may not grant any extension of time to policyholders for the renewal of policies
- 3.10 The Intermediary shall immediately notify RESOLUTION UNDERWRITERS(PTY)LTD of a claim under a policy or of any circumstances that may lead to such a claim
- 3.11 Unless expressly authorised by RESOLUTION UNDERWRITERS(PTY)LTD in writing, the Intermediary may not do any of the following in relation to insurance business conducted by it:
- 3.11.1 admit, negotiate or settle a claim;
 - 3.11.2 institute legal proceedings;
 - 3.11.3 amend any policy, endorsement or receipt;
 - 3.11.4 engage in advertising;
 - 3.11.5 engage in the issuing of circular letters

4. DOCUMENTATION

The Intermediary hereby acknowledges that the proposal form is a vital and integral part of the contract of insurance entered into with the policyholder. The Intermediary accordingly undertakes to comply with or ensure compliance with (as the case may be) the following minimum requirements:

- 4.1 the presentation of any business and the proposal form and relevant marketing material and any other documentation must comply with FAIS regulations
- 4.2 the original proposal form will be forwarded to RESOLUTION UNDERWRITERS(PTY)LTD attached to and will remain part of the underwriting file
- 4.3 a clear reply shall be given to each question contained in the proposal form;
- 4.4 if a question is not of application, the words "*not applicable*" shall be inserted alongside the question. In a case when the answer is not known, this fact must be stated. Ticks or dashes do not constitute a proper reply to a question. All deletions and alterations must be confirmed by the applicants signature
- 4.5 When the proposal form has been properly completed it must be signed and dated by the applicant, unless a proper voice recording is made.
- 4.6 Where the Intermediary completes the proposal form in his own writing the questions and answers must be read to the applicant before the applicant's signature is placed on the proposal form, unless a proper voice recording is made.
- 4.7 The applicant will be informed of any optional intermediary service fees and that the underwriter has the discretion to amend the policy inception date

5. CHANGE IN UNDERLYING POLICY TERMS AND CONDITIONS

RESOLUTION UNDERWRITERS (PTY) LTD undertakes to provide 30 days written notice of any changes to the underwriting terms and conditions including increase in premiums, rates and excess structures.

6. ASSIGNMENT OF AGENCY

The Intermediary may not cede its rights or delegate its obligations in terms of this agreement to any person without the prior written consent of RESOLUTION UNDERWRITERS (PTY) LTD

7. SUB-AGENTS

- 7.1 Unless specifically authorised in writing by RESOLUTION UNDERWRITERS (PTY) LTD, the Intermediary may not conclude an agreement with a sub-agent (other than a marketing agent) in connection with RESOLUTION UNDERWRITERS(PTY)LTD's business. Without derogating from the generality of the foregoing, no sub-agent shall be allowed to collect or receive any premium owing to the Insurer
- 7.2 In the event of any breach by the Intermediary of the terms of paragraph 7.1 above (and notwithstanding RESOLUTION UNDERWRITERS(PTY)LTD's rights under this agreement arising from such breach), the Intermediary hereby indemnifies RESOLUTION UNDERWRITERS(PTY)LTD and the Insurer against all claims of whatsoever nature which may be made by or against RESOLUTION UNDERWRITERS(PTY)LTD or the Insurer based on the acts or omissions of any sub-agent and any failure by such sub-agent to account for premiums paid to the sub-agent which are owed to the Insurer

8. DEALINGS WITH UNAUTHORISED PARTIES

The Intermediary may not contract insurance business with any sub-agents who are on the declined list of either RESOLUTION UNDERWRITERS (PTY) LTD or the Insurer

9. REMUNERATION OF THE INTERMEDIARY

- 9.1 Commission shall be reckoned as a percentage of the net premiums received in terms of the policies issued by RESOLUTION UNDERWRITERS(PTY)LTD
- 9.2 The Intermediary shall only earn commission on premium paid by a policyholder to RESOLUTION UNDERWRITERS (PTY) LTD while the Intermediary is responsible for servicing that policy and while the intermediary complies with relevant law requirements such as the FAIS Act.
- 9.3 Should either RESOLUTION UNDERWRITERS(PTY)LTD or the Insurer or the policyholder terminate the Intermediary's mandate in respect of any such policy no further commission shall be earned by the Intermediary in respect of that policy from the date of the termination of its mandate
- 9.4 RESOLUTION UNDERWRITERS(PTY)LTD or the Insurer shall not vary the rates of commission set out in this agreement at any time, either generally or in respect of individual policies or policy holders
- 9.5 Should any policy in respect of which the Intermediary has received commission be cancelled for any reason whatsoever the Intermediary shall refund to RESOLUTION UNDERWRITERS(PTY)LTD a pro rata amount of the commission paid in the same proportion as any premium refund bears to the total premium which would have been payable by the policy holder but for such cancellation
- 9.6 The intermediary shall earn intermediary fees upon receiving written agreement from the applicant/policy holder.

10. TERMINATION

- 10.1 Either party may cancel this agreement by giving the other party written notice of one (1) calendar month at any time. This agreement shall terminate at midnight on the final day of the notice period and shall be of no further force or effect from that date.
- 10.2 The Intermediary may not write new insurance business on behalf of RESOLUTION UNDERWRITERS(PTY)LTD or the Insurers behalf during the notice period
- 10.3 Notwithstanding the foregoing, should the Intermediary commit a breach of a material term of this agreement either RESOLUTION UNDERWRITERS(PTY)LTD or the Insurer shall be entitled to give written notice of immediate cancellation of this agreement
- 10.4 This agreement shall terminate automatically if the Intermediary:
 - 10.4.1 becomes the subject of voluntary or involuntary liquidation, sequestration, insolvency or judicial management proceedings (whether provisional or final);
 - 10.4.2 enters into any general assignment, compromise, composition or scheme of arrangement for the benefit of creditors of the Intermediary;
 - 10.4.3 is an individual, partnership or close corporation and commits an act of insolvency or is a company and commits an act allowing for the winding up of a company under Section 344 or the Companies Act;
 - 10.4.4 is merged with, acquired by, becomes controlled by or is otherwise absorbed by any person (unless a previous agreement has been reached in this regard with RESOLUTION UNDERWRITERS(PTY)LTD);
 - 10.4.5 has any pertinent license to conduct its business suspended, removed or impaired by any regulatory or judicial authority
 - 10.4.6 has failed to disclose a material fact in its application to act as an intermediary for RESOLUTION

UNDERWRITERS(PTY)LTD

11. RIGHT OF INSPECTION

- 11.1 All documents, which come into the Intermediary's possession in connection with the business, will be deemed to be and shall remain the property of RESOLUTION UNDERWRITERS (PTY) LTD or the Insurer.
- 11.2 RESOLUTION UNDERWRITERS (PTY) LTD and/or the Insurer or its representatives shall have the right to inspect and audit any records pertaining to their personal lines business at any time during business hours and shall have the right to make copies of the relevant documentation.
- 11.3 The Intermediary immediately upon termination of this Agreement shall return all such documentation to RESOLUTION UNDERWRITERS(PTY)LTD

12. DOMICILIUM AND NOTICES

- 12.1 Any notice referred to in this agreement must be in writing and must be addressed to the domicilium citandi et executandi of the party to whom it is addressed.
- 12.2 Such notices must either:
 - 12.2.1 be delivered by hand at the relevant domicilium address and an acknowledgement of receipt must be signed by the person present at the relevant domicilium address on a copy of such notice; or
 - 12.2.2 be sent by pre-paid registered post to the relevant domicilium address; or
 - 12.2.3 be sent via e-mail to the e-mail addresses supplied on the intermediary application form
- 12.3 Any notice complying with the aforementioned requirements shall be deemed to have been received by the party to whom it has been addressed:
 - 12.3.1 in the case of delivery by hand, on the date of delivery
 - 12.3.2 alternatively; in the case of posting by pre-paid registered post, on the date of sending the registered mail
 - 12.3.3 alternatively; in the case of e-mail, on the date of sending the e-mail
- 12.4 The parties hereby choose domicilium citandi et executandi at the following addresses:
 - 12.4.1 The Insurer – Annexure B
 - 12.4.2 RESOLUTION UNDERWRITERS(PTY)LTD:
 - Resolution Underwriters (Pty) Ltd Idea Bank
 - 5 Baartman Street
 - BETHLEHEM
 - 9700
 - 12.4.3 The Intermediary – As per the intermediary application

13. VARIATION AND WAIVER

- 13.1 This contract replaces any contract signed before the date on which this contract is signed.
- 13.2 No addition to or variation of this agreement shall be of any force or effect unless agreed to in writing by the parties.
- 13.3 No indulgence which a party (the grantor) may grant to the other party (the grantee) shall constitute a waiver of any of the rights of the grantor, who shall not thereby be precluded from exercising any rights against the grantee which have arisen in the past or might arise in the future.

Signed by the INTERMEDIARY or duly authorised representative of the Intermediary (who warrants that he is so authorised) at _____
on this _____ day of _____ 20_____

INTERMEDIARY SIGNATURE

AS WITNESS – SIGNATURE

SIGNATORY FULL NAMES AND SURNAME

SIGNATORY FULL NAMES AND SURNAME

Signed by the RESOLUTION UNDERWRITERS(PTY)LTD or duly authorised representative of the Intermediary (who warrants that he is so authorised) at _____
on this _____ day of _____ 20_____

RESOLUTION UNDERWRITERS(PTY)LTD SIGNATURE

AS WITNESS – SIGNATURE

SIGNATORY FULL NAMES AND SURNAME

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ANNEXURE A

The Business:

The business sections referred to in the contract will be any of the following sections requested by the intermediary and approved by RESOLUTION UNDERWRITERS (PTY) LTD by initialling the following table:

Business Sections	Initial for request and approval			
	Intermediary	Witness	RESOLUTION UNDERWRITERS(PTY)LTD	Witness
Accident and Health				
Funeral				
Motor and Household				
Commercial				
Transportation				
Guarantee				
Liability				
Property				
HIV Programme				
Law for All				
Goodhealth				

Please ensure that your FAIS license provide for the relevant sections requested.