

SHORT-TERM INSURANCE DISCLOSURE NOTICE CONTRACT OF ENGAGEMENT AND LETTER OF APPOINTMENT

(“Contract”)

BETWEEN

Compendium Insurance Brokers (Pty) Ltd FSP10405 & 10409
Registration Number: 2000/009588/07

(“the Company”)

AND

Full Names	
Registration Number/Identity Number	

(“the Client”)

The Client, commencing on the signature date, appoints the Company as their Insurance Broker, which appointment the Company accepts. The terms and conditions applicable to the appointment is contained in this Contract. This Contract will remain valid and in force until cancelled in writing by the Client or cancelled by the Company by providing the Client with 31 (thirty-one) days' written notice.

INFORMATION ABOUT THE COMPANY

The Company is a registered Financial Services Provider and holds Professional Indemnity, Fidelity Guarantee, Directors & Officers' Liability and Cyber Liability Cover.

The Company is a private Company with limited liability in terms of the Companies Act, 71 of 2008.

The Company employs a number of representatives and ensures that they meet the Fit and Proper requirements in respect of the Financial Advisory and Intermediaries Act 37 of 2002 (“FAIS”).

DUTIES OF THE COMPANY

For the duration of the appointment in accordance with this Contract, the Company undertakes to-

- 1.1. render intermediary services honestly and with diligence;
- 1.2. protect the Clients insurance interests, to the best of the Company's ability;
- 1.3. communicate information that is clear, factually correct and not misleading;
- 1.4. manage conflicts of interest and disclose same to the Client;
- 1.5. provide information to the Client that assists the Client to make an informed decision;
- 1.6. deal with Client information in a confidential manner;
- 1.7. explain the scope of cover, the costs involved as well as any significant restrictions, exclusions or conditions that may apply to the Client;
- 1.8. arrange cover in accordance with the Client's instructions, disclose details of participating insurers and provide the Client with a policy, together with all related documentation;
- 1.9. ensure that all premiums received from the Client, in terms of the cover provided by the policy, are paid over to Insurers, if applicable;
- 1.10. provide the Client with guidance on instituting a claim under the provisions of the Client's policy, manage the claim and update the Client on progress;
- 1.11. upon receipt of the Insurer's claim settlements, make payment to the Client on behalf of the Insurer, if applicable; and
- 1.12. disclose commission and fee earnings flowing from the Client's insurances.

BROKER FEE CONSENT

The Company charges a broker fee for providing additional services for the Client's benefit ("the services"). Broker fees are fully disclosed to the Client in the Client's Policy Schedule. The deduction and collection of broker fees may be facilitated by the Insurer. The Client may withdraw the consent from the Company to charge the fee if the Client does not want to make use of the Services provided.

The services provided include, but are not limited to:

- 2.1. risk advice and risk management services;
- 2.2. dealing with non-insured third party approaches and recoveries;
- 2.3. inspection of commercial sites for risk assessment;
- 2.4. facilitation of non-insurance value added products;
- 2.5. assist with the determination of insured amounts;
- 2.6. arrange and assist with valuations with suitable professionals;
- 2.7. assistance with a rejected claim which includes direct negotiations with the Insurer and goodwill payments;
- 2.8. onsite visits with the assessors when required or when deemed necessary;
- 2.9. onsite visits when requested including at renewal;
- 2.10. additional costs incurred to determine the retail value of motor vehicles;
- 2.11. management of car hire following a claim where applicable, including follow up with motor repairers;
- 2.12. additional written information to assist with accidents;
- 2.13. assistance with an accident such as the arrangement of towing or breakdown services;
- 2.14. collection of salvage such as televisions, laptops, etc.; and
- 2.15. obtaining quotes for claim processing.

For the additional services set out above, the Client is charged as follows:

- Monthly policies up to a maximum of R20.00 plus 10% of the gross written premium.
- Annual policies up to a maximum of R240.00 plus 10% of the gross written premium.

This fee is inclusive of VAT. The broker fee will be charged for as long as the policy is active and/or until the broker fee consent, provided in terms of this Letter of Appointment is withdrawn.

BINDER AND OUTSOURCE ARRANGEMENTS

Cignet Administration Services (Pty) Ltd ("Cignet") act as a Binder holder or has an outsource arrangement with various Insurers.

Please note that should Cignet or the Company act as a Binder holder or have an outsource arrangement in respect of the Client's policy, this will be noted on the Statutory Notice.

In terms of these arrangements we administer various aspects of the Client's policy on behalf of the Client's Insurer (if applicable), within the mandates with the Insurer.

In terms of the binder or outsource agreement between Cignet or the Company and the Insurer (and subject to the limitations contained therein), Cignet or the Company may be authorised to:

- i) enter into, vary and renew policies;
- ii) determine policy premiums;
- iii) determine policy benefits;
- iv) settle all valid claims; and
- v) attend to any other functions incidental to the functions listed in i) to iv) above.

Neither Cignet nor the Company is authorised to reject claims or cancel policies on behalf of an Insurer.

CONFLICT OF INTEREST DISCLOSURE

The Company receives commission from the Client's Insurer. The levels of commission vary depending upon the product type. The exact amounts are disclosed in the Client's policy schedule and on the statutory notice.

Compendium Group Investment Holdings (Pty) Ltd is the majority shareholder of the following subsidiaries:

- Compendium Insurance Brokers (Pty) Ltd;
- Cignet Administration Services (Pty) Ltd;
- Edge Insurance Brokers KZN (Pty) Ltd;
- Portdem (Pty) Ltd trading as Commercial Consultants;
- GL Broking (Pty) Ltd trading as Gary Leech Insurance Brokers; and

- Swift Auto Brokers (Pty) Ltd.

Compendium Group Investment Holdings further holds shares in the following company associate:

- Watersure (Pty) Ltd.

Bidvest Insurance Group (Pty) Ltd is the sole shareholder of Compendium Group Investment Holdings (Pty) Ltd.

Compendium Insurance Brokers (Pty) Ltd and Cignet Administration Services (Pty) Ltd does not receive more than 30% of its total commission from any one Insurer.

The Company does not hold more than 10% shares in any one Insurer.

A full copy of the Company's Conflict of Interest Policy can be obtained from:

- i) www.cig.co.za ; or
- ii) upon written request to info@cig.co.za.

CLAIMS

Should the Client have a claim against the Client's policy, the following process applies:

- i) immediately notify the Company's claims department telephonically or by e-mail;
- ii) a claim form will be provided to the Client which must be completed and returned to the Company; and
- iii) the Clients claim will be attended to by our claims department.

COMPLAINTS

If the Client wants to lodge a complaint with the Company and/or Cignet (if applicable), the Client is requested to submit the complaint to the Internal Compliance Officer. The contact details are as follows:

E-mail complaints@cig.co.za

Telephone number 031 242 6800

If the complaint is not satisfactory resolved, the Client is required to contact the external compliance officer, National Compliance CC whose details are as follows:

E-mail vashi@nationalcompliance.co.za

Telephone number 032 946 2921

Address Unit 23 Pinnacle Park, Dawood Close, Ballito, 4220

Should the Client have any complaint in respect of the product and service and would like to escalate the complaint, the Client can contact the Insurer whose details appears on the Client's policy schedule and statutory notice.

If the Client is dissatisfied with the outcome of the Client's complaint, and depending on the nature thereof, the Client may approach either the FAIS Ombud or Ombudsman for Short-term insurance. The contact details and the type of complaints dealt with by each Ombud is as follows:

Ombudsman for Short-term Insurance

Complaints relating to the Policy itself for example claim rejections

Physical Address 1 Sturdee Avenue
Cnr Bolton and Baker Road
First Floor, Block B
Rosebank

Postal Address PO Box 32334,
Braamfontein, 2017

Telephone number 0860 726-890/ 011 726 8900

Fax number 011 726 5501

Email address info@osti.co.za

Website www.osti.co.za

Financial Sector Conduct Authority

Physical Address 41 Matroosberg Road
Ashlea Gardens, Pretoria,
0002

Postal Address PO Box 35655,
Menlo Park, 0102

Telephone number 0800 20 37 22

Fax number 012 346-6941

FAIS Ombud

Complaints relating to the manner in which a policy was sold or complaints in respect of the conduct of your Insurance Broker, Binder Holder or administrator.

Physical Address Sussex Office Park
Ground Floor – Block B
473 Lynnwood Rd
Cnr. Lynnwood Rd and
Sussex Ave Lynnwood, 0081

Postal Address PO Box 74571,
Lynnwood Ridge, 0040

Telephone number 012 762-5000/ 012 470-9080

Fax number 086 764 1422/ 012 348-3447

Email address info@faisombud.co.za

Website www.faisombud.co.za

Email address	info@fsca.co.za
Website	www.fsca.co.za

INSURER DETAILS

Details of the Client's Insurer(s) can be obtained on the Client's policy schedule or statutory notice. The Insurer is the insurance company that underwrites the Client's risk, receives the Client's premium and is liable to pay valid claims in accordance with the Client's policy.

PREMIUMS AND FEES

All premium obligations, commissions and broker fees are contained in the Client's policy schedule and statutory notice. Binder and outsource administration fees are disclosed in the statutory notice.

Consequence of non-payment: Cover will automatically cease 15 (fifteen) days from non-payment of the Client's premium. This 15 day period is referred to as the "grace period" and, in respect of monthly policies, only applies with effect from the second month of the currency of the Client's Policy.

POLICY INFORMATION

The benefits, exclusions, special conditions and warranties, cooling off rights, excesses, claims process and any requirements in respect of cancellation, relating to the Client's policy, is contained in the Client's policy schedule, policy wording, record of advice and any other documentation and disclosures provided by the Company or the Insurer which relates to the Client's policy.

DUTIES OF THE CLIENT

For the duration of the appointment of the Company in accordance with this Contract, the Client undertakes to:

- 3.1. disclose all material information when obtaining cover. Information is deemed material if it could in any way affect the Insurer's assessment of the risk. The Client acknowledges that Insurers have the right to void the policy and reject claims should any information deemed material be omitted or misrepresented;
- 3.2. accept ultimate responsibility for the accuracy of the information submitted to the Company or the Insurers, and acknowledges and understands that the Client will have no claim against the Company for any loss or damage, whether financial or otherwise, arising from the failure to submit information deemed to be material including, without limitation, belated submissions;
- 3.3. answer all questions truthfully;
- 3.4. notify the Company of any changes to the Client's risk profile or business throughout the term of the policy;
- 3.5. act in the utmost good faith at all times;
- 3.6. submit all instructions to the Company in writing and to ensure that any oral communications undertaken with the Company are followed up with a written instruction;
- 3.7. complete a proposal form and/or risk questionnaire where required by the Company and/or the Insurer;
- 3.8. pay all premiums on time in accordance with the payment terms. The Client acknowledges that non-payment or late payment may result in the prejudicing of a claim; and
- 3.9. report all incidents, which may give rise to a claim.

DATA PROTECTION, INFORMATION SHARING AND STORAGE OF DOCUMENTS

The Company will keep any information, including personal information relating to the Client and the Client's dependants and/or beneficiaries, supplied to the Company confidential.

The Client agrees and confirms that:

- 4.1. when the Client provides personal information, the Client provides the Company with the appropriate permission to disclose it for the common and legitimate purpose of Insurance;
- 4.2. the Client's personal information will be collected, processed, stored and utilised for the purposes of risk profiling and administering of any policy and for assessment of any claim;
- 4.3. the Client's personal information (including credit information) may also be shared with any third party who requires the information for the administration of any policy and for marketing any products that are linked to a common legitimate purpose in terms of the Client's needs;
- 4.4. the Company may transfer the Client's personal information outside the borders of the Republic of South Africa in order to administer certain services;
- 4.5. the Company may transfer the Client's personal information to any subsidiary of the Compendium Group Investment Holding (Pty) Ltd group of companies ("the Group") and the client hereby consents that the Client's Insurance Broker may, at the discretion of the Company, be changed to any subsidiary within the Group, from time to time. Should the Client's Insurance Broker change, the client will be notified of the change in writing;
- 4.6. the information provided by the client may be stored in a shared database; and
- 4.7. the information provided by the Company may be checked against other legal sources or databases.

A copy of the Company's complete Privacy Policy is available on the Company's website, being www.ciq.co.za or upon request.

The Company will keep the Client updated on information about any offers or new products that are available from time to time. The Client is requested to contact the Company in the event that the Client does not wish to receive any telephonic or electronic direct marketing from the Company. The Client has the right to request a copy of the Client's personal information held by the Company. The Company will take reasonable steps to confirm the Client's identity before providing details of the Client's personal information and such data request may be subject to the payment of a legally allowable fee. The Client has the right to contact the Company and ask to update, correct or delete the Client's personal information. The Client agrees that the Company may retain the Client's personal information until such time as the Client requests the Company to destroy it (unless the Company is obliged, in law, to retain it, regardless of such request).

The Client has the right to object to the processing of the Client's personal information and should the Client believe that the Company has utilised the Client's personal information contrary to applicable law, the Client will first resolve any concerns with the Company and contact the Company's Senior Management Team. Their details are as follows:

Chief Operations Officer:

Chantelle Jones

Email address: chantelle@ciq.co.za

Group Legal and Risk Officer:

Marizan van der Walt

Email address: marizan@ciq.co.za

If, after the above step has been taken by the Client and the Client is not satisfied, the Client has the right to lodge a complaint with the Information Regulator, their details are as follows:

Information Regulator:

SALU Building

316 Thabo Sehume Street

Pretoria

Tel: 012 406 4818

Fax: 086 500 3351

E-mail: infoereg@justice.gov.za

CONTRACTUAL LIMITATION OF LIABILITY OF THE COMPANY

To the extent permitted by law, the Client agrees that the Company's aggregate liability for all claims directly or indirectly arising from or connected with any matter (whether in negligence, breach of contract, delict (or tort) or otherwise and whether to the Client or any other person) is limited to a maximum of R10 million.

Should the Client require cover over and above this amount, a written request needs to be addressed to the Company for consideration.

The Client agrees that the services rendered under or in connection with the terms of this Contract are rendered by incorporated entities and the Client agrees not to pursue any action against any individual director, employee or consultant of those entities in respect of any Claim, notwithstanding the nature of the claim.

Should this Contract be renewed or extended, the above limitation of liability will include such renewal or extension.

FURTHER LIMITATIONS

If the validity or enforceability of any of the terms contained in this Contract is in any way limited by the laws and professional regulations applicable to the Company, those laws and professional regulations will take precedence over the terms of this Contract but they will be valid and enforceable to the fullest extent permitted by such laws and professional regulations, and such limitation will not affect the validity or enforceability of any other term.

DISPUTE RESOLUTION

In the event of there being any dispute or difference between the Client and the Company of any nature whatsoever arising out of or in connection with this Contract, the dispute or difference shall on written demand by any Party ("the Demand for Arbitration") be submitted to arbitration.

Such arbitration will be held:

- i) at Durban; and
- ii) under the provisions of the Arbitration Act, 42 of 1965 and The Association of Arbitrators (Southern Africa) Rules for the Conduct of Arbitrations (latest edition).

The arbitrator will be an attorney or advocate of not less than 10 years standing appointed jointly by the Parties or failing such joint appointment appointed by the Chairman of the Durban Bar Council.

The Parties irrevocably agree that the decision in those arbitration proceedings:

- i) will be binding on them;
- ii) will be carried into effect; and

iii) may be made an order of court of competent jurisdiction.

The arbitration provisions of this Agreement will continue to subsist despite any cancellation or termination of this Contract.

Nothing contained herein shall be deemed to prevent or prohibit a Party to the arbitration from approaching the appropriate court for urgent relief or for judgment in relation to a liquidated claim.

Both the Client and the Company agrees that the demand for arbitration shall constitute a legal process amongst them for the purposes of interrupting extinctive prescription in terms of the Prescription Act, 1969.

NOTICES

For all purposes arising out of or in connection with this Contract, the Company and the Client chooses the following addresses at which all processes, notices and demands for arbitration arising out of or in connection with this Contract, its breach or termination may validly be served ("*domicilium*") upon or delivered to the Company and the Client:

The Company:		The Client:	
Physical	2 nd Floor, Compendium House, 5 The Crescent, Westway Office Park, Westville, 3635.	Physical	
E-mail	info@cig.co.za	E-mail	

Any notice given in terms of this Contract will be in writing and will:

- if delivered by hand be deemed to have been duly received by the addressee on the date of delivery; or
- if posted by prepaid registered post be deemed to have been received by the addressee on the fourth Business Day following the date of such posting; or
- if transmitted by facsimile or email be deemed to have been received by the addressee one Business Day after despatch.

Despite anything to the contrary in this Contract, a written notice or communication actually received by a Party will be an adequate written notice or communication to it notwithstanding that it was not sent to or delivered at its chosen domicile.

Signed at		on	
Signature of Client			

DEBIT ORDER AUTHORITY

Compendium cares about your privacy and has to process the personal information you provide when completing this Debit Order Authority. The information will be treated with caution and all reasonable security measures have been implemented to protect your personal information.

DETAILS

Name of policyholder						
Policy number						
Name of account holder						
Bank						
Branch						
Branch Code						
Account Number						
Debit order date	1 st Working Day	<input type="text"/>	7 th Working Day	<input type="text"/>	15 th Working Day	<input type="text"/>

STATUS

This Debit Order Authority has been completed as a result of:

New Business	<input type="checkbox"/>	Renewal	<input type="checkbox"/>	Reinstatement	<input type="checkbox"/>	Change in banking details	<input type="checkbox"/>
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I hereby authorise Compendium Insurance Brokers (Pty) Ltd ("Compendium") to draw against the above account the amount necessary for payment of the premium(s) and renewal premiums due to various Insurance Companies in respect of my insurances.

If the Debit order date falls on a non-processing day (like Sunday or official public holiday), the undersigned account holder agrees that Compendium may process the payment on the preceding business day, alternatively the day thereafter.

The amount of my debit may vary from time to time to reflect any changes in cover, risk, sum insured or premium rates.

I acknowledge and understand that in the event of any debit order not being met:

- as a result of my instruction to my bank to stop payment of the debit order, the policy/ policies will be cancelled and will be of no effect from midnight on the last day of that month for which Compendium has received payment; or
- for any other reason, the following month a debit will be submitted for two months' premium. If this debit is not met, the policy/ policies will be cancelled and will be of no effect from midnight on the last day of that month for which Compendium has received payment.

This authority may be cancelled by me giving Compendium 30 days' notice in writing, I understand that I shall not be entitled to a refund of any amount which Compendium have drawn while this authority was in force if such amounts were legally owing to Insurance Companies premium.

Signed at		on	
Signature of account holder			

Motor	Private Vehicles, LDV's, Special Types, HCV's, Trailers, Caravans, Motorcycles -Comprehensive Cover	<input type="checkbox"/>
	Private Vehicles, LDV's, Special Types, HCV's, Trailers, Caravans, Motorcycles -Restricted Cover	<input type="checkbox"/>
	Car Hire - 14 Days / 30 Days following a claim	<input type="checkbox"/>
	Emergency Assist - Roadside Assistance (Pvt & LDV only)	<input type="checkbox"/>
Motor Traders - Internal	Loss/Damage to vehicles on premises (excludes Theft Cover)	<input type="checkbox"/>
Motor Traders - External	Loss/Damage to vehicles whilst being driven away from the premises	<input type="checkbox"/>
Commercial Assets All Risks	Subject to Insurer Approval and Terms & Conditions	<input type="checkbox"/>
Marine	Local Transit	<input type="checkbox"/>
	Import	<input type="checkbox"/>
	Export	<input type="checkbox"/>
	Once-off Goods in Transit	<input type="checkbox"/>
	Carriers Liability	<input type="checkbox"/>
	Warehouse Liability	<input type="checkbox"/>
	Stock Through-Put	<input type="checkbox"/>
	Watercraft used for charter or commercial purposes	<input type="checkbox"/>
	Marine Liability	<input type="checkbox"/>
	Ships Agency Liability	<input type="checkbox"/>
Engineering	Stevedores Liability	<input type="checkbox"/>
	Contractors All Risks	<input type="checkbox"/>
	Plant All Risks	<input type="checkbox"/>
	Machinery Breakdown & Loss of Profits following Breakdown	<input type="checkbox"/>
	Dismantling, Transit & Erection	<input type="checkbox"/>
	Hired-in Plant	<input type="checkbox"/>
	Performance, Construction Guarantees	<input type="checkbox"/>
	Advanced Payment Guarantees	<input type="checkbox"/>
Sasria	Accidental or deliberate damage to your property caused by any person or group taking part in a riot, strike, lock-out or civil commotion.	<input type="checkbox"/>
Sasria Excess of Loss	Over R500M any one location	<input type="checkbox"/>
Sasria Riot Wrap	Extensions and Top Up Cover	<input type="checkbox"/>
Personal & Domestic	Household Contents, Buildings, All Risks, Electronic Equipment, Motor, Caravans & Trailers etc	<input type="checkbox"/>
Travel Insurance	Personal and Corporate Travel Insurance	<input type="checkbox"/>
Aviation	Aircraft (fixed wing aeroplanes, helicopters etc)	<input type="checkbox"/>
	Aviation Liability	<input type="checkbox"/>
Small Craft	Watercraft used for private and pleasure purposes	<input type="checkbox"/>
Life	Life Cover, Dreaded Disease, Disability, Income Protection, Estate Planning	<input type="checkbox"/>
Employee Benefits	Employee Provident, Pension, Corporate Investments, Group Funeral Cover & Risk Benefits	<input type="checkbox"/>
Investments	Unit Trusts, Retirement Annuity, Recurring, Lump Sum Investments, Endowments	<input type="checkbox"/>
Business Assurance	Keyman, Buy & Sell, Contingent Liability	<input type="checkbox"/>
Medical	Individual Medical Aid, Company Medical Aid Schemes, Gap Cover	<input type="checkbox"/>
Agriculture Liability	Spread of fire cover with plantations	<input type="checkbox"/>
	Spread of fire cover without plantations	<input type="checkbox"/>
	Animals/Livestock	<input type="checkbox"/>
	Fire & Lightning for Livestock	<input type="checkbox"/>
Credit	Credit Guarantee Cover	<input type="checkbox"/>

DECLARATION BY THE CLIENT

I/We confirm that the broker has discussed and disclosed the insurance cover and limitations with me. I take full responsibility for the correctness of the information provided whether provided by myself or on my/our behalf.

Signed at		on	
Signature of Client			