

INDEMNITY

WHEREAS

1. Regulation 4, Section 45 of the Short term Insurance Act, 1998 ("the Act"), provides for the safe-guarding of premiums received by agents, brokers and other persons on behalf of registered insurers and relating to short-term insurance business carried on in South Africa; and

2. _____
("the intermediary") carries on business as an insurance broker on behalf of registered insurers and relating to short-term insurance business and is subject to the requirements of the Act; and

3. Intermediaries Guarantee Facility Limited ("IGF") has given a guarantee ("the guarantee") as envisaged in terms of the Act and prescribed as Form RV 6 of the Regulations promulgated in terms of the Act, in terms whereof, inter alia:
 - 3.1 IGF guarantees that the broker shall comply with the provisions of Regulation 4.3(1) of the Act and shall pay all premiums received by it on behalf of registered insurers to such insurers in terms of Regulation 4.3(1) of the Act; and

 - 3.2 if the broker shall fail to pay the insurers in terms of Regulation 4.3(1) of the Act, IGF shall pay on demand in terms of Regulation 4.2 of the Act, to, or to the order of the South African Insurance Association, an amount not exceeding R_____. (Guarantee Amount)

NOW THEREFORE

We, the undersigned, _____,
("the intermediary")

herein represented by _____ in his capacity as _____, and being duly authorised thereto in terms of a resolution of the board of directors of the intermediary, dated _____, do hereby

Initials _____

indemnify and shall keep indemnified IGF and save hold harmless from and against all and any claims, loss, demands, liability, costs and expenses of whatsoever nature, including legal costs as between attorney and client which IGF may at any time sustain or incur by reason or in consequence of it having given the guarantee, or hereafter giving the guarantee.

We further undertake and agree to pay IGF on the delivery to us of a written demand any sum or sums of money which IGF may be called upon to pay or has paid to, or to the order of the South African Insurance Association under or in terms of the guarantee (together with interest thereon calculated at the prime overdraft rate charged by First National Bank of Southern Africa Limited at the time and reckoned from the date on which IGF shall have effected payment to the date of payment by us to IGF, compounded monthly in arrears).

IGF shall be entitled, without reference to us, and without in any way affecting our liability hereunder, to make any arrangement or compound with the South African Insurance Association under or in terms of the guarantee.

Our obligation hereunder shall continue and remain of full force and effect as a continuing covering security until such time as IGF has been entirely and finally released and discharged from all its obligations, contingent or otherwise, under or in terms of the guarantee, and we shall not be entitled to withdraw herefrom until IGF has been so finally released and discharged.

This indemnity is in addition and without prejudice to any securities or suretyships now held or hereafter to be held by IGF in connection with or related to the guarantee and shall remain in force as a continuing security notwithstanding any intermediate settlement of accounts, reduction, extinction, novation or unenforceability of our obligations and shall remain in force notwithstanding our legal disability.

Our liability shall not be affected or vitiated by any indulgence which IGF may grant to us.

We hereby waive presentment, notice of dishonour and protest of any promissory note, bill of exchange or other negotiable instrument now or hereafter made, drawn, accepted, endorsed or discounted by us and our liability in respect of any such instrument shall be

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unaffected by any such want of presentation, notice of dishonour or protest.

In the event of any amounts being claimed from us hereunder, a certificate under the hand of any director or manager of IGF for the time being shall be prima facie evidence as to the amount of our liability hereunder.

We hereby consent to the jurisdiction of the Magistrates Court having jurisdiction over us for all purposes arising out of this indemnity : provided that nothing herein contained shall prevent IGF from proceeding against us in any division of the Supreme Court of South Africa having jurisdiction in respect thereof.

In the event of IGF wishing to alienate or dispose of all or any of its rights against us, it shall be entitled to cede to the person to whom it alienates or disposes of such rights its rights against us hereunder.

We hereby choose domicilium citandi et executandi for all purposes hereunder at:

In this indemnity, unless the context or subject shall otherwise require, the singular shall include the plural and one gender shall include the other genders, and reference to persons shall include artificial persons.

Thus done and signed at _____ on this the _____ day of _____, in the presence of the undersigned witnesses.

AS WITNESSES: (Note that all are to initial pages one and two)

1. _____
 Full Name Signature

2. _____
 Full Name Signature

 Signed for and behalf of the proposer (who by his/her signature hereto warrants his/her authority to make these statements and sign this proposal)