

## FAIS DISCLOSURE

### IMPORTANT INFORMATION FOR ALL OUR CLIENTS

#### DETAILS ABOUT OURSELVES:

Company name:	Kapara Insurance Brokers (Pty) Ltd	Web site address:	www.kapara.co.za
Company reg no:	1998/024464/07	Categories of license:	Personal Lines Commercial Lines
Registered address:	62 Jan Smuts Avenue, Forest Town, Johannesburg	Our license to transact business as a Financial Services Provider:	
Telephone number:	011 646 0970	Reference number:	FSP 13767
Fax number:	011 646 5167		
E-mail address:	info@kapara.co.za		

#### OUR INSURANCES IN PLACE THAT PROVIDE PROTECTION TO OUR CLIENTS:

Professional Indemnity Insurer:	AIG South Africa Limited
Fidelity Guarantee Insurer:	AIG South Africa Limited
Intermediaries Guarantee Fund Insurer:	Intermediaries Guarantee Facility Limited

#### OUR COMPLIANCE OFFICER:

Name:	Craig Ormrod	Fax:	(011) 678 7731
Company:	Associated Compliance (Pty) Ltd	E-mail:	info@associatedcompliance.co.za
Telephone:	011 678 2533		

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:

Name: Morag Dover  
Address: 62 Jan Smuts Avenue, Forest Town, Johannesburg  
E-mail Address: morag@kapara.co.za

#### MANDATES FROM INSURERS AND/OR UNDERWRITING MANAGERS:

##### Standard agency agreements to represent insurers:

We have a written mandate to represent various insurers and will only present terms to you where we have such an agreement.

##### Additional authorities provided by insurers:

We have an additional written agreement, referred to an Outsource agreement, with the insurers listed below to conduct the following services on their behalf:

- capture all personal lines/commercial lines policy data on own/insurers system to allow the issuing of a policy document for clients
- capture all amendments to personal lines/commercial lines policy data on own/insurers system to allow an updated schedule to be issued to the client
- capture all data on own/insurers system to allow a renewal invitation to be issued to a client
- maintain all policy holder records

We have an additional written agreement, referred to as a Binder agreement, with the insurers listed below to conduct the following services on their behalf:

- enter into, vary or renew a policy
- determine the policy wording/s
- determine the premium under a policy
- determine the value of policy benefits
- settle claims under a policy

#### 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:

- Selling and renewing policies
- Maintaining and servicing policies
- Collecting or accounting for premiums
- Receiving, submitting or processing claims

The level of these commissions vary depending upon product type and range: 10% for SASRIA, 12,5% for Motor and 20% for all others.

In terms of our Outsource agreements we receive a fee from the Insurers concerned as follows;

Mutual & Federal	7% of the gross premium of your policy
Renasa Insurance Company Limited	8% of the gross premium of your policy
Santam Limited	4% of the gross premium of your policy
Zurich Insurance Company South Africa (Aquarius Underwriting Managers)	2% of the gross premium of your policy

In terms of our Binder agreement/s we receive a fee from the Insurer/s concerned as follows:

Zurich Insurance Company South Africa (Personal lines)

8% of the gross premium of your policy

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 instructions, this will however compromise the additional services we provide.

#### PREMIUM COLLECTION:

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: Fulcrum Collections  
Registered Address: 1st Floor, Lacey Oaks House,  
Ballyoaks Office Park, 35 Ballyclare Drive, Bryanston, 2191  
Telephone Number: 010 001 2860  
Fax Number: 010 001 2859  
Website: www.thefulcrumgroup.co.za

Their license to transact business as a Financial  
Services Provider Reference number: FSP No. 17795  
Their Compliance Officer:  
Name: Moonstone Compliance (Pty) Ltd  
Francois Meintjies  
Contact details: 021 883 8000

How they get paid for what they do: A fee per transaction type is charged and is paid by ourselves and/or the insurer.

Their Insurances in place that provide protection to our clients:

Professional Indemnity and Fidelity Insurance  
Insurer: Etana

Intermediaries Guarantee Fund  
Insurer: Intermediaries Guarantee Facility Limited

If you have a complaint about their service please make use of the following details with full details in writing of the problem you have encountered:

Name: Customer Services  
Address: 1st Floor, Lacey Oaks House, Ballyoaks  
Office Park, 35 Ballyclare Drive, Bryanston, 2191

E-mail: info@thefulcrumgroup.co.za

#### 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.

##### Financial Service Providers

We are an FSP and act as your Broker/Intermediary. There may be circumstances where we have a relationship with another Broker (FSP) that you need to be aware of.

natural persons such as spouse, children, parent. Where these relationships exist you need to be made aware of them.

##### 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. They are also licensed Financial Service Providers.

##### 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.

##### 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

##### 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.

#### What represents an Ownership or Financial Interest?

##### Ownership

Actual equity that was paid for.

##### Financial Interest

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 that 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 business sold and followed.

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

Do we receive more than 30% of our income from any Insurer? Yes. We receive more than 30% of our income from Zurich.

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

Do we have a relationship with any other FSP that provides an Ownership or financial interest? No

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

Do we have a relationship with any other person that provides an Ownership or financial interest? No

## IMMATERIAL FINANCIAL INTEREST

It is generally accepted practice within our Industry that "entertainment" is provided by the Product Provider to the Financial Services Provider (Broker) and vice versa. The Rand value is limited per calendar year to R1, 000 and 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 Offices upon written request to [info@kapara.co.za](mailto:info@kapara.co.za)

Our website: [www.kapara.co.za](http://www.kapara.co.za)

## 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 them 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 and correct details.

Never to take away any rights you have in terms of any legislation that governs the way we transact business.

To supply a copy of any documents used in the preparation of your insurances, when required, free of charge.

Your insurer 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 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 days' notice of cancellation of the debit order.

If you are paying for personal insurances:

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

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, so we need to advise them of any changes that could affect their view of you and your policy.

### Other contact details:

The following offices can be contacted via one central number: 0860 662837

Short term Ombudsman  
P O Box 32334  
Braamfontein  
2017

FAIS Ombudsman  
P O Box 74571  
Lynwoodridge  
0040

Registrar of Insurance  
Financial Services Board  
P O Box 35655  
Menlo Park  
0102

The following direct contact numbers also apply

Telephone Number: 011 726 8900  
Fax Number: (011) 726-5501  
Web page: [www.osti.co.za](http://www.osti.co.za)

Telephone Number: 012 470 9080  
Fax Number: (012) 348-3447  
Email: [reception@faisombud.co.za](mailto:reception@faisombud.co.za)

Telephone Number: 012 428 8000  
Fax Number: (012) 347-0221  
email: [info@insuranceombudsman.co.za](mailto:info@insuranceombudsman.co.za)