



COMPLIANCE SERVICES

Online User Agreement

1. DEFINITIONS

- 1.1 In this Service Appendix, unless the context indicates a contrary intention, the following words and expressions bear the meanings assigned to them and cognate expressions bear corresponding meanings, and any other terminology used in this Service Appendix in capitalized form shall have the meaning ascribed to it in the Service Agreement:
- 1.1.1 “**Additional Services**” means the additional services rendered by the Service Provider to the Client which consist of the verification of the tax status of Intermediaries as required by the Income Tax Act by performing an annual census. For purposes of this Agreement, the Additional Services is optional to the Services;
- 1.1.2 “**Agreement**” means this COMPLIANCE Service Appendix which, is an addendum to the Service Agreement, and includes all annexures hereto;
- 1.1.3 “**Astute Database**” means the portion of the Astute Database where the Intermediary details, data as well as the Financial Product Providers subscription lists are stored, and from where the status and license categories of Intermediaries regarding financial products are generated and to provide a platform from where the annual PSP census is generated to determine the FSP’s PSP status for income tax purposes;
- 1.1.4 “**Data**” means any information or content contained in respect of an FSP and/or FPP in the Astute Database;

- 1.1.5 **“DOFA”** means Date of First Appointment;
- 1.1.6 **“FPP”** means the Financial Product Provider;
- 1.1.7 **“FSCA Addendum”** means the addendum to the agreement concluded between the Service Provider and the FSCA, which sets out the terms and conditions relating to the provision of information in terms of the aforementioned agreement;
- 1.1.8 **“FSP Database”** means the database of FSP’s licensed by and registered with the FSP as well as any of their licensed employees;
- 1.1.9 **“COMPLIANCE System”** means all information-technology related systems, constituting all systems used by the Service Provider to render the Services, between and including the points designated by all addresses belonging to the domain Astutefse.com owned by the Service Provider or by any third party contracted with the Service Provider;
- 1.1.10 **“Income Tax Act”** means the Income Tax Act No. 58 of 1962 (as amended);
- 1.1.11 **“Licensed”** means authority in the form of a license granted by FSCA to a person to act as an Intermediary and/or FPP in terms of FAIS;
- 1.1.12 **“PSP”** means the Personal Service Provider and shall include any company;
- 1.1.13 **“RE”** means Regulatory Examinations;
- 1.1.14 **“Services”** means the services rendered by the Service Provider through the COMPLIANCE System which consists of a service whereby the status and license categories of Intermediaries of FPPs are verified and may include the Additional Services.

2. **RECORDAL**

- 2.1 The Client as an Intermediary and/or FPP is required to inform FSCA of any change to its status. These requirements include the following:

- 2.1.1 the verification in respect of the status and license categories of Intermediaries in relation to existing financial products sold by such Intermediaries before the Intermediary may enter into a new business relationship; and
- 2.1.2 the verification of the employment history and Regulatory Examination qualifications.
- 2.2 SARS has stipulated an additional requirement for Intermediaries, in terms whereof the tax status of Intermediaries must be verified for income tax purposes.
- 2.3 The Service Provider has developed a system to assist FSP's and FPP to comply with the requirements of FSCA by providing a link to the FSP Database where the information of the FSP and/or FPP can be updated and as an additional option to the aforementioned services, includes an annual census as required in terms of the Income Tax Act.
- 2.4 This Agreement shall replace any existing COMPLIANCE Service Level Agreement concluded between the Parties and shall be the sole record regarding the Services. Neither Party shall be bound by any undertaking, representation, warranty or promise except if specifically provided for in the Agreement.
- 2.5 In the event that a dispute occurs regarding the Services, the terms of this Agreement read in conjunction with the Service Agreement shall prevail, in all other events the terms of the Master Service Agreement shall enjoy precedence.

3. **SERVICE CHARGES**

- 3.1 All prices shall be determined by the Service Provider and is set out in Annexure "CS 1".
- 3.2 The Service Charges shall consist of an annual service fee which is payable in advance and includes a maintenance fee for the Astute Database and the maximum Support Hours.

4. **SUNDRY OBLIGATIONS OF THE CLIENT**

- 4.1 The Client agrees and undertakes:
 - 4.1.1 not to use the Data provided in respect of the Services, for any other purpose but to verify the identified person's fitness and propriety under the FAIS Act;

4.1.2 be responsible and shall ensure that any Data exchange between its system and the COMPLIANCE System is correctly formatted in accordance with the data message standard/structure as agreed upon the Parties;

4.1.3 to daily update its data which shall form part of the Data;

4.2 to adhere to the requirements and obligations pertaining to the provision of information through the COMPLIANCE System as contemplated in the FSCA Agreement which shall include but is not limited to the following:

4.2.1 to obtain and keep on record the signed consent of a key individual, representative of such person or other person, whose fitness and propriety in terms of the FAIS Act is sought to be verified as listed in clause 3.2 of the FSCA Agreement specifically relating to DOFA and RE services, in favor of both the Client and Service Provider;

4.2.2 undertake not to disclose any information in respect of a Data Subject to any third party without the written consent of such Data Subject;

4.2.3 to obtain an undertaking from the person as contemplated in clause 4.1.4.1 in favor of the Service Provider and the FSCA, in terms whereof the aforementioned waives any claim whatsoever he/she/they might have against the FSCA, emanating directly or indirectly from the use of the Data obtained through the FSP Database and/or any other act or omission that be associated with such Data;

4.2.4 in the event that the Client wishes to use the Additional Services, to adhere to the requirements and specifications for partaking in the annual PSP census as determined by the Service Provider from time to time.

5. SUNDRY OBLIGATIONS OF THE SERVICE PROVIDER

5.1 The Service Provider shall:

5.1.1 ensure that the COMPLIANCE System is available and operational for the time frames as determined by the Service Provider from time to time;

5.1.2 provide the Support Services and attend to enquiries as determined by the Service Provider from time to time;

5.1.3 provide access to the Astute COMPLIANCE Database to the Client;

5.1.4 adhere to the provisions of the FSCA as contemplated in the FSCA Addendum from time to time.

6. COMPLIANCE INQUIRY SYSTEM: PSP AND B-BBEE ANNUAL CENSUS AS ADDITIONAL SERVICES

6.1 The Income Tax Act requires that employee's tax (PAYE) must be deducted from payments made to a personal service company.

6.2 In the event that more than 80% (Eighty Percent) of a company's income is derived from one client, it shall qualify as a PSP as defined in the Income Tax Act. The Income Tax Act therefore requires that client who pays PSC remuneration (such as commission) to the personal service company must deduct PAYE from that remuneration.

6.3 Therefore, it is important to determine the FSP's PSP status for Income Tax purposes.

6.4 The Service Provider developed a platform where the annual PSP census is generated to determine the FSP's PSP status as an additional service to the COMPLIANCE System.

6.5 The Amended B-BBEE Financial Sector Code came into effect on 1 December 2017, except for sub-section 5.14, which deals with Insurance Broker and Insurance Intermediary Commissions as a Total Measured Procurement Spend. This was to allow the sector to implement its B-BBEE initiatives. With effect from 1 December 2020, Commission payments became part of procurement spend.

6.6 The Service Provider included a B-BBEE declaration process where all measured entities as classified under the Financial Sector Code can seamlessly complete and share the required documents with all Financial Product Providers, they have contracts with, in order for these entities to comply with the requirements of the Financial Sector Code.

6.7 These Additional Services are available to all Clients who wish to use the COMPLIANCE System.

- 6.8 An enhancement and operational fund have been established to fund enhancements and administration costs required from time to time and is payable by each participant in equal shares.

7. FSCA OBLIGATION

- 7.1 It is recorded that the Service Provider entered into an agreement with the FSCA regarding the Astute COMPLIANCE Database.
- 7.2 The Client acknowledges and confirms that the FSCA shall not be held liable for any loss, damages or any action suffered by it in relation to the use of the Astute COMPLIANCE Database.

8. CLIENT DECLARATION

- 8.1 By accepting this Agreement, I warrant that I have read and understand that I am legally bound by the terms and conditions as contained and set out herein and that I am fully aware of my obligations as a user of the Service.
- 8.2 I am aware that the information accessed is private and confidential and may only be used for authorised purposes and that any breach of confidentiality could result in disciplinary steps or legal action being taken against me and that access to the Services may be suspended or terminated at any time.
- 8.3 I indemnify the Service Provider, and the FSCA against any action, which may be taken against either party, by any natural or legal person, as well as against any damage or loss, including interest or legal costs incurred by the Service Provider or any data provider as a result of such action, damage or loss which the Service Provider or the data provider may suffer or incur as a result of the unauthorised use of the information accessed.

9. LIST OF ANNEXURES

- 9.1 CS 1: Price and Billing Schedule;

ANNEXURE “CS 1”

1. PRICING AND BILLING

1 The Service Charges for the financial year 1 July 2025 – 30 June 2026 as detailed below:

1.1 Development fee for joining the solution will be quoted on application based on the selected integration method.

1.2 Service Fees

1.2.1 Product Licensing Subscription

Description of Service (Billed Monthly)	Rate 1 July 2025 – 30 June 2026
Subscription Fee: Minimum Monthly Subscription per Rep rate on the subscription list (**See 1.2.2) and Capped at a Monthly Maximum Subscription	R22 376.00(Min) R49 111.00(Max)
Personal Service Provider (PSP Census)	Included in Subscription Fee

1.2.2 This service is charged as follows:

Description of Service (Monthly Charge)	Rate 1 July 2025 – 30 June 2026
Subscription Fee: per Rep rate **Capped monthly as in 1.2.1	R1.40 per Rep

1.2.3 Additional Services

Description of Service Pricing	Rate 1 Jul 2025 – 30 June 2026
DOFA RE	R12.25
Digital Consent	Included in above price

2 All prices shall exclude VAT.

2. EXISTING PARTICIPANTS TO THE SERVICE

For existing participants to the Services, the fees in respect of the transaction band as contemplated in clause 1 above will be reviewed, on an annual basis by the Board of the Service Provider. Any changes proposed by the Board of the Service Provider in respect of fees for the transaction band will be provided to the Client in the annual costs letter.

3. ADDITIONAL HOURS

In the event that the Client should acquire Additional Hours, the following rates per hour shall be applicable:

Technology Resource Rates	Rate / hour (ZAR)
Chief Architect	R1 837.00
Agile Project Manager	R1 504.00
Business Analyst	R1 448.00
Developer	R1 615.00
System IT Co-ordination	R1 059.00
Test Analyst	R 836.00
System Analyst	R1 169.00
Prepaid Excess SLA Resource Rate	R 947.00