



Lion's Head Insurance Brokers (Pty) Ltd

2003/018476/07

Policy Holder Protection Rules & the FAIS Act

Authorised Financial Services Provider
FSP number: 1406

12 December 2012

We offer the following types of insurance:

- Domestic
- Commercial
- Specialist Motor
- Bed & Breakfast
- Engineering
- Film Industry
- Special events
- And more

About Us:

Lion's Head started operations in May 1997 with Trevor Smith as the Managing Member.

Trevor began his insurance career in 1989 at Glenvaal Insurance Brokers and then joined Staysure Insurance Brokers for 3 years. He took the plunge and formed Lion's Head in 1997.

Lauren McDonald has recently joined Lions Head and operates in the heart of the business.

Lions Head's portfolio has grown steadily since it began and today manages the insurance needs for about 1000 people and organizations. It is an independent brokerage with no outside investors.

Trevor is the **Key Individual** and he's registered as a **Representative** in personal lines

and commercial lines. Lauren is a **Representative** registered for personal lines.

The rest of the staff compliment comprises Lameez Bassier who is the Claims Manager and Audrey Pfister who is our receptionist.

From left to right:

Trevor Smith, Lauren McDonald, Lameez Bassier, Audrey Pfister

Lion's Head Insurance
Brokers (Pty) Ltd
2003/018476/07

Postnet Suite # 83
Private Bag X 12
Tokai
7966

Phone: (021) 701 5702
Fax2Email: 0866 104 132
E-mail: lionlink@iafrica.com

Inside this booklet:

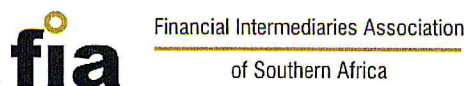
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Memberships

In order to ensure that Lion's Head remains up to date with the current events we are members of:

The Financial Intermediaries Association (**FIA**). We ascribe to their code of conduct which is displayed overleaf.



We are also members of the **Insurance Institute of South Africa**.

In order to protect our clients and as part of the FAIS regulation we have Professional Indemnity cover of R2 500 000 and Fidelity Guarantee cover of R150 000, both through Alexander Forbes.

In terms of the FAIS Act for which we are registered, we are authorized to transact in all aspects of Short term insurance.

Insurance companies:

With whom we have a written mandate to represent them:



In association with Hollard

More Than Just Insurance.



Individual.



Policyholder Protection:

To comply with legislation pertaining to the Policyholder Protection rules, we will furnish you with a copy of the statutory notice with each domestic quotation. Also included is other information that we are required to disclose. The intention of this legislation is to protect you insuring public and to assist them in making informed decisions. We fully support this initiative and should you require any information that is listed in the statutory notice, to enable you to make a decision regarding the insurance, please contact us.

regulations are adhered to. Our compliance offices are: **Associated Compliance Pty Ltd** with license number: 6377. The contact person is Mr. Craig Ormrod and his contact details are as follows:

Office: (011) 678 2533

Fax: (011) 678 7731

Cell: 082 41 888 44

Email: info@associatedcompliance.co.za

“the main issue here is the protection of the consumer”

“Because it is based on best practice”

We would like to point out that in terms of the FAIS regulations, for which we are registered, we have appointed Compliance Officers in order that these

Code of Conduct:



Financial Intermediaries Association
of Southern Africa

Objective

The FIA Code of Conduct aims to set a professional standard of client interaction in the financial services industry. This code combines the values and processes that will guide financial service providers and their representatives to interact with clients professionally.

Preamble

FIA members will at all times interact with clients in the following manner:

- Honesty,
- Fairly,
- With care,
- In the interests of clients, and
- To enhance the integrity of the financial services industry.
- with integrity,
- with due skill,
- with diligence,

FIA members will at all times employ the resources, procedures and appropriate technological systems that can reasonably be expected to render continuous quality service to clients.

FIA members will at all times act within the scope and spirit of the Acts of Parliament governing the specific business/product segment.

The FIA client interaction process

Step 1 - A comprehensive and professional introduction to clients

FIA members will disclose in a comprehensive and professional manner to any prospective client who they are, who they represent and what services they are licenced or mandated to render.

Step 2 - Gather client information

FIA members will, before making any recommendation of a financial nature to any client, obtain appropriate client information and seek to understand the client's financial position, needs and objectives.

In cases where clients request or instruct providers to render a particular financial service, FIA members will obtain appropriate client information to ensure that the request or instruction is implemented correctly.

Step 3 – Enter into a service agreement with the client

FIA members will, on acceptance of a client request or instruction to offer any recommendation of a financial nature to the client, enter into a recorded client request, instruction or service agreement.

Step 4 - Conduct an analysis and prepare a client proposal

FIA members will, before making any recommendation of a financial nature to any client, conduct an analysis and prepare a proposal or quotation that is appropriate in the circumstances and aimed at addressing the client's needs or objectives whilst taking into account the client's risk profile.

Step 5 - Present the proposal

FIA members will, when presenting a proposal or quotation to a client, take reasonable steps to ensure that the client understands it and that he/she is in a position to make an informed decision.

Step 6 –Enter into a Financial Service agreement with the client

FIA members will, on acceptance by the client of any financial advice and/or intermediary service proposal, enter into a recorded contract with the client and ensure that the client is provided with a copy of such a contract.

Step 7 - Implement the agreement

FIA members will, on acceptance of the financial service proposal, submit the product application/client instruction to the product supplier for acceptance and fulfillment of the contractual obligations. FIA members will ensure timeous confirmation of such instruction and ensure that the client is provided with written contractual documentation.

Step 8 - Render continuous advice and/or intermediary services to the client

FIA members will continue to render ongoing advice and intermediary services in accordance with any contractual arrangement between the parties and ensure that all enquiries, instructions or complaints are handled timeously and in a fair and professional manner. In the event that an agreement is terminated between a provider and client, FIA members will record it in a fair and professional manner.

Conflict of Interest:

IMPORTANT ADDITIONAL INFORMATION FOR ALL OUR CLIENTS

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. WE do not have any financial or ownership relationship with another broker (FSP), Underwriting Manager/Administrator, Insurer, or any other person in our distribution channel that you need to be aware of

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, sponsor ship, 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 will ensure you are made aware of these, if in future any such relationship/ownership develops.

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 business sold and procedures followed.

We further undertake that no financial interest exceeding R1, 000 per calendar year, will be received by any of our representatives or provided to any representative of the above listed entities

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 any one individual be they the provider of or beneficiary of such immaterial financial interest. Such limitations are dealt with in our management policy.

A full copy of our overall conflict of interest management policy can be obtained from;

1. Our offices upon written request to: lionlink@iafrica.com or;
2. Our Company website: www.lionshead.co.za

Addendum

We do have in excess of 30% of our business/income with one Insurer Zurich Insurance Company Pty (Ltd).

Premium Collection:

We confirm Fulcrum Collections previously known as Escape Premium Collection Agency is utilised to collect premiums when necessary for Lions head insurance Brokers—they hold both the required IGF Guarantee and professional Indemnity cover.



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.

These details are as follows:

Company Name: Fulcrum Collections (Pty) Ltd

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

Telephone number: 010 001 2860

Fax Number: 0866 679 2156

E-mail Address: escape@thefulcrumgroup.co.za.

Their license to transact business as a Financial Services Provider: Reference Number: FSB 17795

Their compliance officer: Name: Francois Meintjies
Company: Moonstone Compliance (Pty) Ltd
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 Insurer: Etana
021 815 2200

Fidelity Guarantee Insurer: Etana

Intermediaries Guarantee Fund Insurer: IGF 002977
R100 million

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

Name: Michelle Coetzee
Address: Michelled@thefulcrum.co.za
010 001 2860

STATUTORY NOTICE TO SHORT—TERM INSURANCE POLICY HOLDERS

IMPORTANT - PLEASE READ CAREFULLY

DISCLOSURE AND OTHER LEGAL REQUIREMENTS

I. About the intermediary (Insurance Broker)

- A) Name, physical address and postal address and telephone number.
- B) Legal status and any interest in the insurer.
- C) Whether or not in possession of PI insurance
- D) Detail of how to institute a claim
- E) Rand amount of fees and commission payable
- F) Written mandate to act on behalf of the insurer.



You insurance adviser should provide this information to you when you are provided with a quotation or take out a policy. If your adviser does not do so after you have requested it, please contact your insurer who will assist you in obtaining it.

I. About the insurer.

- A) Name, physical address and postal address and telephone number.
- B) Detail of how to institute a claim and / or complaint
- C) Type of policy involved.
- D) Extent of premium obligations you assume as policyholder
- E) Manner of payment of premium, due date of premiums and consequences of non payment

Other matter of importance

- A) You must be informed of any material changes to the information referred to in paragraph 1 & 2.
- B) If the information in paragraphs 1 & 2 was given orally, it must be confirmed in writing in 30 days.
- C) If any complaint to the intermediary or insurer is not resolved to your satisfaction, you may submit the complaint to the Registrar of Short—term insurance.
- D) Polygraph or Lie detector test is not obligatory in the event of a claim and failure thereof may not be the sole reason for repudiating a claim.
- E) If the premium is paid by debit order:
 - 1. it may only be in favour of one person and may not be transferred without your approval
 - 2. the insurer must inform you at least 30 days before the cancellation thereof, in writing, of its intention to cancel such debit order.
- F) The insurer and not the intermediary must give reasons for repudiating your claim.
- G) The insurer may not cancel your insurance merely by informing your intermediary.
- H) There is an obligation to make sure the notice has been sent to you.
- I) You are entitled to a copy of the policy free of charge.

Warning

Do not sign any blank or partially completed application forms.

Complete all forms in ink. Keep all documents handed to you.

Make a note as to what is said to you. Don't be pressurised to buy the product.

Incorrect or non-disclosure by you of relevant facts may influence an insurer on any claims arising from your contract of insurance.

As we are not credit agents an IGF guarantee is not required.

We will never use coercive tactics when dealing with a client, nor ask them to waive any rights granted by any legislation.

Lion's Head Insurance Brokers (Pty)
Ltd
2003/018476/07

Postnet Suite # 83
Private Bag X 12
Tokai
7966

Phone: (021) 701 5702
Fax2Email: 0866 104 132
E-mail: lionlink@iafrica.com

Financial Service Providers

Particulars of the Short- term Ombudsman who is available to advise you in the event of claims problems which are not satisfactorily resolved by the insurance intermediary and/or the insurer.

P.O. Box 32334
BRAAMFONTEIN
2017
TEL: (011) 726 8900
FAX: (011) 726 5501

Particulars of the
Registrar of Short- term Financial Services Board

P.O. 35655
MENLO PARK
0102
TEL: (012) 428 8000
FAX: (012) 347 0221

Our pledge

WE'RE ON THE WEB:

WWW.LIONSHEAD.CO.ZA

We pledge an empathetic, caring service to you. We will endeavor to let you continue with your life whilst we take care of your insurance needs.

*** Broker Policy Fee

This is the fee earned by the intermediary for services provided over and above normal intermediary services.

** Broker Admin Fee

This is a fee specifically related to the cost's incurred by Lions Head for the administration of policies.

* Outsource Fee

This is a fee paid to the intermediary by the insurer for providing administrative services on behalf of the insurer.

The premium payable includes the following amounts:

Statutory Commission:	R _____
*** Broker Policy Fee:	R _____
** Broker Admin Fee	R _____
* Outsource Fee:	R _____
Total Monthly/Annual Premium Payable:	R _____

