



INTERMEDIARY STANDARD TERMS AND CONDITIONS OF BUSINESS

LIONEL ISAACS

INSURANCE BROKERS

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Lionel Isaacs Insurance Brokers (Pty) Ltd
Registration number: 1988/003853/07 VAT number: 4930103017
Authorised Financial Services Provider No. 13343
33 Scott Street, Waverley, 2090; PO Box 3436, Johannesburg, 2000

INTRODUCTION

Lionel Isaacs Insurance Brokers (Pty) Ltd ("LIIB"), is an authorised financial services provider (License no. 13343).

LIIB is licensed to render advisory and intermediary services with regard to short term insurance, which encompasses insurance related solutions with leading insurance companies; in respect of your personal and/or business assets; liabilities and other risks as identified. In terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 ("FAIS"), we are required to establish a professional business relationship with you. These Intermediary Standard Terms and Conditions of Business and Intermediary mandate govern the provision of services by us and the commercial relationship between us.

OUR SERVICES

As your insurance broker we are licensed to deal in and provide advice in relation to short-term insurance risk and cover for such risks. Under our licence, amongst other things, we are able to:

- Provide you with advice and recommendations on your risk exposures, resulting in assessment of your insurance needs
- Collect information that insurers require from you
- Arrange insurance products to help you protect against insurable risks, and explain these products to you
- Collect premiums from you and on behalf of insurers, and
- Assist you in making claims under these insurance products in the event of an insured loss and the monitoring of the settlement of these claims.

We will always aim to arrange insurance that meets your specific risks and needs. However, as it is you who best understands your risks and needs, you should always consider the appropriateness and advice we provide or any insurance we recommend to you before acting on our recommendations. We also rely on you for the accuracy and completeness of information you provide to us.

OUR REMUNERATION

Our remuneration for acting as your insurance and risk adviser and as an independent intermediary generally will comprise the following:

- A commission; binder and/or outsource fee paid to us by the insurance company, and
- An operations fee.

The commission paid to us by an insurer is standard for insurance brokers in South Africa in accordance with rates prescribed in the Short-term Insurance Act and is stipulated as 12.5% of the premium for a motor policy and 20% for non-motor short-term policy.

An insurer binder fee or outsource fee is earned where we are mandated through a binder or outsource agreement. These fees are earned to remunerate us for administrative functions that the insurer would have normally performed.

Annual premiums are payable on or before due/effective date of cover. Where we collect premium, we are required by law to pay all premiums received from clients on to insurers within 15 days of the end of the month in which received. We are entitled to earn and retain interest on these monies whilst in LIIB's bank account.

OPERATIONS FEE CONSENT DISCLOSURE

IMPORTANT: This disclosure sets out your consent for the payment of fees only and does not replace any other disclosures you are entitled to receive in terms of any applicable legislation.

In addition to the intermediary services we provide, for which we receive commission from your insurer in accordance with the rates prescribed in the Short-term Insurance Act, we levy an Operations Fee for providing certain additional services to you.

Operations Fees, like all other fees and commission, are fully disclosed. The deduction and collection of Operations Fees will be facilitated either by LIIB, the insurer or their appointed premium collection agency. You may withdraw your consent to LIIB to charge the fee if you choose not to make use of these additional services.

We provide the following additional services in terms of our value proposition to you:

- Advising on uninsured and un-insurable risks
- Managing and advising you on self-insurance and risk financing (excesses)
- Assessment of the root cause of claim incidents and recommendations to prevent recurrences
- Liaison between insurer appointed assessors and you the policy holder
- Facilitation of non-insurance value added products (example: assistance with an accident such as the arrangement of towing or breakdown services)

In addition to the above additional services, the Operations Fee includes a recovery for the following specific costs related to acting as your independent intermediary:

- Costs involved in ensuring that the applicable laws and regulations are adhered to. These costs are incurred on an operational level and a policy level, and include:
 - Training and Human Resources costs to ensure Representatives have the required qualifications, knowledge and skill when dealing with a client
 - Maintaining representatives ongoing fit and proper status in the form of passing the required regulatory examination(s) (RE exam(s)) and qualifications as well as doing the required amount of Continuing Professional Development (CPD) hours, Class of Business Training and Product Specific Training
- Management in their capacity as Key Individuals and/or Representatives to ensure the correct level of organisational ethics and fair treatment of clients
- Information Technology expenditure to ensure that clients:
 - Data is managed in an appropriate format
 - Data is protected from external threats
 - Have the latest disclosures that affect their policy
- Audit costs incurred to provide the client with additional comfort that the premiums and fees charged are correctly calculated and debited to the client according to an agreed payment plan. A comprehensive statutory audit is done annually.
- Compliance expenditure incurred in order to have in place:
 - The appropriate policies procedures and processes to ensure that the client is treated fairly and the consumer is protected
 - The appropriate level of Professional Indemnity, Fidelity and Cyber liability insurances.

FEE AMOUNT

For the additional services set out above, LIIB will levy a fee calculated as a percentage of gross premium. This fee is inclusive of VAT. Where the fee is charged, this will be done for as long as the policy is active and will be fully disclosed in your policy schedule.

FEE CONSENT

You may withdraw your consent to charge the fee if you do not want to make use of these additional services.

YOUR RESPONSIBILITIES AS CLIENT

- To provide LIIB with all information which is relevant to establish your insurance needs and objectives, including full loss details of material incidents loss history (whether insured or not)
- To read the insurance contract comprising policy wording and schedule (Please note, that any summary of insurance provided, is prepared as an overview of cover and should in no way be construed as an exact and binding analysis of your insurance policies. In the event of a claim arising or there being any question relating to the interpretation of the policy, the original policies will prevail as they constitute the contract between you and the insurer)
- To reduce all instructions between you and our office to writing (to protect your interests and to avoid any uncertainty with regard to the implementation of business transactions between ourselves)
- In respect of annually paid policies, you are responsible for the immediate payment of the premium and fees on receipt of an invoice. Failure to pay your premium and fees on or before the Effective Date indicated on the invoice, could void your policy. In respect of monthly paid policies, the premium and fees will be collected via a debit order on your bank account
- On an ongoing basis, to advise LIIB of any changes which could alter your risk exposure (when in doubt, contact us immediately and we will guide you)
- You have the right to be notified when information about you is collected and what the information will be used for. You will be notified when your personal information is accessed by an unauthorised person. You have the right to access your personal information and also request for correction, destruction or deletion of your personal information, which we will aim to do to the best of our abilities

OUR RESPONSIBILITIES AS INTERMEDIARY

- To provide you with our business information, confirmation of our FSP license and the licensed areas of expertise, as set out in our "Disclosure Information" below
- To provide you with recommendations and solutions based on the information supplied to us by you and according to your priorities as per the insurance proposal
- LIIB is obliged to maintain a record of advice given in terms of the FAIS Act. It is therefore understood that, in the event of you accepting our proposal(s) or giving us specific instructions pertaining to your insurance needs, such acceptance or instruction shall be confirmed in writing or will be declared accepted on payment of the first premium.
- LIIB undertakes to keep all information provided to us by you as confidential, and will only be disclosed if required by regulation, by an order of court, is in the public domain or has been received from a third party who is not in breach of a confidentiality agreement. However, we shall be entitled to use your personal information for all purposes relating to or arising out of the services provided by us from time to time.
- Your portfolio will be reviewed by LIIB on an annual basis prior to the renewal date

LIIB cannot be held responsible for:

- Any specific insurance needs which are not disclosed to us
- Needs that are not addressed and/or our recommendations which are not implemented by you
- Our advice or recommendations that are implemented partially, or in whole, through any other adviser, intermediary or product provider.

OTHER MATTERS

- The terms and conditions of this agreement are subject to the underwriting and acceptance of the application by the Insurer
- You will receive a policy contract within a reasonable time after the policy is issued. You should contact LIIB if such contract is not received
- Should you have any complaint in respect of any part of the advice and/or intermediary service, you agree to bring it to the attention of LIIB in writing in order to enable LIIB to deal with it in terms of internal complaints procedures as required by the FAIS Act
- No amendments or variation of this agreement shall be effective, unless it is reduced to writing and agreed to by both parties
- In the event of LIIB referring you to a third party for advice or intermediary or any other services that do not form part of our core competencies, LIIB undertakes to take all reasonable steps to ensure that the third party is licensed as an authorised Financial Services Provider with the Financial Sector Conduct Authority (FSCA), where applicable. However, it is understood that LIIB cannot be held responsible for the recommendations, proposals or intermediary or any other services that are provided to you by such third party, as it constitutes a separate arrangement between you and such third party.

DISCLOSURE INFORMATION

Legal Entity and Details of the Provider:

Lionel Isaacs Insurance Brokers (Pty) LIIB

Registration number 1988/003853/07

An Authorised Financial Services Provider FSP Number 13343

Physical Address: 1st Floor, 33 Scott Street, Waverley, 2090

Postal Address: PO Box 3436, Johannesburg, 2000

Telephone: 011 483 1802

Website: www.liib.co.za

Email: insurance@liib.co.za

Compliance Offer: Mr Schalk Kruger

FSB reg no: 5410

271 Orion Avenue, Waterkloof Ridge, 0181

Tel: 082 570 3629

e-mail: skruger@lantic.net

FSCA Licence Category 1:

- LIIB is authorised to render advice and intermediary services in terms of Short-Term Insurance – Personal & Commercial Lines
- LIIB holds Professional Indemnity insurance cover
- LIIB holds Fidelity Guarantee insurance cover
- No specific exemptions have been granted by the Registrar to the Provider regarding any matter covered by the Act
- LIIB accepts responsibility for the persons who are licensed to render financial services in terms of Short Term Personal and Commercial Products (a copy of the FSP license and/or s13 certificate, which contains details of the financial services is available for inspection on request)
- LIIB accepts responsibility for any licensed representative employed who are licensed to render financial services in terms of Short Term Personal Products (a copy of the license and/or s13 certificate, which contains details of the financial services is available for inspection on request)

FAIS Ombud:

P O Box 74571, Lynwood Ridge, 0040

Telephone: 012 470-9080 to 97 - Facsimile: 012 348-3447

Email: info@faisombud.co.za - Website: www.faisombud.co.za

ONGOING INTERMEDIARY MANDATE AND FEE CONSENT

Privacy clause:

We care about your privacy. In order to provide you with our service, we and our service providers have to process the personal information you provide us with by completing this form. We will treat this information with caution and we have put reasonable security measures in place to protect it. For more information, please read our official Privacy Policy on our website. **By signing the Intermediary Mandate and Fee Consent, you agree to the processing and sharing of your personal information.**

I/We, the undersigned, have read and understood the "Intermediary Standard Terms and Conditions of Business" attached as disclosed by my appointed intermediary **Lionel Isaacs Insurance Brokers (Pty) Ltd "LIIB"**, an authorised financial services provider (Licence no. 13343).

I the undersigned, further instruct and authorise LIIB to levy an operations fee for risk and claims advice and service, as set out above and more fully set out in our comprehensive Guide to Financial Services (a copy of which is available on request). The operations fee also includes a recovery for certain costs related to acting as your independent intermediary, including training, information technology expenditure, audit costs and compliance expenditure. The relevant operations fee amount is fully disclosed in the policy documentation and/or schedule.

Name/Company and / or Trading Names:

Physical / Correspondence Address:

Signature:

Name: Capacity: Effective date:

Current insurances (for internal purposes only):			
Class of Insurance	Insurer	Policy Number	Renewal Date