

Date: March 2013

Dear Sir/Madam

MARINE INSURANCE : CHANGE OF INSURER

Eikos Risk Applications (Pty) Limited (Registration no. 1999/005271/07) is a specialised marine insurance broker/intermediary that manages a marine insurance facility for **Berry & Donaldson (Pty) Limited**, ("the Freight Operator") to facilitate the underwriting of marine risk exposures on behalf of their clients

We wish to advise you that, with effect from **1 March 2013**, the insurance facility will be underwritten by **Marine Underwriting Managers (Pty) Limited on behalf of Guardrisk Insurance Company Ltd**. Cover was previously placed with Astra Maritime Underwriting Managers (Pty) Ltd on behalf of Hollard Insurance Company Ltd. The reason for the change is to streamline administration procedures, as well as the fact that Marine Underwriting Managers (Pty) Limited is in a position to provide additional cover and flexibility of cover, which is to the ultimate benefit of the Freight Operator's clients.

Details of Marine Underwriting Managers (Pty) Limited:

FSP License Number: 37167
Physical Address: The Sharaf House, Sinembe Park, 2 Sinembe Crescent, La Lucia Ridge Office Park, La Lucia Ridge
Postal Address: P O Box 1228, Umhlanga Rocks, 4320
Telephone Number: (031) 584 2800
Telexfax Number: (031) 584 2802
Complaints Details: Name: David Fry
Company Name: Marine Underwriting Managers (Pty) Limited
Telephone: (031) 584 2800 Fax: (031) 584 2802
Email: fryd@marineuma.com
Compliance Details: Company Name: Compliserve KZN (Pty) Ltd
Contact: Catherine Cooper
Telephone: 0861273783
Email: catherine@compliserve.co.za

Details of Guardrisk Insurance Company Limited:

FSP License Number: 75
Physical Address: 115 West Street, Sandton
Postal Address: P O Box 786015, Sandton 2146
Telephone Number: (011) 669 1000
Telexfax Number: (011) 669 1931
Website: www.guardrisk.co.za
Complaints Details: Telephone: (011) 669 1039
Fax: (011) 669 2792
Email: complaints@guardrisk.co.za

Compliance Details: As above

Please note that, despite the change of Insurers, the terms and conditions of your cover will remain unchanged.

EIKOS RISK APPLICATIONS (PTY) LIMITED

Suite 9, 2 Hood Avenue, Rosebank, Johannesburg. P O Box 480, Parklands, 2121. Tel: +27 (0) 11 771 5400 • Fax: +27 (0) 11 771 5555.

1st Floor, The Sharaf House, Sinembe Park, 2 Sinembe Crescent, La Lucia Ridge Office Estate, La Lucia Ridge, Durban
P O Box 1290, Umhlanga Rocks, 4320. Tel.: +27 (0) 31 584 2600 • Fax: +27 (0) 31 584 2602.

Suite 501, Manhattan Place, 130 Bree Street, Cape Town. P O Box 6797, Roggebaai, 8012. Tel: +27 (0) 21 487 3880 • Fax: +27 (0) 21 487 3888.

Associated Office in London

Directors: Dr A.C. Valsamakis (Chairman), H.D. Reimers (Managing Director),
S.W. Pyott, B. Ugarchund, J.N. Freeman.



As a short-term policy holder or prospective policy holder you have the right to the following listed information and certain factors relating to our professional services as required by the Financial Advisory and Intermediary Services Act 2002 ("the FAIS Act").

Financial Services Board (FSB)

The FSB regulates the South African financial services industry.

Particulars of your Financial Services Provider (The Broker):

Eikos Risk Applications (Pty) Ltd

Head Office:

Physical Address: Suite 9, 2 Hood Avenue, Rosebank, 2196, RSA

Postal Address: P O Box 480, Parklands, 2121, RSA

Telephone Number: (011) 771 5400

Telefax Number: (011) 771 5555

Email: info@eikos.co.za

Website: www.eikoseriskapplications.com

Branches: Durban (031) 584 2600; Cape Town (021) 487 3880

Eikos Risk Applications (Pty) Limited is a licensed Financial Services Provider in terms of the FAIS Act. Our license number is 481. A copy of our license is available upon request from us.

In the event of a claim, please refer to your quotation document / insurance policy / claims manual for the claims procedure or contact/notify the Claims Manager at Eikos Risk Applications, as follows:

Telephone: (031) 584 2600 or 0800 333 312

Telefax: (031) 584 2602

Email: claims@eikos.co.za

Contractual Status

Eikos Risk Applications is authorised by the FSB to provide advice and intermediary services in the categories:

Short Term Insurance - Commercial Lines

Short Term Insurance - Personal Lines

Exemptions

No specific exemptions have been granted or made by the registrar to Eikos Risk Applications with regard to any matter covered by the FAIS Act.

We are in possession of the respective mandates to act on behalf of the listed Insurers as an Intermediary.

We hold Professional Indemnity and Fidelity Guarantee Insurance.

Basis of Advice:

In order for us to provide you with appropriate cover, it is important that you give us sufficient particulars of your marine risk exposures. Failure to make a full disclosure of all relevant facts could result in our advice being compromised and / or limited and may result in you then making a financial commitment to a product inappropriate to your needs and objectives. Should you decide to ignore/not accept the advice provided, this may result in consequences which may result in you then making a financial commitment to a product inappropriate to your needs and objectives.

What will you have to pay us for our services?

You will pay a premium to insurers for them to provide the agreed cover per your policy. We will invoice you directly, however should you be insuring via a Freight Operator, the Freight Operator will be invoiced for the premium related to these shipments and the Freight Operator will disburse this premium to us on receipt of the invoice. The Freight Operator will then recover this premium from you in terms of your contractual relationship with the Freight Operator.

Commission

Eikos Risk Applications (Pty) Ltd is the mandated intermediary. Our remuneration for financial services rendered is by way of brokerage commission which is regulated in South Africa at a maximum of 20% of premium, which is received from the various insurers or underwriting managers, with which we interact on your behalf.

In addition to the above, you should be aware that as a result of arranging this insurance, Eikos may receive additional income from the following sources:



1. In agreement with the Insurer(s), the interest earned on insurance monies transacted through our insurance bank account;
2. Administrative service fees which may be paid by the Freight Operator and/or Insurance Company (s) for nonstandard services provided to either the Freight Operator and/or Insurance Company (s).

In the last twelve months we have not received in excess of 30% of our total remuneration including commission from any Insurer.

Non-Cash Incentives:

Eikos Risk Applications receives no non-cash incentives from any product suppliers with which it interacts on your behalf. Non-cash incentives may include reward programmes that facilitate gifts, holidays, seminars and entertainment.

Conflicts of Interest:

Potential conflicts of interest are inherent in any business and therefore it is not the aim of Eikos Risk Applications to avoid all conflicts but rather to take steps to identify and manage conflicts of interest to ensure that our clients are not unduly prejudiced.

Eikos Risk Applications holds no shareholding in any product supplier.

Berry & Donaldson (Pty) Limited is a mandated Juristic Representative under the Eikos Risk Applications FSP License number 481.

Berry & Donaldson (Pty) Limited may have/has a financial interest in the sale of this marine insurance and / or an ownership interest in the insurance company underwriting this risk. This may include the receipt of dividends derived from that ownership interest but is not necessarily limited thereto. This may be a potential Conflict of Interest. Any potential Conflicts of Interests are dealt with in a Conflict of Interest Management Policy, which is available for your perusal on the Eikos Risk Applications website: www.eikosriskapplications.com, under the “Regulatory Information” tab.

Confidentiality

Where applicable, all information will be kept by Eikos Risk Applications on a confidential basis and will not be made available to third parties by Eikos Risk Applications unless so authorised by you beforehand, or if we are required to divulge such information in the public interest or under any law.

Compliance with the FAIS Act is monitored by our Compliance Officer:

Jan Scholtz
Compli-Serve SA (Pty) Ltd
Telephone: 0861 273 783
Email: jan@compliserve.co.za

Complaints

In the event that you are dissatisfied with any aspect of our service you may contact our Risk Profile Centre on 0861 333 312. Should you wish to pursue a complaint, you should address your complaint in writing to The Complaints Officer, Eikos Risk Applications (Pty) Limited, P O Box 480, Parklands, 2121.

If you cannot settle your complaint with us, you are entitled to refer it to the FAIS Ombud. The Ombud has been created to provide you with a redress mechanism for any inappropriate financial advice that may have been given to you.

Contracts with Insurers

Eikos Risk Applications holds a number of contracts with authorised insurers and underwriting agents (refer to the attached schedule).

Particulars of the FAIS Ombud:

Physical Address: Eastwood Office Park, Baobab House, Ground Floor, Cnr Lynnwood Road & Jacobson Drive, Lynnwood Ridge, 0081
Postal Address: P O Box 74571, Lynnwood Ridge, 0040
Telephone: (012) 470 9080 or 0860 OMBUDS (0860 772 837)
Telefax: (012) 348 3447
Email: info@faisombud.co.za
Website: www.faisombud.co.za

Particulars of the Short-term Insurance Ombudsman

The Ombudsman is available to advise you in the event of claims problems or similar, which are not satisfactorily resolved by the insurance intermediary and / or the insurer.
Physical Address: Sunnyside Office Park, 5th Floor, Building D, 32 Princess of Wales Terrace, Parktown, 2193
Postal Address: P O Box 32334, Braamfontein, 2017
Telephone: (011) 726 8900 or 0860 726 890
Telefax: (011) 726 5501



Particulars of the Registrar of Short-Term Insurance

Financial Services Board
P O Box 35655, Menlo Park, 0102
Telephone: (012) 428 8000 or 0800 110 443
Telefax: (012) 347 0221

If you require any further information relating to this document, kindly contact our offices on 0861 333 312.

The FAIS Act requires us to keep on file evidence that the above information has been provided to you. Please would you acknowledge your receipt thereof by signing the acknowledgement below and returning a copy of the signed letter to our offices.

Yours faithfully

DAVE KNIPE

On behalf of Eikos Risk Applications (Pty) Ltd

CLIENT ACKNOWLEDGEMENT

I/We _____ the undersigned hereby acknowledge receipt of this Letter of Introduction / Disclosure Notice and have been advised of and understand the contents.

Signed _____

Date _____

Print Name _____



As at March 2013, **Eikos Risk Applications** does business with the following insurers:

Local Insurers

- AIG South Africa Limited
- Associated Marine Underwriting Agency (Pty) Ltd into Santam Limited
- Astra Maritime Underwriting Managers (Pty) Ltd into The Hollard Insurance Company Limited
- Centriq Insurance Company Limited
- Devereux Marine CC into Lloyd's
- Etana Insurance Company Limited
- Flexible Accident and Sickness Acceptances (Pty) Ltd into The Hollard Insurance Company Limited
- Guardrisk Insurance Company Limited
- Horizon Underwriting Managers (Pty) Ltd into Lombard Insurance Company Limited
- Kiln South Africa (Pty) Limited
- Leppard Underwriting
- Lombard Insurance Company Limited
- Lloyd's
- Marine Underwriting Managers (Pty) Limited into Guardrisk Insurance Company Limited
- Mutual and Federal Insurance Company Limited
- Mutual and Federal Risk Financing Limited
- Nautical Underwriting Managers (Pty) Limited
- Regent Insurance Company Limited
- Stalker Hutchison and Associates (Pty) Ltd into Santam Limited
- Sunderland Marine (Africa) Limited
- The Hollard Insurance Company Limited
- Universal Acceptances (Pty) Limited into Lloyd's
- Unitrans Insurance Limited
- Western National Insurance Company Limited

Eikos Risk Applications is a Lloyd's Correspondent Broker

Overseas Insurers

- Galleon Marine Insurance Limited into Lloyd's
- RK Harrison Insurance Services into Lloyd's
- Raets Club Marine Insurance B.V.
- Shipowners Protection Limited
- Travellers Underwriting Agency into Lloyd's
- TT Club