



SUB-AGENCY INDEPENDENT INTERMEDIARY AGREEMENT

Between

EquiStar Underwriting Managers Pty (Ltd)

(Reg. No. 2004/021425/07)

("EquiStar ")

and

(Reg. No. _____/07)

("Broker")

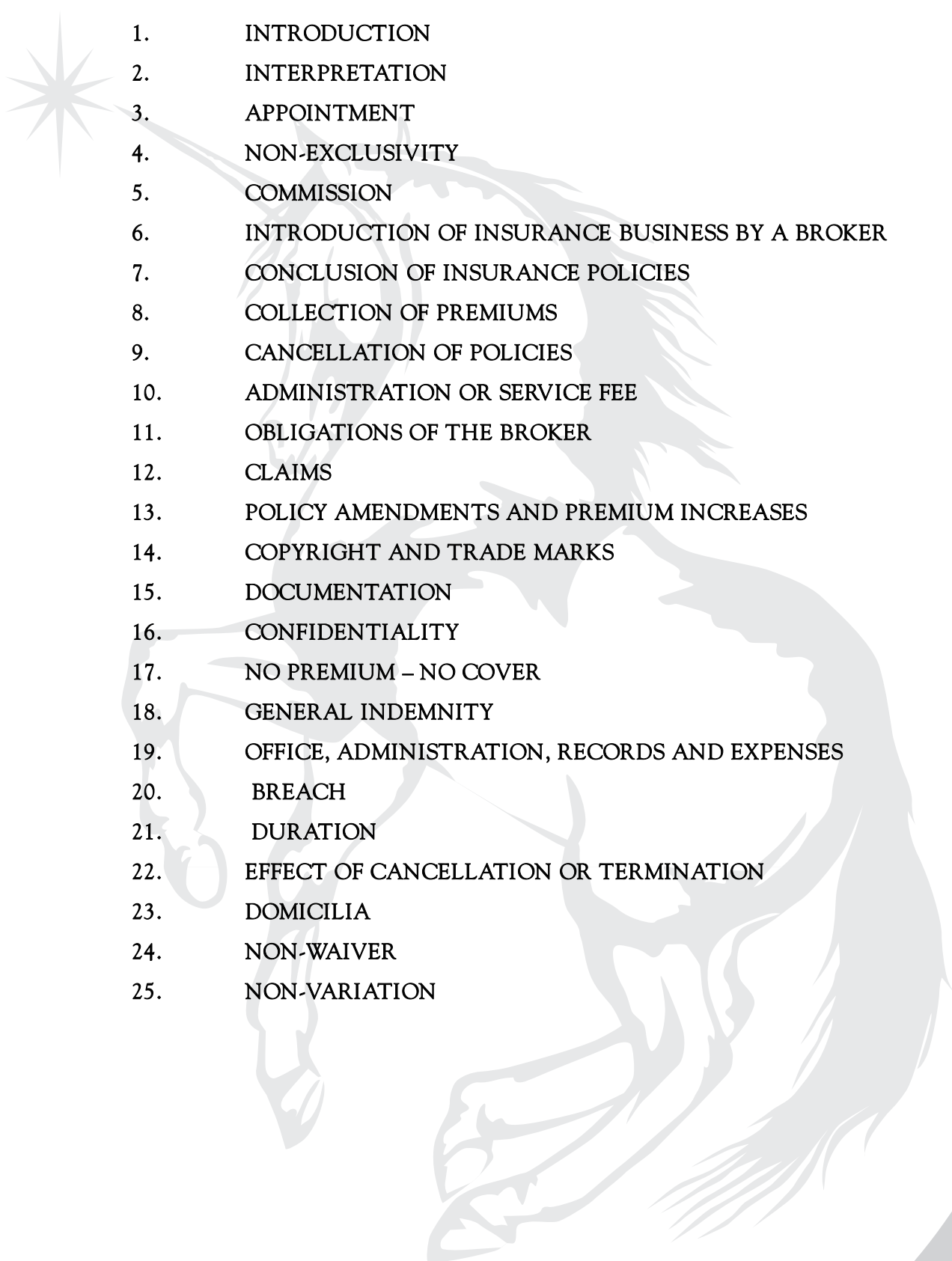
and

Renasa Insurance Company Limited

(Authorised Financial Services Provider; FSP License No: 1549.)

("Renasa Insurance")

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1. INTRODUCTION

- 1.1 In terms of the Intermediary Agreement:
- 1.1.1 Renasa Insurance has agreed to act as underwriter in regard to the insurance business on the terms and conditions contained in the Policies;
 - 1.1.2 EquiStar has agreed to perform the functions of a Section 48(2) Intermediary in accordance with the Act;
 - 1.1.3 Renasa Insurance has specifically authorised EquiStar to, inter alia promote and establish relationships with independent intermediaries, as described in the Regulations to the Act, for the purpose of promoting equine insurance business.
- 1.2 This agreement records the terms and conditions of the parties' agreement and how they wish to regulate their relationship.

2. INTERPRETATION

- 2.1 Unless the contrary appears from the contents, the following phrases shall have the meanings assigned to them where they appear in this agreement:

" the Act"	means	the Short-Term Insurance Act No 53 of 1998 as amended or substituted and the rules, directives, practice notes and regulations published there under.
"EquiStar "	means	EquiStar (Pty) Ltd (Reg.No. 2004/021425/07)
"the Broker"	means	_____, (Reg. No. _____)
"Renasa Insurance"	means	Renasa Insurance Company Limited (Authorised Financial Services Provider; FSP License No: 1549)
"Effective Date"	means	_____ irrespective of the date of signature hereof.
"insurance business"	means	the insurance arrangements in respect of the policies concluded by EquiStar, acting pursuant to its mandate as a Section 48(2) Intermediary in terms of the Act.
"insured"	means	a natural or legal person to whom a policy has been issued by EquiStar approved agents on behalf of Renasa Insurance and from whom the premium due in respect of such policy has been received
"the Policy"	means	the standard EquiStar policies underwritten by Renasa Insurance pursuant to this Agreement which will be updated from time to time, and includes all and any modifications made by EquiStar to the Policies after the date of this agreement
"Certificate of Cover"	means	the certificate or schedule issued to the insured as proof of cover and containing inter alia the details of the insured and amount of premium.
"Gross Written Premium"	means	the total amount of money paid or payable for the intended duration of policies authorised and sold pursuant to this agreement excluding any VAT, policy fee or other fee charged

- “the Republic”** means the Republic of South Africa
- “Business Day”** means any day which is not a Saturday, Sunday or official public holiday in the Republic of South Africa in accordance with the Public Holidays Act, 1994;
- 2.2 The clause headings in this agreement are for reference purposes only and shall not affect the interpretation of the subject matter of the clause or of this agreement.
- 2.3 When any number of days is prescribed in this Agreement, same shall be reckoned inclusively of the first and exclusively of the last day unless the last day falls on a day which is not a Business Day, in which case the last day shall be the immediately following Business Day.
- 2.4 In the event that the day for payment of any amount due in terms of this Agreement should fall on a day, which is not a Business Day, then the relevant date for payment shall be the following Business Day.
- 2.5 The expiration or termination of this Agreement shall not affect such of the provisions of this Agreement as expressly provide that they will operate after any such expiration or termination or which of necessity must continue to have effect after such expiration or termination, notwithstanding that the clauses themselves do not expressly provide for this.
- 2.6 References to the masculine gender include the other genders and vice versa. References to the singular shall include the plural and vice versa. References to natural persons shall include juristic persons and vice versa.
- 2.7 Schedules, annexure and addendums attached to this agreement shall be deemed to form part of this agreement.

3. APPOINTMENT

EquiStar hereby appoints the Broker, on the terms and conditions contained in this agreement and the Act, to canvass for insurance business which it shall introduce to EquiStar and to fulfill the functions and comply with the obligations of an Independent Intermediary in respect of such insurance business in return for commission and administration fees.

4. NON-EXCLUSIVITY

The appointment of the Broker in terms of this agreement is non-exclusive in that EquiStar may appoint other agents.

5. COMMISSION

- 5.1 On the introduction of insurance business, as a direct result of canvassing carried out by the Broker, to and accepted by EquiStar, the Broker shall be entitled to payment of commission of ___% of the premium.
- 5.2 The Broker shall become entitled to commission only upon and subject to receipt of the Gross Written Premium and necessary documentation required by EquiStar in terms of clause 6.
- 5.3 The Broker shall not be entitled to recover any expenses or disbursements from EquiStar and the Broker's commission shall be the sole compensation to which the Broker shall be entitled in connection with the insurance business.

- 5.4 Should a policy be cancelled or lapse due to non-payment of premium, the Broker's right to receive commission in respect of such policy shall terminate on the effective date of such cancellation or lapse. If the Broker received any commission in respect of any unexpired portion of any policy the Broker shall refund to EquiStar, within 30 (thirty) days of the lapse or cancellation of any policy, such commission, calculated in the same proportion as the unexpired portion of the policy bears to the original term of the policy, but for its lapse or cancellation.

6. INTRODUCTION OF INSURANCE BUSINESS BY A BROKER

- 6.1 The Broker shall not be deemed to have introduced insurance business to EquiStar unless and until EquiStar:
- 6.1.1 has received applicants' details for insurance, a fully completed and duly signed application form by the prospective insured, in compliance with the relevant requirements as stipulated by both parties or as otherwise required by EquiStar from time to time;
 - 6.1.2 has received an endorsement on such information recording the Broker's name, code and signature as introducing broker; and
- 6.2 the premium has been received in accordance with the conditions contained in clause 8.

7. CONCLUSION OF INSURANCE POLICIES

- 7.1 The Broker shall not have the right to conclude any policy or to bind EquiStar or Renasa Insurance in any way whatsoever;
- 7.2 EquiStar shall have absolute discretion to reject any application for policies introduced by the Broker;

8. COLLECTION OF PREMIUMS

The Broker shall:

1. deposit all premiums directly into a nominated banking account held by the Insurer, the account number of such account to be provided to the Broker by EquiStar.

9. CANCELLATION OF POLICIES

The Broker shall not have the right to cancel policies under the policy terms and conditions unless such cancellation is instructed by the insured in writing.

10. ADMINISTRATION OR SERVICE FEE

Any administration fee, service fee or any other fee charged by the Broker pursuant to this agreement to the insured must be shown separately on the Certificate of Cover, policy document or policy schedule and shall not be concealed from the insured, EquiStar or Renasa Insurance. Such fee, if any, shall be charged only in accordance with the Act and after obtaining EquiStar's approval, which approval shall not be unreasonably withheld.

11. OBLIGATIONS OF THE BROKER

The Broker shall:

- 11.1 only canvass for insurance business within the Republic of South Africa;
- 11.2 not cede, assign or otherwise encumber in any way any of his rights or obligations under this agreement, without the prior written consent of EquiStar;
- 11.3 not appoint any sub-agents to canvass for or market the insurance business without first obtaining EquiStar's written approval and complying with the conditions for such appointment, if any, communicated by EquiStar to the Broker from time to time;
- 11.4 at all times implement the relevant policies, practice, instructions, direction and rules of EquiStar as may be communicated to the Broker from time to time;
- 11.5 comply with the Act, particularly sections 45, 48 and 55 thereof and the rules and Regulations published there under, including the Policyholder Protection Rules.
- 11.6 ensure that all employees who market or vary any EquiStar products, receive the necessary training, in order to possess the relevant knowledge, competency and proficiency in the products that they may market and/ or vary;
- 11.7 when dealing with any policyholder or prospective policyholder who is a natural person as defined by the Policyholder Protection Rules, individually accredit such trained employees (as per 11.6) who market and / or vary such products and ensure that only such employees act in this capacity;
- 11.8 maintain an accreditation register of such accredited employees, the details of which have to be communicated to EquiStar at least quarterly;
- 11.9 observe good faith towards EquiStar, Renasa Insurance and the insured;
- 11.10 not hold out or represent anything which is contrary to the terms, conditions, restrictions and the like to which the insurance business is subject.

12. CLAIMS

- 12.1 The Broker shall not admit liability on behalf of EquiStar and/ or Renasa Insurance in respect of any claim or otherwise, nor make any representations regarding the merits of a claim and hereby indemnifies EquiStar and/ or Renasa Insurance accordingly should it do so;
- 12.2 EquiStar shall be solely responsible for the administration of all claims and the answering of queries from the insured in respect thereof and the Broker shall not provide any advice or make any representations that bind Renasa Insurance and/ or EquiStar;
- 12.3 should the Broker receive any claim forms then the Broker shall notify EquiStar by telephone or fax by no later than the next business day after receipt thereof and send written confirmation and any relevant supporting documents and claim forms received by the Broker to Equimed within 3 (three) business days after such receipt;
- 12.4 Renasa Insurance shall, in its sole discretion, have the right to dispute, reject, settle, compromise or otherwise deal with or respond to claims made under policies;



- 12.5 if called upon to do so by Renasa Insurance, the Broker shall promptly render to Renasa Insurance such assistance as may reasonably be required by it in the attending to, processing or investigating of claims;
- 12.6 the Broker shall not complete any claim form, ancillary documentation and the like on behalf of an insured;
- 12.7 the Broker shall notify EquiStar in writing within 24 (twenty-four) hours of the service on the Broker of any legal process relating to the insurance business or the Broker becoming aware of any potential legal action against him which may have any impact on EquiStar or Renasa Insurance.

13. POLICY AMENDMENTS AND PREMIUM INCREASES

- 13.1 EquiStar or Renasa Insurance may from time to time, at their discretion, endorse or modify the Policies and increase or decrease premiums payable by the insured by giving 30 (thirty) days notice thereof in writing.
- 13.2 Every such endorsement, modification, increase or decrease shall become binding on the Broker forthwith on receipt of such notification by the Broker and the Broker shall in turn immediately give notice to the insured of such changes.

14. COPYRIGHT AND TRADE MARKS

The Broker acknowledges and agrees:

- 14.1 that copyright and ownership in all documents, records and procedures pertaining to the insurance business vest and shall continue to vest in EquiStar and that unauthorized publication, use or reproduction thereof is prohibited;
- 14.2 that EquiStar is the proprietor of certain trade marks, trade names, designs, logos, characteristics, intellectual property, codes and descriptions which are registered in terms of the Trade Marks Act of 1993, or pending application for registration or which are in use but not so registered or so pending;
- 14.3 not to do anything, which may have the effect, directly or indirectly, of infringing the said copyright or any of the other rights described in clause 14.2.

15. DOCUMENTATION

- 15.1 For the duration of this agreement, the Broker shall only use documents which have been approved by EquiStar and which are current, as determined by EquiStar from time to time, and shall not for any purpose whatsoever amend, vary or modify any such documents.
- 15.2 The Broker shall also be obliged to comply with any terms of supply or instructions for the operations or use of such documentation or software as may be communicated to the Broker by EquiStar from time to time.

16. CONFIDENTIALITY

The Parties shall keep confidential each others' systems, know-how, trade secrets, documents, computer software and other confidential information insofar as these may come to be known or be available to each other during the currency of this agreement, and shall not disclose the same to any person except to the extent that such disclosure is necessary for the purposes of this agreement and after obtaining the prior written consent of the affected party, which consent shall not be unreasonably withheld.

17. NO PREMIUM – NO COVER

The Broker acknowledges that subject to the provisions contained in the Act and the terms of the Policy, no cover will exist while a premium due by the insured remains unpaid. If the Broker, contrary to the terms of the Policy, holds out to any person that cover exists notwithstanding that payment of premium has not been received by the due date and if EquiStar accepts or is obliged to accept the risk, the Broker shall indemnify EquiStar and/ or Renasa Insurance and hold them harmless in respect of any claim which may be made against them in this regard.

18. GENERAL INDEMNITY

- 18.1 The Broker hereby indemnifies EquiStar and/ or Renasa Insurance against all actions, claims, damages (including consequential damages) or any other liability which Renasa Insurance or any third party may sustain either directly or indirectly arising out of any intentional or negligent act or omission by the Broker, or its employees or agents acting in the course and scope of their employment or mandate with the Broker: provided that the Broker shall not be liable for any loss or damage to the extent that such loss or damage is attributable to the negligence of EquiStar and/ or Renasa Insurance or its employees acting in the course and scope of their employment with EquiStar and/ or Renasa Insurance.
- 18.2 The Broker shall effect and keep current a professional indemnity policy on such terms reasonably required by EquiStar and/ or Renasa Insurance to cover the Broker for any claims, action, demands which may be made by Renasa Insurance or any other person against the Broker. Any expenses incurred in effecting such policy shall be for the Broker's account. The Broker shall, if requested to do so by EquiStar and/ or Renasa Insurance, exhibit to EquiStar and/ or Renasa Insurance the professional indemnity policy and proof of payment of premiums there under.
- 18.3 Without limiting any of its rights, EquiStar shall be entitled, in order to preserve its good name and reputation:
- 18.3.1 to investigate any alleged misrepresentation and/ or negligence and to disallow the particular individual responsible for the misrepresentation and/ or negligence to continue to canvass for or market the insurance business in any way, and EquiStar shall be entitled to regard any such misrepresentation and/ or negligence as a material breach of this agreement.
- 18.4 Whenever EquiStar exercises its discretion as set out above, it shall be deemed that such act of misrepresentation and/ or negligence occurred and the onus of proof shall rest on the Broker to disprove the same.



19. OFFICE, ADMINISTRATION, RECORDS AND EXPENSES

The Broker:

- 19.1 acknowledges that each application form and payment advice form are an integral part of the contract of insurance with the insured and shall ensure that such application form and payment advice form, if any, are fully and correctly completed and once completed, duly signed and dated by the prospective insured;
- 19.2 shall, throughout the duration of this agreement, keep at its principal place of business, true and proper books and records of all material information regarding insurance business introduced by the Broker and all matters incidental thereto;
- 19.3 shall be liable for and shall pay all the charges and expenses incurred in its operations and the carrying out of its obligations in terms of this agreement; and
- 19.4 agrees that EquiStar and/ or Renasa Insurance or their duly authorized representatives shall have the right at any reasonable time during business hours, without restriction and by prior appointment and at their own expense, to inspect and take extracts from the books and records so maintained by the Broker in connection with the insurance business and such other documents of the Broker as might be reasonably expected to be in its possession or under its control.

20. BREACH

If either party commits any material breach of this agreement and fails to remedy such breach within 10 (ten) days after receipt by that party ("the defaulting party") of written notice from the other party ("the aggrieved party") calling upon it to do so, then the aggrieved party shall be entitled, without prejudice to any other rights it may have in terms of this agreement, including the right to claim damages, to cancel this agreement on 15 (fifteen) days' written notice and the consequences contemplated in Clause 22 will follow

21. DURATION

This agreement shall come into effect on the date of last signature and shall remain in force unless terminated: in writing at any time by either party on 30 (thirty) days' written notice to the other;

22. EFFECT OF CANCELLATION OR TERMINATION

- 22.1 Upon the termination of this agreement at any time and for any reason, the Broker shall forthwith:
- 22.1.1 cease to canvass for and market the insurance business;
 - 22.1.2 return to EquiStar all documentation in the possession or under the control of the Broker bearing EquiStar's or Renasa Insurance's name or logo together with all copies thereof in the Broker's possession or under the Broker's control and all cheque deposit books;
 - 22.1.3 deliver to EquiStar all software, records, files, claim forms and policies and other material and documentation in the possession of the Broker pertaining to the insurance business introduced in terms of this agreement together with all copies thereof in the Broker's possession or under its control; and
 - 22.1.4 desist from holding out in any way that the Broker remains entitled to canvass for or market insurance business.
- 22.2 The termination of this agreement shall not affect any policy properly issued while this agreement was in force or the Broker's right to commission in respect of such policy for the period of insurance of such policy.

23. DOMICILIA

- 23.1 The parties choose as their respective domicilia citandi et executandi for the service on them of all legal processes, notices, correspondence and communications in terms of this agreement the addresses set out below, provided that either party may change its domicilium to any other address in the Republic by written notice to the other party with effect from the date of deemed receipt of such notice and that such new address contains a physical address for the service of legal processes.
- 23.1.1 **Renasa Insurance**
 - 23.1.2 **EquiStar**
 - 23.1.3 **Broker**
- 23.2 Any notice, order, acceptance, demand or other communication sent by pre-paid registered post shall have been deemed to have been received by the addressee on the 10th (tenth) day following the date of posting thereof.
- 23.3 Any notice given by a party to this agreement to another party to this agreement which is sent by facsimile during the normal business hours of the receiving instrument shall be rebuttably presumed to have been received on the date of successful transmission thereof, provided that any party may change its facsimile number to any other facsimile number in the Republic by written notice to the other parties with effect from the date of deemed receipt of such notice. Legal processes may not be sent by facsimile.

24. NON-WAIVER

Neither party to this agreement shall be precluded from exercising any right in terms of or arising from this agreement by reason that such party has previously, in respect of the same or any other right, granted an extension of time or other indulgence for the relevant or any other payment or performance or failure to enforce the terms of this agreement timeously or at all, and no failure to delay in or about the exercise of its rights under this agreement shall operate as a waiver of rights.

Signed at _____ on this _____ day of _____ 200__

for and on behalf of EquiStar
who warrants that he is duly authorised hereto

AS WITNESSES:

1. _____

2. _____

Signed at _____ on this _____ day of _____ 200__

for and on behalf of _____ (Broker)
who warrants that he is duly authorised hereto

AS WITNESSES:

1. _____

2. _____



EquiStar
5 Star Insurance

Agent Application

1. Full Name of Applicant

Identity Number

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

2. Name of Business

3. Are you a:

a) Registered Company?

Income tax no.

b) Partnership?

VAT Registration no.

c) Close Corporation?

d) Sole Trader?

e) Other?

4. Business address

Code: _____

5. Postal address

Code: _____

6. Business telephone

(____) _____

Home telephone

(____) _____

Fax no

(____) _____

e-mail address

7. Professional occupation

8. Full names, residential addresses, and ID numbers of partners directors

9. Have you ever:

a) Effected a compromise with creditors

Yes	No
-----	----

b) Been declared insolvent or in the case of a company been placed under placed under judicial management or provisional liquidation?

Yes	No
-----	----

If "YES" give details

Conditions of Appointment

1. The Agent is to adhere to the procedural requirements as attached hereto.
2. The Agent is required to abide by the Policyholders Protection Regulations/FAIS.
3. The Agent is to forward all proposals to Equistar as soon as practicable
4. The Agent is not empowered to quote or give cover for any risk nor are you empowered to bind Equistar by any statement written or oral unless expressly authorised by Equistar to do so.
5. The Agent is to advise the Equistar immediately if you receive notice of a claim under any of the policies in your agency. You are not authorised to arrange any loss settlement on behalf of Equistar.
6. In every case where a refund of premium is made on insurance introduced through the agent (whether by cancellation of the insurance, by reduction of the amount insured or for any other reason) the commission on such refund will be debited to the Agent's account.
7. No monthly premiums are to be collected by the agent; the agent may however collect annual premiums if proof of IGF Insurance can be provided.
8. The Agent is not entitled to endorse the cheques made payable to Equistar; these must be forwarded to Equistar immediately who will place them to the credit of the Agent's account.
9. Remuneration is by commission only in accordance with the agreed scale. Equistar reserves to itself the right the revise and alter the rates of commission at its discretion and to stipulate amended commission terms for any particular insurance.

I accept the conditions stated herein to be the basis of the agreement between me and Equistar

Date

Signature

Please provide us with your banking details:

NAME OF ACCOUNT: _____

BANK: _____

BRANCH: _____

BRANCH CODE: _____

BANK ACCOUNT NO: _____

