

INTERMEDIARY AGREEMENT

Entered into by and between:

CLIENTÈLE LIFE ASSURANCE COMPANY LIMITED

(Registration Number: **1973/016606/06**)

(hereinafter "***Clientèle***")

and

(Registration Number: _____)

(hereinafter "***the Intermediary***")

1. **PREAMBLE**

WHEREAS Clientèle is a registered Long Term insurer and an authorised financial services provider (hereinafter "**FSP**") which offers a range of long term insurance products to South-African consumers;

AND WHEREAS the Intermediary is an independent intermediary, as defined in the Act, and a duly licensed FSP in terms of FAIS;

AND WHEREAS the Intermediary is desirous to Distribute the Policies and to render Financial Services in respect of the Policies and submit, on such clients' behalf, duly completed Policy application forms to Clientèle for its consideration and processing;

NOW THEREFORE Clientèle and the Intermediary wish to record the terms and conditions regulating their relationship, as follows:

2. **DEFINITIONS AND INTERPRETATIONS**

2.1. In this Agreement, unless inconsistent with or otherwise indicated by the context, the following terms shall have the meanings assigned next to them:

2.1.1. "**the Act**" means the Long Term Insurance Act, 52 of 1998, as amended from time to time, and all regulations published in accordance therewith;

2.1.2. "**the/this Agreement**" means this intermediary agreement and any annexures thereto;

2.1.3. "**Business Day**" means any day other than a Saturday, Sunday or official South African public holiday;

2.1.4. "**Clientèle**" means Clientèle Life Assurance Company Limited, being a public company incorporated according to the laws of the Republic of South Africa under registration number **1973/016606/06**, holding FSP number: **15268**;

- 2.1.5. **"Data Subject"** means a person to whom Personal Information relates;
- 2.1.6. **"Distribute"** means to canvass and acquire applications for the Policies from potential clients and to submit same, in such form and manner as prescribed by Clientèle from time to time, to Clientèle for its consideration, and **"Distribution"** shall bear a corresponding meaning;
- 2.1.7. **"Effective Date"** means _____, notwithstanding the signature date hereof;
- 2.1.8. **"FAIS"** means the Financial Advisory and Intermediary Services, 37 of 2002, as amended from time to time, and all regulations published in accordance therewith;
- 2.1.9. **"FICA"** means, the Financial Intelligence Centre Act, 38 of 2001, as amended from time to time, and all regulations published in accordance therewith;
- 2.1.10. **"Financial Services"** shall have the meaning ascribed thereto in terms of FAIS;
- 2.1.11. **"Intermediary"** means _____, with registration number: _____, holding FSP number: _____;
- 2.1.12. **"Intermediary Representative"** means any natural person employed or mandated by the Intermediary to, directly or indirectly, distribute the Policies and/or render Financial Services in respect of the Policies;
- 2.1.13. **"Parties"** means, Clientèle and the Intermediary collectively, and each individual shall be referred to as the **"Party"**;

- 2.1.14. **"Personal Information"** means members of the public's personal information (as defined in POPIA) which the Intermediary receives, stores and/or processes for purposes of Distributing the Policies and/or rendering Financial Services in respect of the Policies;
- 2.1.15. **"Policies"** means such long term insurance policies as detailed in **Annexure A** hereto;
- 2.1.16. **"POPIA"** means the Protection of Personal Information Act 4 of 2013;
- 2.1.17. **"TCF outcomes"** means, the 6 (SIX) specific, clearly articulated fairness outcomes for financial services customers, as defined by the Financial Services Board, which ought to be demonstrably delivered by all regulated financial institutions; and
- 2.1.18. **"VAT"** means any value-added tax in terms of the Value Added Tax Act 89 of 1991, or any similar tax which is imposed in place of or in addition to such tax.
- 2.2. This Agreement shall be interpreted according to the following provisions, unless the context requires otherwise:
- 2.2.1. References to "clauses" and "sub-clauses" are references to the clauses and sub-clauses of this Agreement;
- 2.2.2. References to "this Agreement" shall include this Agreement as amended, varied, novated or substituted in writing from time to time;
- 2.2.3. The headings of clauses and sub-clauses are included for convenience only and shall not affect the interpretation of this Agreement;
- 2.2.4. References to a "person" shall include an individual, firm, company, corporation, juristic person, and any trust, organisation, association or partnership, whether or not having separate legal personality;

- 2.2.5. If figures are referred to in numerals and words, the words shall prevail in the event of any conflict between the two;
- 2.2.6. Words importing the singular number shall include the plural and *vice versa*, and words importing either gender or the neuter shall include both genders and the neuter;
- 2.2.7. Unless specifically otherwise provided, the number of days indicated to commit an act or indicated for any other purpose, is calculated by excluding the first day and including the last day;
- 2.2.8. References to "months" shall be construed as calendar months;
- 2.2.9. If any provision in a definition contains a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to such provision as if it was a substantive provision in the body of this Agreement;
- 2.2.10. Defined terms appearing in this Agreement and which start with a capital letter shall be given their meaning as defined, while the same terms appearing in lower case shall be interpreted in accordance with their plain English meaning;
- 2.2.11. References to the provisions of any law shall include such provisions as amended, re-enacted or consolidated from time to time in so far as such amendment, re-enactment or consolidation applies or is capable of applying to any transaction entered into under this Agreement;
- 2.2.12. General words preceded or followed by words such as "other" or "including" or "particularly" shall not be given a restrictive meaning because they are preceded or followed by particular examples intended to fall within the meaning of the general words; and
- 2.2.13. The Parties acknowledge that each of them has had the opportunity to take legal advice concerning this Agreement, and agree that no provision or word used in this Agreement shall be interpreted to the disadvantage of either Party because that Party was responsible for or participated in the preparation or drafting of this Agreement or any part of it.

- 2.3. The right of a Party under this Agreement to grant or withhold its approval, consent, agreement, confirmation or analogous endorsement shall in each case (unless otherwise stated) be subject to an obligation not to unreasonably withhold or delay the giving or withholding of any such endorsement.
- 2.4. Nothing in this Agreement shall detract from the Intermediary's statutory obligations or requirements as enacted or Gazetted from time to time.

3. SUSPENSIVE CONDITIONS

- 3.1. The rights and obligations of the Parties under this Agreement are subject to the fulfilment of the following suspensive conditions within a period of 30 (THIRTY) days from date of the Intermediary's signature hereof:

3.1.1. the individual (as well as his / her spouse if married in community of property) signing this Agreement on behalf of the Intermediary duly completes, signs and returns to Clientèle the deed of suretyship attached hereto as **Annexure C**. This condition can be waived by Clientèle in writing in accordance with Clause 3.2. The waiver shall be solely at the discretion of Clientèle;

3.1.2. the Intermediary:

3.1.2.1. provides satisfactory proof to Clientèle that it is a duly licensed FSP;

3.1.2.2. returns to Clientèle a fully and accurately completed "*Clientèle intermediary application form*" and provides Clientèle with all requisite supporting documentation and/or information; and

3.1.3. Clientèle issuing to the Intermediary a "*commission code*" as well as an "*Intermediary Representative code*", as per the provisions of clauses 6 and 7 below.

- 3.2. In the event that the suspensive conditions *supra* is not so fulfilled, waived or the time period for fulfilling such suspensive conditions is not extended by Clientèle, in writing, this Agreement shall be deemed void *ab initio* and its provisions shall not be capable of being enforced.

4. COMMENCEMENT AND DURATION

4.1. Subject to fulfilment of the suspensive conditions in clause 3 *supra*, this Agreement will commence on the Effective Date and shall subsist indefinitely until:

4.1.1. either Party hereto, for any reason whatsoever, provides the other with 1 (ONE) months' prior written notice of cancellation; or

4.1.2. Clientèle cancels this Agreement with immediate effect in terms of clauses 12.6.4, 15 or 16 below.

5. REPRESENTATION AND WARRANTIES

The Intermediary warrants that it:

5.1. as well as its Intermediary Representatives, are duly licensed to render Financial Services in respect of the Policies;

5.2. acts as agent for its client(s) and that any action that it takes on its client(s)' behalf shall be deemed to be upon such client's express instructions;

5.3. is not an employee and/or agent of Clientèle and shall not hold itself out as having any authority whatsoever to bind Clientèle in any manner or form;

5.4. is not restricted by any circumstance or law from exercising its authority to represent its clients or from fulfilling any of its obligations in terms of this Agreement;

5.5. will notify Clientèle immediately, in writing, of any fact which is likely to affect its financial soundness or solvency;

5.6. will ensure that all of its Intermediary Representatives tasked with, directly or indirectly, Distributing the Policies or rendering Financial Services in respect of the Policies are made aware of the provisions of this Agreement as far as same pertains to him / her / them, and shall ensure that such individual(s) regard themselves as being bound thereto; and

5.7. accepts responsibility for all actions or omissions of its Intermediary Representatives and/or employees, to the extent that such Intermediary Representatives and/or employees act within the course and scope of their employment or mandate with the Intermediary.

6. INTERMEDIARY REPRESENTATIVES

- 6.1 The Intermediary shall, in respect of each Intermediary Representative, complete Clientèle's standard "Intermediary Representative" form as soon as the Intermediary Representative is employed or engaged by the Intermediary.
- 6.2 The Intermediary shall immediately notify Clientèle in writing when the relationship between the Intermediary and the Intermediary Representative is terminated for any reason or if an Intermediary Representative is debarred from rendering Financial Services.
- 6.3 The Intermediary shall not allow an Intermediary Representative to render Financial Services in respect of the Policies unless and until such time as Clientèle has allocated an "Intermediary Representative code" to such Intermediary Representative in terms of clause 7.2.
- 6.4 Clientèle shall not pay any remuneration to the Intermediary in respect of Distribution services or Financial Services rendered by any relevant Intermediary Representative:
- 6.4.1 where the requirements of clause 6.1 have not been met;
 - 6.4.2 where Clientèle has declined to issue a "Intermediary Representative code" to such Intermediary Representative;
 - 6.4.3. whose appointment has been terminated by the Intermediary; or
 - 6.4.4 who is prohibited or debarred from rendering Financial Services.

7. COMMISSION ACCOUNTS / CODES

- 7.1 Clientèle shall open a commission account for the Intermediary and allocate a "commission code" to such account.
- 7.2 Subject to clause 7.3, Clientèle shall, in addition to the commission code referred to in clause 7.1 above, issue an "Intermediary Representative code" under the aforesaid commission code for each Intermediary Representative in respect of whom the Intermediary submitted a "Particulars of Intermediary Representative" form in terms of clause 6.1 above.

- 7.3 Clientèle reserves the right to refuse to issue, suspend and/or revoke an “*Intermediary Representative code*” for any reason whatsoever.
- 7.4 The Intermediary acknowledges that its commission code and the “*Intermediary Representative code/s*” form an integral part of Clientèle’s business processes and warrants that a code shall not be used by anyone other than the Intermediary or the Intermediary Representative in respect of whom the code was allocated.

8. INTERMEDIARY MANDATE

- 8.1. Clientèle hereby mandates the Intermediary to Distribute the Policies and/or render Financial Services in respect of the Policies.
- 8.2. The Parties record that the Intermediary’s authority in terms of this Agreement is specifically limited to the ambit of clause 8.1 above.
- 8.3. The Intermediary shall not be entitled to, without obtaining the prior written consent of Clientèle:
- 8.3.1. publish any printed and/or written matter concerning Clientèle or the Policies;
 - 8.3.2. conclude any contract or Policies or give any undertaking or proposal that could be binding on Clientèle in any manner or form;
 - 8.3.3. investigate, administer and/or accept any Policies claim for or on behalf of Clientèle;
 - 8.3.4. settle any Policy claim whatsoever on behalf of Clientèle;
 - 8.3.5. portray to its clients or any third party that it holds any binding authority from Clientèle or portray the image or perception of being an employee or agent of Clientèle;
 - 8.3.6. to alter or change any Policy wording or terms; or
 - 8.3.7. collect or accept any Policy funds for, or on behalf of, Clientèle.

9. INTERMEDIARY REMUNERATION

- 9.1. Subject to any applicable laws and/or regulations; Clientèle shall pay to the Intermediary commission as detailed in **Annexure B** hereto, the basis of which will be determined at inception of the relevant Policies and which basis will not be changed unless agreed to, in writing, by Clientèle.
- 9.2. Upon the occurrence of any of the relevant statutory codified instances, Clientèle shall be entitled to claw back from the Intermediary such percentage of commission payments made as permitted in terms of the Act. The Parties specifically record that any relevant certificate issued by Clientèle or its authorised representatives will be *prima facie* proof of a specified percentage commission claw back becoming due by the Intermediary in terms of this Agreement.
- 9.3. As security for any potential commission claw back, the Parties agree that Clientèle may retain a specified percentage, as determined by Clientèle from time to time and communicated to the Intermediary in writing 30 (THIRTY) days in advance, of commission payable to it in terms of this Agreement. Should no claw back, as per clause 9.2 above, become applicable to the Policies Clientèle undertakes to pay such retained percentage of commission over to the Intermediary on or before the last day of the 1st (FIRST) month during which no claw back is legislatively and/or regulatory permissible anylonger.
- 9.4. Clientèle shall be entitled to offset any commission payable by it to the Intermediary in terms of this Agreement against any amounts, of whatsoever nature (including damages), being owed by the Intermediary to Clientèle. The Intermediary will not be entitled to setoff commission due to it in terms of this Agreement against any amount owing by it to Clientèle.
- 9.5. In the event of the Intermediary's FSP license being withdrawn, suspended or revoked, for any reason whatsoever, Clientèle shall be entitled to retain all commission payable to the Intermediary in terms hereof until such a time as the Intermediary has proved, to Clientèle's reasonable satisfaction, that its relevant license has been reinstated or reissued.
- 9.6. Any and all commission due by Clientèle to the Intermediary in terms of this Agreement will be exclusive of VAT. Should the Intermediary be, or become, registered as a VAT vendor Clientèle will pay to the Intermediary, in addition to any commission, VAT at the applicable rate.

9.7. The Intermediary will not be entitled to any remuneration in terms of this Agreement other than commission detailed in clause 9.1 above.

10. POLICYHOLDER PROTECTION RULES AND FAIS COMPLIANCE

10.1. The Intermediary undertakes to, at all times, comply with all applicable legislation, rules and regulations and, without limiting the generality of the aforementioned, specifically the provisions of:

10.1.1. the Act;

10.1.2. the Policyholder Protection Rules promulgated in terms of the Act;

10.1.3. FAIS;

10.1.4. FICA; and

10.1.5. TCF outcomes.

10.2. In addition to the above, the Intermediary furthermore undertakes to:

10.2.1 act honestly and fairly and with due skill, care and diligence in the best interest of its clients;

10.2.2 have in place and effectively employ all resources, procedures and appropriate systems requisite for the proper performance and rendering of Financial Services to its clients;

10.2.3 where applicable, seek from clients appropriate and available information regarding their financial situations and objectives in connection with the Financial Service required;

10.2.4 act with circumspection and treat all its clients fairly should situations of conflicting interests arise;

10.2.5 comply with all applicable statutory and/or common law provisions relevant to the conduct of the Intermediary's business; and

10.2.6. maintain accurate records and books of account of all Policies Distributed in terms of this Agreement.

11. ACCESS TO POLICYHOLDER INFORMATION

All documents, information, accounts, reports and/or records related to the Intermediary's authority to Distribute the Policies, or the rendering of any Financial Services, in terms of this Agreement shall be made available by the Intermediary, at all reasonable times, for inspection by Clientèle. Clientèle shall have the right to make copies of, or take such extracts from, the said records and documentation as it deems fit.

12. POPIA COMPLIANCE

Processing Limitation

12.1. Unless required by law, the Intermediary shall process Personal Information only:

12.1.1. on behalf of Clientèle and in compliance with its instructions and this Agreement;

12.1.2. for the purposes connected with Distributing the Policies and/or rendering Financial Services in respect of the Policies or as specifically otherwise instructed or authorised by Clientèle in writing.

Security measures

12.2. The Intermediary warrants that it shall secure the integrity and confidentiality of the Personal Information in its possession or under its control by taking appropriate, reasonable technical and organisational measures to prevent:

12.2.1. loss of, or damage to, or unauthorised destruction of the Personal Information; or

12.2.2. unlawful access to or processing of the Personal Information.

12.3. In order to give effect to clause 12.2 above, the Intermediary shall take all reasonable measures to:

12.3.1. identify all reasonable foreseeable internal and external risks to the Personal Information in its possession or under its control;

- 12.3.2. establish and maintain appropriate safeguards against the risk identified;
 - 12.3.3. regularly verify that the safeguards are effectively implemented; and
 - 12.3.4. ensure that the safeguards are continually updated in response to new risks or deficiencies in previously implemented safeguards, and shall notify Clientèle of the risks identified and the safeguards established and implemented from time to time.
- 12.4. The Intermediary shall:
- 12.4.1. have due regard to generally accepted information security practices and processes which may apply to it; and
 - 12.4.2. comply with Clientèle's information security practices and procedures and applicable industry or professional rules and regulations of which Clientèle undertakes to keep the Intermediary informed from time to time.
- 12.5. Within 5 (FIVE) Business Days of a request from Clientèle, the Intermediary shall provide to Clientèle a written explanation and full details of the appropriate technical and organisational measures taken by or on behalf of the Intermediary to demonstrate and ensure compliance with this clause 12.

The Intermediary's general obligations regarding Personal Information

- 12.6. In addition to the other obligations of the Intermediary contemplated in this clause 12, the Intermediary shall:
- 12.6.1. take all reasonable steps to ensure the reliability of any of its staff members who have access to the Personal Information;
 - 12.6.2. limit access to the Personal Information only to staff members who are involved in the Distribution of the Policies and/or rendering Financial Services in respect of the Policies and ensure that the aforementioned staff members have undergone training in the care and handling of the Personal Information;

- 12.6.3. deal promptly and properly with all reasonable inquiries from Clientèle relating to its Processing of the Personal Information and provide to Clientèle copies of the Personal Information in the format reasonably specified by Clientèle;
- 12.6.4. promptly inform Clientèle of its inability to comply with Clientèle's instructions regarding the processing of Personal Information, in which case Clientèle is entitled to terminate this Agreement immediately;
- 12.6.5. provide Clientèle with full co-operation and assistance in relation to any requests for access or correction or complaints made by Data Subjects; and
- 12.6.6. at the request of Clientèle or any regulatory body, submit its Personal Information Processing facilities for audit of the processing activities covered by this Agreement.

Notifications

The Intermediary must notify Clientèle in writing:

- 12.6.7. within 1 (ONE) Business Day or otherwise as soon as reasonably possible if any Personal Information has been or may reasonably believe to have been accessed or acquired by an unauthorised person or if a breach has occurred with reference to its use of the Personal Information under this Agreement. The notification must provide sufficient information to allow affected Data Subjects to take measures against the potential consequences of the compromise, including, if known to the Intermediary, the identity of the unauthorised person who may have accessed or acquired the Personal Information;
- 12.6.8. within 3 (THREE) Business Days of receipt of any request for access to or correction of the Personal Information or complaints received by the Intermediary relating to the Intermediary's obligations in terms of POPIA and provide Clientèle with full details of such request or complaint; and
- 12.6.9. promptly of any legally binding request for disclosure of Personal Information or any other notice or communication which relates to the processing of the Personal Information from any supervisory or governmental body.

Return / destruction of Personal Information

- 12.7. Upon termination and/or expiration of this Agreement or upon request by Clientèle, the Intermediary shall return any material containing, pertaining or relating to the Personal Information disclosed pursuant to this Agreement to Clientèle. Alternatively, the Intermediary shall, at the instance of Clientèle, destroy or return such material and shall certify to Clientèle that it has done so, unless the law prohibits the Intermediary from doing so. In that case, the Intermediary warrants that it will guarantee the confidentiality of the Personal Information and will not actively process the Personal Information any further.

General obligation of the Parties

- 12.8. Notwithstanding any provisions to the contrary contained in this Agreement, both Parties undertake to at all times adhere to the relevant provisions of POPIA.

13. CONFIDENTIALITY AND PROTECTION OF PROPRIETARY INFORMATION

- 13.1. The Parties acknowledge that they will, in the course of performance and/or execution of this Agreement, gain access to or become acquainted with the techniques, methods and processes, trade secrets, data, information technology, software, business associates, clients, and other private, sensitive and confidential information (hereinafter "**Confidential Information**") of the other Party.
- 13.2. The Parties accordingly undertake, for the duration of this Agreement as well as after termination and/or expiration thereof, not to directly or indirectly, utilize, disclose or make public to any third party any Confidential Information of the other and to keep any Confidential Information secret and confidential at all times, unless such disclosure takes place in the ordinary course of performance and/or execution of the terms of this Agreement.
- 13.3. Confidential Information shall not include:
- 13.3.1. information which was known to a Party prior to receipt thereof from the disclosing Party;
 - 13.3.2. information which is or lawfully becomes generally available to the public;
 - 13.3.3. information which is lawfully acquired from third parties who have a right to disclose such information;

- 13.3.4. information which by mutual written agreement is released from confidential status; and
- 13.3.5. information which is required to be disclosed in response to a valid order of court or other governmental agency or if disclosure is otherwise required by operation of law, in which instance the disclosing Party undertakes to provide the other Party with prompt written notice if such disclosure is required, and shall limit the disclosure to the minimum necessary to comply with the court order, applicable legislation and/or regulation.
- 13.4. Clientèle warrants that every reasonable effort will be made to ensure that no Policyholders' contact information is used for the distribution of alternative Clientèle insurance products, except when a relevant Policyholder's contact information was already known to Clientèle / already formed part of a client database to which Clientèle marketed prior to same having been disclosed by the Intermediary in terms of this Agreement. In the event of any breach of the undertaking provided in this clause 13.4, Clientèle undertakes to effect immediate remedial action.
- 13.5. Notwithstanding any provision to the contrary, any breach of clauses 13.1 to 13.3 above will entitle the non-defaulting Party to approach a competent court with jurisdiction, without any prior notice to the defaulting Party, seeking urgent relief restricting the defaulting Party from disclosing any Confidential Information.

14. INDEMNITY AND LIABILITY

The Intermediary hereby indemnifies Clientèle against any and all claims, actions, damages and/or liabilities (including consequential damages) which Clientèle or any other third party may sustain, either directly or indirectly, arising out of any breach of this Agreement by the Intermediary, its Intermediary Representatives and/or consultants acting in the course and scope of their employment or mandate with the Intermediary, or any negligent act or omission of the Intermediary, its Intermediary Representatives and/or consultants acting in the course and scope of their employment or mandate with the Intermediary; provided that the Intermediary shall not be liable for any loss or damage which is directly attributable to the negligent acts or wilful omissions of Clientèle its employees and/or consultants acting in the course and scope of their employment or mandate with Clientèle.

15. CANCELLATION OF AGREEMENT

- 15.1 Clientèle may cancel this Agreement with immediate effect should the Intermediary:
- 15.1.1. breach any material term(s) of this Agreement, it being recorded that all terms of this Agreement which (i) impose any obligation or duty on the Intermediary and/or its Intermediary Representatives, or (ii) comprise any warranty, representation and/or undertaking by the Intermediary and/or its Intermediary Representatives, shall be deemed to be material;
 - 15.1.2. cause its FSP license to be suspended, removed, impaired or revoked by any order or decree of any regulatory or judicial authority;
 - 15.1.3. be sequestrated or liquidated, whether provisionally or finally, or commence business rescue proceedings;
 - 15.1.4. commit any act of insolvency;
 - 15.1.5. endeavour to compromise generally with its creditors or does or causes anything to be done which may prejudice Clientèle's rights hereunder or at all; or
 - 15.1.6. allow any judgment against it to remain unsettled for more than 10 (TEN) days without taking immediate steps to have it rescinded and successfully prosecuting the application for rescission to its final end.
- 15.2. In the event of this Agreement being cancelled and/or terminated, for any reason whatsoever, the Intermediary's mandate granted in terms hereof will immediately cease and the Intermediary will immediately refrain from Distributing the Policies and/or rendering Financial Services in respect of the Policies.
- 15.3. In the event that either Party institutes legal action against the other Party as a result of breach of any term of this Agreement, the non-defaulting Party shall be entitled to claim any and all legal costs incurred by it, including but not limited to its attorney's fees on an attorney and own client scale, from the defaulting Party.

15.4. Clientèle shall be entitled to claim from the Intermediary upon termination of this Agreement all records, data and other information in possession of the Intermediary concerning any Policiesholders of Clientèle as well as all records, data, marketing material or any other information provided by Clientèle to the Intermediary during the subsistence of this Agreement.

16. **LEGISLATIVE AMENDMENTS**

The Parties hereby agree that should any applicable legislation, regulations and/or rules of any statutory or regulatory body come into effect, or be amended, at any stage which adversely affects or materially alters, in Clientèle's sole discretion, the terms of this Agreement then Clientèle may terminate this Agreement immediately upon written notice thereof to the Intermediary.

17. **MISCELLANEOUS**

17.1. The Intermediary may not assign, cede, delegate, transfer or otherwise dispose of any right or obligation under this Agreement to any other person and/or third party without the prior written consent of Clientèle.

17.2. No provision of this Agreement (including, without limitation, the provisions of this clause) may be amended, substituted or otherwise varied, and no provision may be added to or incorporated in this Agreement, except (in any such case) by an agreement in writing signed by the duly authorised representatives of the Parties.

17.3. Any relaxation, indulgence or delay (collectively referred to as "**Indulgence**") by either Party in exercising, or any failure by either Party to exercise, any right under this Agreement shall not be construed as a waiver of that right and shall not affect the ability of that party subsequently to exercise that right or to pursue any remedy, nor shall any Indulgence constitute a waiver of any other right (whether against that Party or any other person).

17.4. The waiver of any right under this Agreement shall be binding on the waiving Party only to the extent that the waiver has been reduced to writing and signed by the duly authorized representative/s of the waiving Party.

17.5. This Agreement supersedes all prior agreements, representations, communications, negotiations and understandings between the Parties concerning the subject matter of this Agreement.

17.6. Whenever possible, each provision of this Agreement shall be interpreted in a manner which makes it effective and valid under applicable law, but if any provision of this Agreement is held to be illegal, invalid or unenforceable under applicable law, that illegality, invalidity or unenforceability shall not affect the other provisions of this Agreement, all of which shall remain in full force.

17.7. This Agreement may be executed in any number of identical counterparts, all of which when taken together shall constitute one Agreement. Any single counterpart or a set of counterparts taken together which, in either case, are executed by the Parties shall constitute a full original of this Agreement for all purposes.

17.8. All letters of demand and/or legal proceedings by either Party in terms of this Agreement or relating to it shall be given in writing, and shall be sent by registered post, or delivered by hand to the recipient Party at its relevant address set out below:

17.8.1. if to Clientèle at:

Address:

**BUILDING 6, FIRST FLOOR
CLIENTÈLE OFFICE PARK
C/O ALON & RIVONIA ROADS
MORNINGSIDE
JOHANNESBURG
GROUP LEGAL**

For attention:

17.8.2. if to the Intermediary at:

Address:

17.9. Either Party may, by written notice to the other Party, change any of the addresses at which, or the designated person for whose attention those notices or other communications are to be given.

17.10. Any notice or other communication given by any Party to the other which:

17.10.1. is sent by registered post to the addressee at its specified address shall be rebuttably presumed to have been received by the addressee on the 7th (SEVENTH) day after the date of posting; or

17.10.2. is delivered by hand during the normal business hours of the addressee at its specified address shall be rebuttably presumed to have been received by the addressee at the time of delivery.

The Parties choose their respective physical addresses in clause 17.8 as their respective *domicilia citandi et executandi* at which all documents relating to any legal proceedings to which they are a party may be served. If that address is changed to another address which is not a physical address in the Republic of South Africa, then the original address shall remain the *domicilium citandi et executandi* of the relevant Party until it nominates a new physical address within the Republic of South Africa in writing, to be its new *domicilium citandi et executandi*.

17.11. Both Parties agree to perform, or procure the performance, of all further things, and execute and deliver (or procure the execution and delivery) of all further documents, as may be required by law or as may be desirable or necessary to implement or give effect to this Agreement and the transactions contemplated therein.

18. COSTS

Both Parties shall bear their own costs in respect of the preparation and finalisation of this Agreement.

Thus done and signed at on this day of 201.....

.....
CLIENTÈLE

NAME:

Who warrants his/her authority hereto

.....
WITNESS #1

Thus done and signed at on this day of 201.....

.....
THE INTERMEDIARY

NAME:

Who warrants his/her authority hereto

.....
WITNESS #2

"ANNEXURE A"

The Intermediary is hereby authorised to Distribute and/or render Financial Services in respect of the following Policies:

- 1) **CLIENTÈLE ESTATE PRESERVATION PLAN (all cover limits);**
- 2) **CLIENTÈLE 5 YEAR GUARENTEED GROWTH PLAN;**
- 3) **CLIENTÈLE 5 YEAR LINKED GROWTH PLAN; and**
- 4) **CLIENTÈLE 5 YEAR GUARENTEED INCOME PLAN.**

"ANNEXURE B"

Subject to clause 9 above; Clientèle undertakes to pay the Intermediary the following commission per Policy Distributed and subsequently accepted by Clientèle:

1. In respect of all CLIENTÈLE ESTATE PRESERVATION PLAN Policies:

Commission options	Amount payable	Payment terms	Potential clawback
OPTION A	Maximum statutory Commission (as promulgated in terms of the Act)	Payable to the Intermediary on or before the last day of the month following any relevant Policy's inception date	Maximum statutory permitted clawback
OPTION B	50% of "Option A" plus 50% of "Option C"	As per the payment terms in respect of "Option A" and "Option C"	As per the potential clawback in respect of "Option A" and "Option C"
OPTION C	A certain percentage of each Policy premium received in accordance with the table below (subject to any relevant regulatory limitations)	Payable to the Intermediary on or before the last day of the month following receipt of each Policy premium	Less than 7 (SEVEN) Policies premium receipts by Clientèle = 100% clawback of commissions paid to date. Thereafter commissions paid in respect of Policy premiums reversed or reduced

OPTION C

Ongoing commission rates applicable at each age at date of commencement of Policy

Age at Commencement Date	Rate Applicable	Age at Commencement Date	Rate Applicable	Age at Commencement Date	Rate Applicable
Up to age 49	15.0%	56	11.3%	63	7.3%
50	14.4%	57	10.8%	64	6.5%
51	13.8%	58	10.3%	65	6.5%
52	13.3%	59	9.6%	66	6.5%
53	12.7%	60	9.0%	67	6.5%
54	12.3%	61	8.5%	68	6.5%
55	11.8%	62	7.8%	69	6.5%

2. In relation to all CLIENTÈLE 5 YEAR GUARENTEED GROWTH PLAN, LINKED GROWTH PLAN and CLIENTÈLE 5 YEAR GUARENTEED INCOME PLAN Policies:

POLICY TYPE	COMMISSION (calculated as a percentage of the initial sum invested by a Policyholder in terms of a Policy)
CLIENTÈLE 5 YEAR GUARENTEED GROWTH PLAN; and CLIENTÈLE 5 YEAR LINKED GROWTH PLAN	3% (THREE PERCENT)
CLIENTÈLE 5 YEAR GUARENTEED INCOME PLAN	3% (THREE PERCENT) on Endowment portion of Policy <i>and</i> 1.5 % (ONE AND A HALF PERCENT) on Annuity portion of Policy

DEED OF SURETYSHIP

I, the undersigned

(Identity Number: _____)

(hereinafter "**the Surety**")

hereby bind myself to **CLIENTÈLE LIFE ASSURANCE COMPANY LIMITED**, with registration number: 1973/016606/06 (hereinafter "**the Creditor**"), as surety, guarantor and co-principal debtor *in solidum* with:

(Registration Number: _____)

(hereinafter "**Brokerage**")

for:

1. the proper and timeous payment by the Brokerage of all amounts whatsoever (including damages of whatsoever nature) which the Brokerage may now or in the future owe to the Creditor arising out of or in connection with the intermediary agreement entered into between the Creditor and the Brokerage (hereinafter "**the contract**");
2. the proper and timeous performance in all other respects of all the Brokerage's obligations to the Creditor in terms of the contract;
3. any interest owing in respect of the Brokerage's indebtedness to the Creditor in terms of the contract and any costs and disbursements (including attorney and client costs or collection charges) incurred by the Creditor in recovering or attempting to recover any amount whatsoever payable to the Creditor in terms of the contract.

GENERAL PROVISIONS

4. The Surety agrees that:
 - 4.1. this deed of suretyship shall be in addition to and not detract from any other deed of suretyship, guarantee, indemnity or security of any nature which the Creditor holds or may obtain from or on behalf of the Brokerage;
 - 4.2. the Creditor may at its sole and absolute discretion, without prejudice to any of its rights, without notice to the Surety and without prejudice to the liability of the Surety in terms hereof:
 - 4.2.1. grant extension of time to, compromise or make any other arrangement with the Brokerage regarding the payment of its indebtedness or the performance of its obligations towards the Creditor.
 - 4.3. the Creditor and the Brokerage may, without prejudice to any of the rights of the Creditor towards the Surety, at all times amend any of the terms and conditions of the contract: provided that the Creditor shall notify the Surety in writing of such changes and provided furthermore that should such amendments materially increase the Brokerage's obligations in terms of this deed of suretyship, the Surety shall not be liable for such increased obligations (unless the Surety acceded to it in writing) but the Surety shall not thereby be released from his / her original obligations in terms hereof;
 - 4.4. should the Brokerage be provisionally or finally liquidated, commence business rescue or compromise with its creditors the Creditor may, without prejudice to any of its rights under this deed of suretyship:
 - 4.4.1. prove a claim against the Brokerage's estate for the entire amount of the Creditor's total claim against the Brokerage;
 - 4.4.2. recover from the Surety the entire amount of the Creditor's total claim against the Brokerage: provided that the Creditor shall account to the Surety for any amount it may receive from the Brokerage or the Brokerage's estate or the Surety in excess of its total claim against the Brokerage;

- 4.4.3. any dividend received by the Creditor from the Brokerage's estate shall firstly be applied to discharge that portion, if any, of the Brokerage's indebtedness to the Creditor which is not covered by this deed of suretyship; and
- 4.4.4. any failure of the Creditor to prove a claim against the Brokerage's estate shall not detract from the Surety's liability to the Creditor in terms hereto;
- 4.5. the Surety renounces the benefits of excussion, division and cession of action, *non causa debiti, errore calculi*, revision of accounts and no value received, the complete and precise meaning of which the Surety acknowledges that he / she understands;
- 4.6. should the Brokerage fail to properly and timeously discharge any of its obligations to the Creditor under the contract, the Creditor shall be entitled to demand immediate performance by the Surety of the then existing obligations then owed by the Brokerage to the Creditor;
- 4.7. a certificate signed by any accountant or manager (whose appointment, authority or qualification need not be proved) of the Creditor shall be *prima facie* proof of the amount of the indebtedness to the Creditor by:
- 4.7.1. the Brokerage; or
- 4.7.2. the Surety.
- 4.8. the Magistrates' Court, having jurisdiction in respect of the Surety in terms of Section 28 of the Magistrate's Court Act, No 32 of 1944, shall at the Creditor's option have jurisdiction with regard to whatever legal proceedings arise herefrom, notwithstanding that the amount of the claim may exceed the jurisdiction of the said court and that the Creditor may at its discretion, notwithstanding the foregoing consent, institute any intended action in any division of the Supreme Court of South Africa having jurisdiction;

- 4.9. the Surety may not revoke this deed of suretyship without the prior written consent of the Creditor until such time as the Brokerage has performed all its obligations and has paid all amounts owing to the Creditor under the contract, and the Creditor is entitled at its discretion to make such consent subject to any condition it may deem fit;
- 4.10. should the Creditor consent to the revocation of this deed of suretyship, the Surety shall in any event remain liable for all obligations of the Brokerage set out in this deed of suretyship which are owing to the Creditor at that time, together with interest accrued and accruing after that date in respect thereof;
- 4.11. the liability of the Surety in terms of this deed of suretyship is not subject to any other person being bound on behalf of the Brokerage as surety, guarantor or co-principal debtor in favour of the Creditor;
- 4.12. any reference to the Creditor shall include its successors in title, orders or assigns;
and
- 4.13. this deed of suretyship is also given in respect of any indebtedness of the Brokerage arising from any novation of the contract.

WARRANTIES

5. If the Surety is a director, member or trustee, as the case may be, of the Brokerage the Surety warrants that:
- 5.1. the contract binds or shall in all respects bind the Brokerage unconditionally;
and
- 5.2. all resolutions, signatures and powers of attorney with regard to the contract have been or will be properly taken, given and executed,

and should there be any breach of these warranties, the Surety shall assume all liabilities and every obligation to the Creditor which any such agreement purported to impose on the Brokerage, and the Surety indemnifies the Creditor (as a separate undertaking, which is completely severable from the remainder of this deed of suretyship) against any loss of

whatever nature the Creditor may suffer arising from or in connection with the enforcement, cancellation or invalidity of the contract.

MISCELLANEOUS

- 6.1. No amendment or consensual cancellation of this deed of suretyship shall be of any legal force unless reduced to writing and signed by or on behalf of the Creditor and the Surety.
- 6.2. This deed of suretyship contains all the terms and conditions of the agreement between the Surety and the Creditor and there have not been and there are no agreements, representations or warranties between the parties other than those specifically set forth herein.
- 6.3. No relaxation or indulgence which the Creditor may show the Surety in respect of any of his / her obligations to the Creditor in terms hereof shall:
 - 6.3.1. constitute a waiver or novation of any of the rights of the Creditor towards the Surety;
 - 6.3.2. prejudice any of the rights of the Creditor towards the Surety; or
 - 6.3.3. be interpreted as a basis for estoppel or as an implied amendment of any of the obligations of the Surety towards the Creditor.

ADDRESS

- 7.1. The Surety chooses as his / her *domicilium citandi et executandi* for the purposes hereof at:

[Physical address only]

- 7.2. All notices given by the Creditor to the Surety at the address referred to in 7.1 or at any other address of which the Surety may notify the Creditor in writing shall:

- 7.2.1. if given by registered post, be deemed to have been received not later than 5 (FIVE) days after posting;
- 7.2.2. if sent by telegram or telefax, be deemed to have been received on the day following the day of transmission thereof; or
- 7.2.3. if given by hand, be deemed to have been received on the day of delivery thereof.

SEVERABILITY

8. Each paragraph of this deed of suretyship is severable, the one from the other, and if any paragraph or clause is found to be defective or unenforceable for any reason by any competent court, the remaining clauses shall be of full force and effect.

THUS DONE AND SIGNED AT _____ ON THIS THE _____ DAY OF _____ 201_____.

SURETY

WITNESS
 NAME:

IF MARRIED IN COMMUNITY OF PROPERTY:

SURETY'S SPOUSE
 NAME:

WITNESS
 NAME: