

LEGAL DISCLOSURES MADE IN TERMS OF THE FINANCIAL ADVISORY AND INTERMEDIARY SERVICES (FAIS) ACT, NO. 37 OF 2002
IMPORTANT – PLEASE READ CAREFULLY – FAIS DISCLOSURE AND OTHER LEGAL REQUIREMENTS

1. Introduction

Whilst we make every effort to ensure you fully understand the insurance product, we have supplied there are certain facts we are obliged in terms of legislation to ensure that you not only know about, but understand. The most notable being the Financial Advisory and Intermediary Services Act (FAIS) and in the case of clients purchasing policies in their personal capacity, the Policy Holder Protection Rules.

The most important objective of these obligations is to ensure you, our client, has full knowledge about the organizations involved in delivering the service to you as well as full understanding of the product you have purchased. Whilst every effort has been made to ensure we have achieved this objective, if at any time you feel we have not provided you with the information required or you do not understand the information we have given you, please ask us – do not assume! Whilst this information is important it does not form part of your actual policy wording.

So, what is it that we need to tell you? Let us start by explaining some of the terminology you may have heard about or may encounter in Your dealings with us:

Financial Service Provider: This is generally us, your Insurance Broker, sometimes referred to as an Intermediary.

Underwriting Manager / Administrator: They are appointed either by a Product Provider (Insurer) or the broker to manage a specific type of product on their behalf. This is due to the specialist knowledge of the staff of Underwriting Managers and their ability to deliver a very focused and cost-effective service to ourselves as insurance brokers and ultimately you the Client.

Product Provider / Supplier: This is Your insurer.

Each of the above may well have companies that are associated with them with whom we have a relationship. These could be subsidiary or holding companies or certain natural persons such as spouse, children, or parent. Where these relationships exist, you need to be made aware of them.

2. Legislation

Financial Advisory and Intermediary Services Act (FAIS):

This piece of legislation was introduced to ensure there are minimum standards set within the Financial Services sector, to ensure You the client receive the highest possible level of service and protection. It governs, amongst other things, the following:

1. The financial stability of the Financial Service Provider;
2. The Honesty and Integrity of the Financial Service Provider;
3. The ability of the Financial Service Provider to look after the client;
4. The formal qualifications required by the key staff of any Financial Service Providers who give You advice;
5. The methods and technical content of the advice given to You;
6. The need for each Financial Service Provider to be licensed before they can give You advice;
7. Standards for dealing with any complaint that You may have;
8. Penalties for breaches of any of the regulations required in terms of the Act; these include fines, imprisonment and loss of the ability to carry on business; and
9. The need for us to have a Compliance Officer to assist us with meeting all our obligations in terms of the Act.

Policy Holder Protection Rules:

These require some additional duties to be adhered to by Insurers in respect of clients purchasing personal insurances. Where applicable to You these will be pointed out in this document.

Ombudsman:

The independent body created to further protect the client and deal with any disputes between insurers and clients.

Financial Services Conduct Authority (FSCA):

The body that administers the FAIS Act and other legislation relevant to insurance.

Details about US your financial Services Provider (FSP) Intermediary/Broker:

Company Name:	Vermillion (Pty) Ltd		
Registered Address	Time Business Park , Ground Floor , 39, Blaauberg Road Tableview , 7441		
Telephone Number:	021 300 1143	E-mail Address:	info@vsure.co.za
FSP License Number:	50486		

3. Mandate:

We have written mandates to represent various insurers and underwriting managers and will only present terms to you where we have such an agreement.

List of insurers and providers we represent is on our website: www.vsure.co.za

How do we get paid for what we do?



In terms of our standard agency agreement we receive a commission from the Insurer with whom we place your insurances. This commission allows us to provide the following services to you.

- i) Selling and renewing policies;
- ii) Maintaining and servicing policies;
- iii) Collecting or accounting for premiums;
- iv) Receiving, submitting or processing claims
- v) The level of these commissions varies depending upon product type and is disclosed in all quotations.
- vi) Professional fees may be levied by the advisor or the FSP based on an agreed signed mandate with you the client

In terms of our Outsource agreement/s we may receive a fee from the Insurer/s concerned and is available upon request. This is normally between 3-10% of premium:

In terms of our Binder Agreement/s we may receive a fee from the Insurer/s concerned and is available upon request. This is normally between 3-10% of premium:

Where we provide services to you in addition to the services for which we already receive a fee from insurers as detailed above we are required to disclose these services to you and receive your written consent to the payment of these fees. Such fees can be stopped by you at any time upon your written instruction. This will, however, compromise the additional services we provide.

Administration Fee Disclosure

In addition to the regulated intermediary commission payable by the insurer, Vermillion may charge an administration fee on certain products on a fully disclosed basis which may be at R[amount] per month (or percentage % of premium, as applicable). **This needs to be added actual numbers**

This fee covers the costs associated with **policy administration, technology platforms, communication systems, compliance obligations, and client support services** that fall outside the scope of insurer commission. These services include but are not limited to: maintaining client records, managing policy amendments, assisting with claims submissions, providing premium and cover updates, and ensuring ongoing regulatory compliance.

The administration fee is **not a condition of insurance**, is **fully disclosed** prior to inception, and is **agreed to by the client** as part of our service engagement. The fee is designed to ensure that we can continue to provide a high standard of personalised service, operational efficiency, and access to value-added support

4. Our Insurances in place that provide protection to our clients:

Professional Indemnity, General Public Liability Extension, Legal Defense Costs, Support Staff Extension, Liability following Staff Dishonesty, Liability following Loss of Documentation, Defamation and Slander, Computer Crime, Internal Compliance Officer Errors and Omissions.

Coverages: Fidelity Guarantee Loss of Documentation , Claims Preparation Costs **add amount**

Directors and Officers : Underwritten by : AON **add amount**
Employment Practice Liability : Underwritten by : AON **add amount**
Data Protection Extension : Underwritten by : AON **add amount**

Our Compliance Officer:

Company Name: Comply-It Solutions (Pty) Ltd
Name: Lida Muuren-Rozyn
Contact details: 082 994 1102
E-mail: lida@comply-solutions.co.za

Premium collection other than by the insurer or their underwriting manager, or ourselves as may be required:

The mandate to collect premiums in respect of personal and/or commercial insurances via debit order is provided directly to a premium collection agency by the insurer concerned. This demands that they be correctly licensed to do so. Their details are as follows:

Company Name: Netcash (Pty) Ltd **Registered Address:** Netcash Square Cnr Parklands Main Rd & Koeberg Rd, Parklands, Cape Town, 7441
Telephone Number: 086 133 8338 (Option 1)
E-mail Address: support@netcash.co.za How they get paid for what they do:

A fee per transaction type may be charged and is paid by ourselves and/or the insurer.

The following Underwriting Managers are represented and more information can be obtained on their website. NIL

5. How to Institute a complaint:

If You have a complaint about our service, staff or products sold to you please contact the following person in writing with full details of the problem You have encountered. **Our complaints process and procedure is available on request and on our website (www.vsure.co.za)**

Name: Jared Bartholomew
Address: **E-mail:** jared@vsure.co.za

Ombudsman

Particulars are available to advise you in the event of claim problems that are not satisfactorily resolved by the Underwriting Manager and/or Insurer:

Short-term Insurance Ombudsman Address: 1 Sturdee Avenue, First Floor, Block A, Rosebank, Johannesburg, 2196 **Tel:** 011 726 8900
Email: info@osti.co.za

FAIS Ombudsman

Address: Kasteel Park Office Park, Orange Building, 2nd Floor, 546 Jochemus Street, Erasmus Kloof, Pretoria, 0048
Tel: 012 762 5000 / 012 470 9080
Email: info@faisombud.co.za

Long-term Ombudsman:

Address: Third Floor, Sunclare Building, 21 Dreyer Street, Claremont, Cape Town, 7700 **Tel:** 021 657 500 / 021 674 0951 **Email:** info@ombud.co.za

Financial Sector Conduct Authority Address: 41 Matroosberg Road, Ashlea Gardens, Pretoria, 0002
Tel: 080 020 3722 **Email:** info@fsca.co.za

SASRIA:

If SASRIA (Riot) Insurance has been taken out by You or is included in the policy automatically, You need to know the following information about SASRIA:

Insurer: SASRIA LIMITED, P.O. Box 7380,
Johannesburg, 2000. 47 Wierda Road West,
Wierda Valley, Sandton, 2196. Tel: (011) 881
1300 / 0861 727742; Fax: (011) 783 0781 /
0861 727329; E-mail: info@sasria.co.za.

Compliance Officer: The Manager: Technical and Claims
Claims notification Procedures:

In the event of a claim, all relevant documentation relating to your claim must be submitted to the Nominated Insurer, the name, and address of whom appears below.

Complaints in respect of a The Manager: Technical and Claims representative:
Sasria Limited, P.O. Box 7380, Johannesburg, 2000.

Important Additional Information for all our Clients:

Distribution Channel:

These are arrangements with any of the above or combination of these that provides support or services to us in our role of providing a financial service to you.

Any other person:

If there are any other persons that provide us with a financial interest as part of the delivery of the financial service.

Conflicts of Interest:

We make every effort to ensure that at all times we act in your best interests and in no way allow our own interests, potential or actual, to influence our objective performance and the delivery of unbiased and fair financial service to you. In furtherance of this objective, we want to ensure you fully understand the various interests we have, be they Ownership, Financial or Relationships with Third Parties. There are a number of entities with whom we can have a relationship of this nature and a summary of these is provided below. **The full conflict of interest policy is available on requests and on our website (www.vsure.co.za)**

What represents an Ownership or financial Interest?

Ownership: Actual equity that was paid for.

Financial: Cash, or its equivalent, vouchers, gift service, advantage, benefit, discount domestic or foreign travel, hospitality, accommodation, sponsorship, other incentive or valuable consideration.

Any combination of these relationships and/or ownership or financial interests may present a potential conflict and as such we need to ensure you are aware of these.

We also confirm that no staff are incentivised to give preference to any specific insurer and/or product and where incentives based on volumes of business are in place, these are supported by an assessment of the quality of the business sold and procedures followed.

Do we have a shareholding in any Insurer and/or cell captive arrangement? **No/Yes**

Do we receive more than 30% of our income from this insurer or cell captive? **No/Yes**

Do we have a relationship with any product provider/supplier that provides a Financial Interest other than Ownership? **No/Yes**

Do we have a relationship with any other FSP that provides an Ownership or Financial Interest? **No/Yes**

Do we have a relationship with any other Distribution Channel that provides an Ownership, Financial Interest or Support Service? **No/Yes**

Staff incentives

We also confirm that none of our Staff are incentivised to give preference to any specific Insurer and/or product and where incentives based on volumes of business are in place, these are supported by an assessment of the quality of business sold and procedures followed.

Immaterial Financial Interest:

It is generally accepted practice within our Industry that "entertainment" and "gifts and incentives" collectively referred to as an immaterial financial interest in the Conflict of Interest regulations, are often provided by the Product Provider to the Financial Services Provider (broker) and vice versa and potentially from and to other financial service providers.

The Rand value of such interests are limited, by legislation, per calendar year, to R1,000 in respect of anyone individual be they the provider of or beneficiary of such immaterial financial interest. Such limitations are dealt with and managed by our management policy.

A full copy of our overall Conflict of Interest Management Policy can be obtained from our website.

What else should you know? We undertake:

To keep all information You tell us about Yourself confidential;

- Not to alter any documents You provide us with when submitting to any insurer. Where we feel an error has been made we will advise You prior to submission;
- To never ask You to sign blank documents - wherever possible all documents, be they proposals or claim forms should be completed by You to ensure full detail;
- Never to take away any rights You have in terms of any legislation that governs the way we transact business.

Your Insurer, via the Underwriting Manager, undertakes:

To be the one who provides the reason for any claim that is repudiated;
To ensure that they write to You should they wish to cancel Your policy and to give You at least 30 (thirty) days' notice of their intention to do so.

If You are paying Your premiums by debit order:

The debit order may only be in favour of one person / entity;

It may not be transferred without Your approval;

You are entitled to 30 (thirty) days' notice of cancellation of the debit order.

If You are paying for personal insurances:

You are entitled to a period of 15 (fifteen) days' grace in which to pay the premium (other than in the first month of insurance).

If You are paying Your premiums in any way other than monthly:

You are only entitled to a 15 (fifteen) day grace period if the insurances are in respect of Your personal insurances, otherwise, all premiums must be paid at inception or renewal date for the policy to be in force.

Important Additional Information for all our Clients:

Distribution Channel:

These are arrangements with any of the above or combination of these that provides support or services to us in our role of providing a financial service to you.

Any other person:

If there are any other persons that provide us with a financial interest as part of the delivery of the financial service.

6. Claims:

If You have a claim or are involved in an incident that could lead to a claim:

You must advise us immediately, preferably in writing. Your policy will contain conditions that relate to the early reporting of potential claims and it is important that You do not breach this responsibility.

If any of the information You gave us changes:

You must advise us immediately-policy cover, premiums and terms are based on what You told the insurer, we need to advise them of any changes that could affect their view of You and Your policy.

Email us at E: claims@vsure.co.za and or contact us on T: 021-300-1143 to register your claim.

7. Information Sharing:

In accepting this document, I declare that, I acknowledge that the sharing of insurance information for underwriting and claims purposes (including credit information) between Insurers is in the public interest as it enables Insurers to underwrite policies and assess risks fairly and to reduce the incidence of fraudulent claims with a view to limiting premiums.

On my own behalf and on behalf of any person I represent herein, I hereby waive my right to privacy with regard to underwriting or claims information (including credit information) that I provide or that is provided by another person on my behalf in respect of any insurance policy or claim made or lodged by me. I acknowledge that the insurance information provided by me, may be stored in a shared database and used as set out above as well as for any decision pertaining to the continuance of my policy or the meeting of any claim I may submit. I consent to such information being disclosed to any other Insurance Company or its agent. I acknowledge that the information may be verified against legally recognized sources or databases.

Other Matters of Importance:

General:

- (a) You must be informed of any material changes to the information provided above.
- (b) If the information above was given to you verbally, it must be confirmed to you in writing within 30 (thirty) days.
- (c) Polygraph or any lie detector test is not obligatory in the event of a claim and the failure thereof may not be the sole reason for repudiating the claim.
- (d) The Insurer (Underwriting Manager) and not the Intermediary must give reasons for repudiating your claim.
- (e) The Insurer may not cancel your insurance merely by informing your intermediary. There is an obligation to make sure the notice has been sent to you.
- (f) You are entitled to a copy of the policy free of charge.

IMPORTANT:

- (a) Do not sign any blank or partially completed application form.
- (b) Complete all forms in ink.
- (c) Keep all documents handed to you.

Should you wish to obtain any further information about this disclosure, please discuss this with your appointed advisor or contact us on the contact details provided above.