

You're in control



Agency Agreement
Between
AAR Insurance (K) Limited
and

THIS AGENCY AGREEMENT("The Agreement") is made on this _____ day of _____ 20 ____
commencement date) between:

AAR Insurance K Ltd, of Post Office Box Number 41766-00100 (Hereinafter referred to as "the company" which expression shall where the context admits include its successors-in-title and permitted assigns) of the One Part and _____ of Post Office Box Number _____ (Here in after referred to as "Agent" which expression shall where the context admits include its successors-in-title and permitted assigns) of the Other Part.

Both the Company and the Agent are individually referred to as a Party and collectively as Parties.

Whereas:

- a. The company is a duly registered insurance company carrying on general insurance business in the Republic of Kenya and the agent is an Independent Contractor with considerable knowledge in the provision of insurance services.
- b. The company hereby appoints the agent and the agent accepts such appointment, subject to the terms and conditions of this agreement, as its non-exclusive agent for the sale of its insurance products.

1.0 General terms of agreement

- 1.1 This agreement outlines the terms and conditions under which the agent may introduce business to the company.
- 1.2 Nothing in this agreement shall override the duty of the agent to place the interest of the prospect before all other considerations.
- 1.3 This agreement shall not be assignable by the agent.
- 1.4 This agreement does not bind the company to accept any proposal for new business or renewal put to it by the agent, nor does it bind the agent to accept on behalf of the prospects the terms put to it by the company.

2.0 Miscellaneous Provisions

- 2.1 This agreement constitutes the entire agreement between the parties hereto and supersedes any and all prior contracts and relations between the parties relating to the company's business other than debts owed or guarantees of payments made by either party.
- 2.2 The headings in this agreement are for ease of reference only and shall not affect its construction or interpretation.
- 2.3 If any terms or provisions in the agreement shall be held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, such term or provision or part shall to that extent be deemed not to form part of this agreement but the validity and enforceability of the remainder of the agreement shall not be affected.
- 2.4 Whenever required by context, the use of the singular number shall be construed to include the plural, and the use of the plural the singular and the use of any gender shall include all genders.
- 2.5 Reference to "law" includes any statute, rule or regulation having the force of law and shall include the laws, acts, rules, regulations, decrees, judgments, treaties, by laws or notifications which have the force of law in Kenya and as from time to time may be amended, replaced, modified, supplemented, extended or re-enacted.

3.0 Law and Jurisdiction

This agreement shall at all times be construed in accordance with Kenyan Law and the courts of Kenya shall have exclusive jurisdiction over any disputes arising therefrom subject to the provisions of clause 15 herein.

4.0 Variation

Any variation to the terms of this agreement must be confirmed in writing by both parties and shall not negate the content of this agreement.

5.0 Authority

- 5.1 The company hereby appoints the agent subject to the terms and conditions of this agreement, as its non-exclusive agent for **the sale of its insurance products**.
- 5.2 This agreement shall run until terminated by either party in accordance with clause 10.0 of the Agreement. The agent/agency shall be required to submit to the company a valid IRA license at the beginning of every year.
- 5.3 The Agent has no authority to act on behalf of the company to alter, modify, or discharge any insurance agreement.
- 5.4 The agent has no authority to alter, modify, delete from or add to any company documents and shall not without the written consent of the company publish or advertise any material regarding the company.
- 5.5 The agent shall not, without the written consent of the company, amend quotations or terms or conditions of insurances arranged by the company, or place clients on any cover.

6.0 Duties of the Agent

The Agents shall perform the following duties;

- 1) Solicit and procure business on behalf of the company;
- 2) Obtain and submit to the company clients' KYC information in compliance with Anti Money Laundering and the Prevention of Terrorism laws and regulations, the IRA regulations, guidelines, circulars, and guidance notes and KRA requirements including but not limited to names, ID or Passport Numbers, KRA PIN, physical address, and the source of funds.
- 3) Maintain confidentiality of all the information received from the client;
- 4) Uphold the image and brand of the company.
- 5) Fact find quality prospects and respect the client's confidentiality.
- 6) Operate under the guidance of the company's policies.
- 7) Abide by the company's policy on expression of interest to participate in businesses.
- 8) Make accurate and truthful representations in persuading clients to take out insurance policies.
- 9) Deliver policy documents to clients within 15 days from the date they are received and explain the benefits in a satisfactory manner.
- 10) Consider clients' interest as the main factor while rendering prompt and sincere services to them and their dependents.
- 11) Comply and observe in letter and spirit all laws, statutes and regulations affecting the subject matter of this agreement, and in particular abide by the rules, requirements and procedures of the Insurance Regulatory Authority (IRA).
- 12) Convey and disclose to the company promptly any material information notified to the agent by the client or which he/she becomes aware of in connection with any insurance agreement in which it has an interest.

7.0 Duties of the Company

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

- 1) Inform the Agent and the prospective client within a reasonable time of its acceptance or refusal of any transaction;
- 2) Give a renewal notice to the client and the existing Agent provided that it shall only renew a policy on the instruction of the client;
- 3) Where the Agent ceases to represent the Company in case of general insurance business, the business introduced by the Agent shall on renewal be treated as direct business until another agent is appointed to handle the business for future agreements.

- 3) Perform its obligations as set out in the Guideline on Registration of Insurance Agents issued by the Insurance Regulatory Authority.

8.0 Commission

- 8.1 In consideration of the obligations undertaken or agreed to be undertaken by the agent under this agreement, the company shall, during the term of this agreement, pay the agent, commission as shall be agreed with the company from time to time within the confines of the law as provided in Schedule 7 of the Insurance Act, Chapter 487 of the Laws of Kenya.
- 8.2 In the case of termination of this agreement, an agent shall be entitled to;
 - (a) In case of death, incapacitation or any other way of separation, the commission due to the agent as provided in the Act;
 - (b) In case of termination or rescission of the agreement on grounds of fraud, criminal liability, misappropriation of funds, or misrepresentation, any commission due shall be paid to the agent upon legal justification on the ground in respect of which the agent is held liable for his/her actions. The commission shall also be utilized in recovery of any such losses and expenses involved in such recovery.
 - (c) Any other benefits and entitlements due to the agent save for termination under paragraph (b).

9.0 Taxation

- 9.1 The agent shall be liable for his/her own statutory obligations. However, the company shall deduct and remit to the Kenya Revenue Authority (KRA) withholding tax on the commissions paid or any other tax as may be imposed. The company shall comply with any changes in law as may be applicable from time to time.
- 9.2 The agent shall furnish the company with a certified copy of the tax compliance certificate duly issued by the KRA within two (2) months of submission of tax returns.
- 9.3 The agent shall provide to the company details of his/her physical address from where he or she conducts business.

10.0 Termination

- 10.1 This agreement may be terminated at the convenience of either party giving the other at least thirty (30) days' prior written notice of the intention to terminate this agreement.
- 10.2 This agreement may be terminated without notice if any of the following events occur: -
 - (a) If either party commits a breach of or fails to observe or perform any of the terms, conditions or provisions of this agreement;
 - (b) If the agent fails to comply with any of the regulations, rules, requirements, or guidelines issued under the Insurance Act;
 - (c) If the agent's registration with the IRA is cancelled or suspended or not renewed upon its expiry;
 - (d) If a bankruptcy petition has been filed in court against the agent and not withdrawn or dismissed or if a bankruptcy order is made against the agent;
 - (e) If the agent is a company or in case of the Company, a liquidation order or order for the appointment of a receiver or statutory manager is made by the court or the Authority as applicable;
 - (f) If either Party enters into a compromise or a scheme of arrangement with creditors;
 - (g) If either Party is involved in fraud;
 - (h) If performance of the agreement is frustrated; and
 - (i) If either Party is convicted of a criminal offence.

- 10.3 If the agent is unable to perform his/her obligations due to illness or any other cause and is temporarily or permanently incapacitated, a notice not less than six months shall be issued before termination.
- 10.4 Termination of this agreement shall not affect the rights, obligations and liabilities of either Party in respect of any act or omission which occurred before the termination.

11.0 Confidentiality

Any information relating to either Party made available to the other shall not be used or disclosed to any third party by the other Party or its employees without the prior consent of the other Party. The provisions of this clause shall not apply to:

- (a) is or becomes publicly known or comes within the public domain without the breach of this agreement,
- (b) was known to it prior to its receipt thereof from the other Party,
- (c) is separately developed, whether before or after the date of this agreement, by persons not privy to it,
- (d) has been or is subsequently disclosed to it by a third party who is not under an obligation of confidence to the other Party, or
- (e) is required by law or by any Court or governmental agency or authority to be disclosed, in which case the Party will provide prompt notice of such request or requirement to the other Party.

Without prejudice to any other rights or remedies which a party may have, the parties acknowledge and agree that damages would not be an adequate remedy for any breach of this clause 11 and the remedies of injunction, specific performance and other equitable relief are appropriate for any threatened or actual breach of any such provision and no proof of special damages shall be necessary for the enforcement of the rights under this clause 11. The provisions of this clause 11 shall survive the termination of this Agreement howsoever occurring.

12.0 Disclosure

The agent shall treat all information obtained from clients as confidential. The agent shall be under a duty to disclose such information to the company if he/she is aware or reasonably suspects that it could affect the acceptance of any application for a policy.

13.0 Licenses

The agent shall at all times maintain valid and current business licenses and shall at all times operate within the laws and regulations governing the industry.

14.0 Record Keeping

An Agent shall keep and maintain in connection with the business such books, records, accounts and other documents as the company shall from time to time direct. Upon termination of this agreement, the agent shall return all records and documentation to the company within fourteen (14) days.

15.0 Dispute Resolution

- 15.1 The parties shall make every effort to amicably resolve through direct informal negotiations any disagreement or dispute arising between them under or in connection with this agreement.
- 15.2 Any dispute which cannot be amicably settled between parties within thirty (30) days after receipt by either Party of the other Party's request for such amicable settlement, shall be referred to a mediator agreed upon between them and if within five (5) days of one Party requesting mediation the Parties do not agree on a mediator, either Party may request for mediation by an independent mediator at and in accordance with the Mediation Rules of the Nairobi Centre for International Arbitration. If Parties fail to settle the Dispute through mediation, the courts of law of Kenya will have jurisdiction to resolve the dispute.

16.0 Waiver

The delay or failure by either Party to exercise any of their rights in any one instance will not prevent the Party from exercising their rights at that time or at any other time.

17.0 Amendment

The provisions of this agreement may only be added, modified or varied in writing by both Parties to this agreement.

18.0 Data Protection and Privacy

- 18.1 Each party acknowledges the importance of protecting the privacy of all information including Customer's data provided as per the terms of this Agreement and warrants that in dealing with such data, both Parties shall at all times strictly comply with the Data Protection Legislation.
- 18.2 Without prejudice to the foregoing, each party undertakes to notify their respective Customers that personally identifiable information collected from them may be disclosed to third parties involved in the administration of accounts, underwriting of insurance policies, updating of databases, or provision of user support in relation to the Services as herein stipulated.
- 18.3 Each Party shall
 - 18.3.1 Comply with the specific security and data protection obligations imposed on them in terms of applicable Data Protection Legislation; and/or
 - 18.3.2 Where applicable comply with the specific obligations imposed on them in terms of the GDPR in respect of the specific role they fulfil in terms of providing the services as agreed between the parties;
 - 18.3.3 Take implement and maintain all such technical and organizational security measures and procedure necessary or appropriate to preserve the security and confidentiality of the Confidential Information in its possession and to protect such Confidential Information against unauthorized or unlawful disclosure access or processing accidental loss destruction or damage.
- 18.4 Each Party undertakes and agrees not to disclose to any unauthorized person any data compiled, collected or created as a result of their co-operation under this Agreement.
- 18.5 The Parties shall ensure that any data processing by the Processor and/or third parties is consistent with the specified and agreed purposes for which the personal data was shared.
- 18.6 The Parties shall ensure that personal data outside Kenya is restricted without the prior written consent of the Data Subject. If personal data processed under this Agreement is transferred outside Kenya, the Parties shall ensure that there are adequate data protection safeguards in the recipient country.
- 18.7 The Processor shall control how personal data is stored, where appropriate in a filing system to make available to the Data Controller upon request, insofar as this is possible, for the fulfilment of the Data Controller's obligations to respond to requests to exercise Data Subject rights under the Data Protection Laws.
- 18.8 In the event of a personal data breach or security incident, the Processor shall notify the Controller without undue delay and in any case within 48 hours of becoming aware of such breach.
- 18.9 Where required by law to hold data, the Processor warrants that it will guarantee the confidentiality of the personal data transferred and will not actively process the personal data for own use
- 18.10 This Data Protection Clause will survive the termination of this Agreement.

19.0 Compliance to laws, regulations and Company policies

You will be required to comply with the following:

- i) Principles of Treating Customers Fairly (TCF)
- ii) Proceeds of Crime Anti-Money Laundering Act (AML)
- iii) Kenya's Data protection Act (DPA)
- iv) AAR policies and procedures

20.0 Notices

Any notice made by either Party to the other under or in connection with this agreement shall be in writing to the address provided herein below or such other address as the recipient may have notified to the other party in writing:

Name of Party	Address	E-mail address	Marked for the attention of:
AAR Insurance Kenya Limited	P.O. Box 41766-00200 Nairobi, Kenya		

Any notice or communication under or in connection with this Agreement shall be deemed to have been properly served if delivered by hand or sent by registered post or email. In the absence of evidence of earlier receipt, any notice or demand shall be deemed to have been received, if delivered by hand, at the time of delivery or, if sent by post, four days after posting (notwithstanding that it be undelivered or returned undelivered) or, or if sent by email, on receipt of confirmation of delivery of the email report. Where a notice or demand is sent by registered post, it shall be sufficient to prove that the notice or demand was properly addressed and posted.



IN WITNESS, whereof the parties thereto have caused this Agreement to be executed the day and year first before written.
SEALED with the common seal of the Company

AAR INSURANCE KENYA LIMITED

Head of Sales and Distribution

Name: _____

Sign: _____ Date: _____

In the presence of;

Name: _____

Sign: _____ Date: _____

SIGNED BY Agent

Name: _____

Sign: _____ Date: _____

Witness by;

Name: _____

Sign: _____ Date: _____

Witness IRA License No. _____

Kenya

Head Office:

Real Towers, Ground Floor,
Hospital Road, Upper Hill.
P.O. Box 41766 – 00100, Nairobi.
Tel: +254 020 2895000
Cell: +254 703 063000
+254 730 633000,

Nyeri Branch:

Rupshi Chambers, 2nd Floor,
Kimathi Way.
Cell: +254 703 063900

Naivasha Branch:

Eagle Centre, 1st Floor,
Mbaria Kanio.
Cell: +254 731 466367

Thika Branch:

Maisha Height, 1st Floor,
Kenyatta Road.
Cell: +254 703 063840
+254 703 063842

Nakuru Branch:

Giddo Plaza, Ground Floor,
George Morara Rd,
off Nakuru – Eldoret Highway.
Tel: +254 051 2215599
+254 051 2216739
Cell: +254 731 669915

Malindi Branch:

StanChart Arcade, Ground Floor,
Off Lamu Road, Malindi.
Cell: +254 731 191072

Mombasa Branch:

Imara Building, 4th Floor,
Dedan Kimathi Avenue, Mombasa.
Cell: +254 731 191066

Eldoret Branch:

Zion Mall, 2nd Floor,
Wing D, Eldoret.
Cell: +254 731 945772

Kisumu Branch:

Al Imran Plaza, 2nd Floor,
Oginga Odinga Street.
Cell: +254 731 191069

Kakamega Branch:

Mega Mall, 2nd Floor,
Webuye Road,
Opposite Muliro Gardens.
Tel: +254 056 2031796
Cell: +254 733 200208

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