

INSURANCE AGENCY AGREEMENT

This Insurance Agency Agreement ("**Agreement**") is made this 1st day of February 2021 between:

Jubilee Allianz General Insurance (K) Limited hereinafter referred to as the "**Company**" of P. O. Box 66257-00800, Nairobi, Kenya (which expression shall where the context so admits include its successors and assigns) of the first part; and

..... hereinafter referred to as the "**Insurance Agent**" of
P. O. Box (which expression shall where the context so admits include its successors and assigns/ his or her hires and personal representatives) of the other part;

The parties individually referred to as "**Party**" and jointly the "**Parties**"

WHEREAS:

- A. The Company is duly registered by the Insurance Regulatory Authority (the "**Authority**") to carry on the business of a general insurance provider.
- B. The Insurance Agent is duly registered by the Authority as an insurance agent.
- C. The Parties agree that this Agreement shall specify the terms and conditions under which the Insurance Agent may promote, distribute and facilitate the sale of the Company's insurance products.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. DUTIES OF THE COMPANY

In its dealings with the Insurance Agent, the Company shall act dutifully and in good faith and in particular shall:-

- (i) Provide business quotations upon the written request from the Insurance Agent. For Corporate quotations, the Insurance Agent shall provide all fact finds to enable a suitable quote to be prepared;
- (ii) Inform the Insurance Agent and the client within a reasonable time of its acceptance or refusal of any business;
- (iii) Give a renewal notice to the client copying the Insurance Agent and only renew business on the instructions of the client. Where the business was initially introduced by the Insurance Agent, the Company shall not renew the business without notifying the Insurance Agent, subject to the Insurance Agent continued relationship with the Company and the client;
- (iv) Provide to the Insurance Agent sufficient training on the following:-
 - requirements of the Insurance Act and regulations/guidelines issued thereunder;
 - existing and new products and processes.
- (v) Provide product and sales support tools to the Insurance Agent, for the purpose of procuring business on behalf of the Company such as applications forms and brochures. The Insurance Agent agrees that all such material provided by the Company for use under this Agreement shall not be altered by the Insurance Agent;
- (vi) Provide the Insurance Agent with quoting tools aimed at enabling the quote preparation process. The Company will also provide training to enable the use of the tools. The Insurance Agent agrees that:-
 - he/she will not alter the tools in any way;
 - the rates applicable shall only be used up to the dates to which they are valid.

The Company shall ensure that the said tools are updated with the correct rates as and when the need arises.

- (vii) Assist in visiting prospective and existing clients with the Insurance Agent in a bid to secure and place the business with the Company or renew the business and also sensitize the clients on various processes such as claims procedures;
- (viii) Notify the client directly with the agent in copy on all claims matters;

- (ix) Provide ongoing update and communication on changes relating to the products, legislation, administration process that is important for the efficient management of the business by the Insurance Agent; and
- (x) Advise the Insurance Agent on an ongoing basis of any marketing and promotion activities including contests and loyalty programs. The Insurance Agent will be required to meet the set eligibility criteria in order to qualify for these contests and programs.

2. DUTIES OF THE INSURANCE AGENT

- 2.1. The Insurance Agent will comply with all rules and regulations by the Insurance Regulatory Authority.
- 2.2. The Insurance Agent shall at all times maintain valid and current regulatory licences and provide the same to the Company.
- 2.3. The Insurance Agent shall exercise due care, skill, and diligence in his/her business dealings and shall deal fairly with all clients and maintain the highest standards of integrity and discipline.
- 2.4. The Insurance Agent may assist the client to complete the proposal or application forms. In doing so he/she shall not:-
 - (i) unduly influence the client and he shall make it clear that the answers or statements given are the client's own responsibility; and
 - (ii) explain the consequences of non-disclosure, incorrect or misleading information to the client and draw the client's attention to the relevant statements in the proposal form.
- 2.5. The Insurance Agent shall at all times while acting on behalf of the Company:-
 - (i) Identify himself/herself as an insurance agent acting on behalf of the insurer;
 - (ii) Disclose his/her registration number if so requested and identify his/her registration number on his/her business card;
 - (iii) Ensure that the product proposed is suitable to the needs and resources of the client as informed to the Insurance Agent;
 - (iv) Provide advice only on those matters in which she/he is competent to deal with or otherwise seek advice from the Company;
 - (v) Explain the cover afforded by each product recommended to ensure that the client understands what is being sold. The Insurance Agent shall explain the specific differences to which she/he is referring when making comparisons with other types of products or forms of investments;
 - (vi) Treat all information supplied by the client as confidential and disclose such information only to the Company;
 - (vii) Promptly pass to the Company any relevant information notified to the Insurance Agent by the client or which was not included in the proposal form.
 - (viii) Ensure that the client is made fully aware of the condition that eligibility for benefit shall only commence when the policy has been accepted in writing and premiums have been received by the Company in full;
 - (ix) Co-operate with the Company in all matters pertaining to the issuance of policies, issuance of all documents for new business and renewal of policies, cancellations, claim submissions, claim payments and adjustments of claims, advise client of any applicable changes, and act in good faith at all times;

- (x) Offer policies at rates prescribed by the Company and not make or offer any rebates, offers, payments, gifts or other advantage of any kind with respect to any matters which are the subject of this Agreement;
- (xi) Give a breakdown of premium and statutory charges payable by the client;
- (xii) Present the client with proper forms required by the Company and promptly forward to the client all mandatory paperwork and policy provisions;
- (xiii) Submit to the Company signed original policy applications and all other documentation necessary to process a client's application;
- (xiv) Abide by all procedures, rules, manuals, and underwriting guidelines of the Company, whether issued by means of directives, letters, procedural or underwriting manuals or otherwise. This will include the Company's Code of Ethics and the IT User Policy;
- (xv) Attend all trainings organized by the Company as may be notified by the Company;
- (xvi) Notify the Company, within three (3) days of:
 - any change of his/her address.
 - any disciplinary proceedings instituted by a professional or regulatory body.
 - any legal proceedings or conviction for dishonesty or any nature whatsoever.
- (xvii) Exercise duty of care over any Company resources given to him/her by the Company to facilitate his/her services under this Agreement. The Company shall be entitled to off-set any loss or damage to such resources from the Insurance Agent's commissions; and
- (xviii) Strictly adhere to the Code of Conduct in Appendix I.

2.6. The Insurance Agent shall:-

- (i) Not violate any anti-corruption laws or regulations;
- (ii) Not agree to any attempt by a client to mislead the Company or withhold any material information;
- (iii) Not use or adopt in any way the Company's name or branding, either in full or in any shortened form, or any logo, business or product name or service mark of the Company or any other product it distributes other than in connection with this Agreement and in particular shall not register or attempt to register any intellectual property of the Company or any of the products distributed by it either in full or any shortened form, or any logo, business or product name or service mark of the Company or any combination thereof;
- (iv) Not make inaccurate or misleading statements about the Company or its products;
- (v) Not pay its commission or any part of it or discount allowed to the Agent to any director or employee of the Company as an inducement to place the business with the Company;
- (vi) Not amend quotations or terms or conditions of insurances arranged by the Company, or place clients on cover;
- (vii) Not commit or contract on behalf of the Company, or enter into any kind of arrangement as principal which could bind the Company and the Insurance Agent shall not make any representation (either orally or in writing) on behalf of the Company otherwise than in strict accordance with the terms of this Agreement.

2.7. In respect of claims:-

- (i) the Insurance Agent shall explain to the clients the reporting process for claims made by either the policyholder or the beneficiary(ies) under the insurance policy(ies), (Claims) and their

- obligation to notify claims promptly, to disclose circumstances surrounding the loss and advise subsequent developments as soon as possible;
- (ii) the Insurance Agent shall inform the clients of the claims supporting documents that shall be required by the Company at the time of making the claim;
- (iii) the Insurance Agent shall forward to the Company any information received from the client regarding a claim or an incident that may give rise to a claim without delay, and in any event within seven (7) days;
- (iv) the Insurance Agent shall notify the client immediately any decision is made by the Company, and if required, advise on the dispute resolution mechanism available at the Company.

2.8. The Insurance Agent shall not issue, write or otherwise make any representation, statement, promise or warranty in any advertising or promotional material with respect to the Company or its business except statements made with prior written approval from the Company in respect of the insurance products.

3. REPRESENTATIONS AND WARRANTIES

3.1. Each Party represents and warrants to the other that:

- (i) it is validly existing and in good standing under the laws Kenya, with full statutory and corporate power and authority to conduct its business, to own or use the properties or assets that it purports to own or use and to perform all of its obligations under this Agreement;
- (ii) this Agreement has been duly executed and delivered by and to the other Party and constitutes a valid and binding agreement by and between the Parties and is otherwise fully enforceable by and against each Party in accordance with its terms;
- (iii) it shall at its own cost and expense comply with all applicable laws, rules and regulations in the conduct of its business and shall procure all licenses, authorizations and approvals necessary or advisable in order to offer the insurance products;
- (iv) it has complied with and is not in default in any material respect of any legal requirement which could materially and adversely affect its ability to enter into this Agreement and/or to perform all of such Party's duties and obligations hereunder.

3.2. Without derogating from the generality of the above, the Insurance Agent represents that he/she:-

- (i) has full capacity and authority and all necessary licenses, permits and consents to enter into and provide all necessary services under the Agreement;
- (ii) is appropriately qualified, trained and experienced to perform the services;
- (iii) is not subject to any disciplinary measures imposed by the Authority;
- (iv) is in good standing with the Authority and other insurers.

4. PREMIUMS

4.1. The Insurance Agent shall not in any manner or form directly or indirectly collect premiums from the client.

4.2. For cheque payment:-

- (i) The Insurance Agent shall advise the client that premium cheques should be drawn in favour of the Company. Any such cheques collected shall be forwarded to the Company immediately;
- (ii) The Company will not accept cheques and or any premium payment issued by the Insurance Agent in his / her name purporting to be made on behalf of a client.

4.3. For premium payment made in other forms other than cheques, the Insurance Agent shall advise the client to make the premium payment directly to the Company through the Company's mobile money platform and or bank transfer to the Company's bank accounts as shall be provided from time to time.

- 4.4. No policies shall commence where premium is not receipted by the Company.
- 4.5. The Company reserves the right to cancel any policy for outstanding premium in line with the policy conditions and shall send such notice directly to the client with a copy to the Insurance Agent.

5. COMMISSIONS

- 5.1. In consideration of performance of services under this Agreement, the Company shall pay the Insurance Agent a commission on premiums paid to the Company on policies issued pursuant to business received through the Insurance Agent. The commission will be, at the rate not exceeding the maximum prescribed by the Insurance Regulatory Authority from time to time which shall be calculated on the premium net of any taxes.
- 5.2. Where existing annual business is transferred from or to the Insurance Agent mid-term, no commission will be refunded or will be payable in respect of the business transferred. Commission will be payable in respect of alterations in cover that result in either an additional or a refund premium.
- 5.3. The Agent agrees to refund commission at the same rates referred to in 5.1 above on any premium refunded by the Company to the Client.
- 5.4. The Company reserves the right to set off any amounts owed by the Insurance Agent to the Company against any outstanding commissions owed to the Insurance Agent.
- 5.5. Payment of commission shall be made only by either cheque made payable to the Insurance Agent or bank transfer to an account held in the name of the Insurance Agent in Kenya and or by mobile money to the Insurance Agent mobile number.
- 5.6. After this Agreement terminates, the Company will continue to pay the Insurance Agent commission (to which it would otherwise be entitled in terms this Agreement) on premiums paid in respect of policies introduced by the Insurance Agent prior to the termination date. However, the Company will not pay such commission if:-
- (i) the Company has terminated this Agreement pursuant to a fraud committed by the Insurance Agent; or
 - (ii) the Insurance Agent has failed, within 30 days of the termination date, to discharge all indebtedness to the Company; or
 - (iii) the Agent has failed to renew its annual license and or its license has been denied or revoked by the Authority.
- 5.7. Payment of commission to the Insurance Agent under this Agreement is contingent upon receipt of full premiums by the Company.
- 5.8. Commission shall be paid once a month by the 15th of every month or as may be advised from time to time.

6. TERM AND TERMINATION

- 6.1. This Agreement shall commence on the **1st day of _____** ("Commencement Date") and remain in force until terminated by either party giving thirty (30) days prior written notice.
- 6.2. Either party shall be entitled to terminate the Agreement forthwith upon written notice if the other party is in breach of the terms and conditions of this Agreement and shall fail to remedy the same (if capable of remedy) within thirty (30) days of being required to do so.

- 6.3. Either party shall be entitled to terminate the Agreement forthwith upon written notice if the other party:
- (i) commits any breach of this Agreement or makes a voluntary arrangement with its creditors or goes into liquidation or bankruptcy or ceases to carry on business;
 - (ii) shall be found to have engaged in fraud;
 - (iii) shall be found to be in breach of the Insurance Act and any regulations issued thereunder.
- 6.4. The Company shall terminate this Agreement with immediate effect if the Authority shall revoke a license granted to the Insurance Agent or if the Company and Insurance Agent are engaged in a court process against each other.

7. CONSEQUENCES OF TERMINATION

- 7.1. Termination of this Agreement shall not affect the rights and liabilities of either Party existing at the date of termination.
- 7.2. Upon termination of this Agreement:-
- (i) each party shall remain responsible and fulfill its obligations under this Agreement accrued up to the date of termination;
 - (ii) the business procured by the Insurance Agent shall remain in full force and effect until the expiration or early cancellation of such business;
 - (iii) the business procured by the Insurance Agent shall be treated as direct business and no further commission shall be paid to the Insurance Agent;
 - (iv) the Company shall transfer and renew the Insurance Agent's policies as direct business and no further commission will be payable to the Insurance Agent;
 - (v) the Insurance Agent shall cease to use the Company's name or any of the products distributed by it in all respects;
 - (vi) the Company will liaise directly with the client for any ongoing administration or claims issues including the invitation of renewal at expiry date;
 - (ix) the Insurance Agent shall return all the marketing materials, product information and any property or information which belongs to the Company;
 - (x) the Company shall within 7 days notify the Insurance Regulatory Authority of the termination with reasons for same.

8. SUSPENSION

- 8.1. Without prejudice to its right to terminate this Agreement, the Company may by notice to the Insurance Agent suspend this Agreement at any time and on such terms and for such period as shall be specified subject to a maximum 6 months period, if it reasonably believes there are circumstances where the Insurance Agent has failed or is failing to comply with the obligations and restrictions arising under this Agreement or in case where the Insurance Agent is under investigation for fraud or financial impropriety.
- 8.2. In the event of suspension, the Insurance Agent undertakes to provide on demand such information and to provide such assistance as is necessary in order to investigate any breach or failure to observe any obligations.
- 8.3. The Company will withhold payment of commissions during the suspension period.

9. INDEMNITY

Without limiting the foregoing, the Insurance Agent specifically agrees to indemnify the Company and hold the Company harmless against costs (including reasonable legal fees), losses, damages, penalties or other liabilities incurred or arising out of the Insurance Agent's negligence or errors or omissions regarding the Insurance Agent's activities, or failure to maintain proper license(s), or adherence to proper statutory requirements as required by the Authority.

10. INTELLECTUAL PROPERTY

- 10.1. Neither Party shall use the other Party's intellectual property ("IP") except as may be agreed to in writing by the Parties.
- 10.2. The ownership of all IP shall at all times be vested in the provider of such intellectual property ("IP Provider") and such IP shall be delivered to the IP Provider immediately upon the termination of this Agreement or at any time upon the written request of the IP Provider.
- 10.3. Neither Party shall use or permit the use by any other third party of any IP conferred by the other party without (and only then as specified) the prior written consent of the IP Provider.
- 10.4. Any IP granted pursuant to any consent under this clause shall be limited to a non-transferable, non-exclusive license which shall be terminable at any time immediately upon written notice by the IP Provider or upon the termination of this Agreement.

11. DATA PROTECTION

- 11.1. Both Parties shall conform at all times when performing their obligations under this Agreement with the Data Protection Act, 2019.
- 11.2. Client information shall be protected and shall only be disclosed to other parties in conformity to the Data Protection Act, 2019.

12. FORCE MAJEURE

- 12.1. Neither Party shall be liable to the other for any delay or non-performance of its obligations under this Agreement arising from the occurrence of an act of God, government action (whether with or without valid jurisdiction), war, war-like activity, riots, rebellion, insurrection, civil commotion or any other occurrence that is beyond the control of either Party or which makes it impracticable for either Party ("Force Majeure") to continue to perform under this Agreement.
Such affected Party:
 - (i) shall give notice in writing of such delay or prevention to the other Party as soon as reasonably possible;
 - (ii) shall use all reasonable endeavors to mitigate the effects of such delay or prevention upon the performance of its obligations under this Agreement;
 - (iii) shall resume performance of its obligations as soon as reasonably possible;
 - (iv) will have the right to terminate this Agreement by giving the other Party thirty (30) days written notice.
- 12.2. If the Insurance Agent is prevented from performing its obligations by Force Majeure for more than thirty (30) days, the Company may terminate this Agreement upon immediate notice to the Insurance Agent.

13. CONFIDENTIALITY

- 13.1. For the purpose of this clause, "Confidential Information" means all information of a confidential nature disclosed by whatever means by or on behalf of one party (the "Disclosing Party") to any other Party (the "Receiving Party").

- 13.2. Each Party undertakes to keep and shall procure that each of its directors and officers shall keep, the Confidential Information of the other confidential and not disclose it to any person, other than as permitted under this clause.
- 13.3. This clause shall not apply to the disclosure of Confidential Information if and to the extent:-
- 13.3.1 Such disclosure is required by law; or
- 13.3.2 Such information was obtained from a third party lawfully possessed of such information and not in violation of any confidentiality restrictions or is in the public domain other than through breach of this clause; or
- 13.3.3 Such Information is disclosed with prior written consent of the Disclosing Party.
- 13.4. This obligation shall continue to subsist without limitation in time and notwithstanding the termination of this Agreement.

14. GOVERNING LAW AND JURISDICTION

This Agreement shall be construed according to Kenyan Law and any disputes arising in respect of it shall be determined under the Kenyan law.

15. GENERAL PROVISIONS

- 15.1. This agreement does not bind the Company to accept any proposal for new business or renewal put to it by the Insurance Agent.
- 15.2. Each Party shall be responsible for all expenses incurred by such Party in the performance of its obligations under this Agreement or otherwise in connection with their respective business, including but not limited to rentals, transportation facilities, remuneration of clerks or other employees, postage, local license fees and all other reasonable expenses. Neither Party shall charge the other Party for or commit such other Party to any expense, agreement, payment, debt or obligation except with the prior written consent of the other party.
- 15.3. The relationship between the parties is principal and agent and nothing contained in this agreement shall be construed to establish a partnership or create the relationship of employer and employee between the Parties and/or any of their respective employees, representatives or agents. It is the express intent of the Parties hereto that each Party will, at all times, perform its duties and obligations in accordance with this Agreement.
- 15.4. If any provision of the Agreement shall be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected thereby and shall be enforced to the greatest extent permitted by law.
- 15.5. No term of this Agreement is intended to confer a benefit on or to be enforceable by, any person who is not a party to this Agreement. Neither party will assign or transfer this Agreement or any rights or obligations hereunder without the prior consent in writing of the other.
- 15.7. The headings in the contract shall not affect its interpretation.
- 15.8. Whenever required by context, the use of the singular number shall be constructed to include the plural, and the use of the plural the singular and the use of any gender shall include both genders.
- 15.9. No forbearance or delay by either party in enforcing its respective rights will prejudice or restrict the rights of that party and no waiver of any such rights or of any breach of any contractual terms will be deemed to be a waiver of any other right or of any later breach.

15.10. Any notices under this Agreement may be served on the other party at its last known address and shall be deemed to have been received upon acknowledged delivery (by hand) or within 5 working days if delivered by registered post.

15.11. This Agreement may be modified only by a further writing that is duly executed by both parties.

16. SUPERCEDING AGREEMENT

16.1 This Agreement and the documents annexed hereto contain the whole agreement between the parties relating to the subject matter hereof and supersede all prior agreements, arrangements and understandings between the parties relating to that subject matter.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the dates written below.

Signed for and on before: **Jubilee Allianz General Insurance (K) Limited**

Signed by: **Insurance Agent**

Name:

Name:.....

Signature:

Signature:.....

Designation:.....

Designation*:.....

Date:.....

Date:.....

Witness:.....

Witness:.....

**applicable for corporate agents*

APPENDIX 1 – CODE OF CONDUCT