

## **FINSCOPE™ DISTRIBUTION AGENT**

### ***FinScope™***

*FinScope is a comprehensive national household survey focused on the financial services needs and usage across the entire South African population. The programme is underwritten and coordinated by FinMark Trust and participating sponsors. Through their sponsorship, sponsors secure access to the research findings and the FSM segmentation model.*

*If you are interested to become a distribution agent for any of the FinScope South Africa (SA) databases please contact [finscopeinfo@finscope.co.za](mailto:finscopeinfo@finscope.co.za). Herewith a sample contract for your information and possible consideration:*

### **Description of work:**

Under the terms of the agreement you would be authorized to both consult on the data as well as to on-sell said data on the basis indicated in the table below.

### **Terms of Appointment**

The once off distribution agency licensee fee for each set of FinScope data varies between R6,500 and R7,000 excluding VAT depending on the dataset.

This includes the use of the FinScope data, by the consultant, in the normal course of their business. In addition this license fee facilitates the on-selling of the data as suggested in the table below (current price information available on request):

<b>Subscriber options</b>	<b>Price excluding VAT</b>	<b>Commission to Agent</b>
1. Full FinScope™ database access, with no limitations on the number of queries and number of users within subscriber organization	R225,000	15% commission (balance payable to FinMark Trust)
2. Limited Access – each client may purchase 10 questions with a maximum of five variables per question. Note that a client may only purchase 10 questions once off.	R2,600 + whatever fee the consultant would like to add to this figure for execution of the enquiry	R2,600 plus VAT payable to FinMark Trust per 10 questions. Add mark-up for subscriber price or bundle service with other databases.

The consultant is authorized to promote the FinScope programme on the consultants web portal and that marketing material, as produced by FinMark Trust, will periodically be supplied to the consultant for inclusion on their website.

Monthly reporting by the consultant to FinMark Trust will include details of all information supplied to consultant's clients, fees charged and a summary of fees due to FinMark Trust. Aforementioned reporting is required by the 25<sup>th</sup> of each month.

The consultant shall report directly to FinMark Trust or any other person designated by FinMark Trust in respect of the management of this contract.

It is expressly noted that this agreement is non-exclusive and that, should FinMark decide to appoint other dissemination agents, the consultant will continue disseminating FinScope data.

No new products or services utilizing the FinScope data may be developed or disseminated without prior written approval from FinMark Trust. Such approval shall include the commission basis on which such products are to be offered.

Accounting, tax payment and reconciliation:

- a. The consultant will supply a monthly reconciliation of subscriptions sold, together with the relevant fees due for those sales by the 25<sup>th</sup> of each month for all transactions concluded in that month. The structure of reporting should include the following information:
  - i. *Client name;*
  - ii. *User name/s;*
  - iii. *Description of information sold i.e. full database or 10 questions;*
  - iv. *Total billed to client; and*
  - v. *A reconciliation of amounts payable to FinMark Trust for sales reflected in the report.*

This information is to be supplied in explicit and aggregated form in an Excel spreadsheet.

Accompanying the above report will be a statement from the consultant's accountant's, confirming that the information contained therein has been verified and reflects, to the best of their knowledge, an accurate account of the month's transactions.

At the culmination of the contract the consultant's auditors are to verify the total sales and fees paid to FinMark Trust.

The consultant is to pay fees due to FinMark Trust on the 1<sup>st</sup> of the month following the month being reported on.

- b. Tax treatment: The consultant shall charge VAT in respect of subscriptions sold under its VAT number and shall indicate on invoices that it is acting as an agent of FinMark Trust.
- c. Conversion of the data into the required format for the consultant shall be charged to the consultant at cost.

### **Conditions regarding FinScope Botswana, Namibia, Swaziland and Lesotho Pilots 2003 datasets**

The FinScope BNLS Pilot 2003 datasets can be placed on your web portal at no cost to FinMark Trust. This data set is publicly available. Any consulting support you provide to clients on the Pilot BNLS 2003 datasets are between you and your client. Once the data is available on your website FinMark Trust agrees to communicate to potential users within the BNLS countries of your web portal and consulting support. This communication will not be exclusive to the consultant and will include referrals to other firms that wish to provide services on FinScope Pilot BNLS 2003 datasets. We request that included in your monthly reports on FinScope SA dataset that information is provided on the number of clients that have used the portal to access the BNLS datasets, and, unless confidential and difficult to track, the origins of the enquiry in terms of country and institution.

### **Intellectual Property:**

It is explicitly acknowledged by the consultant that the FinScope dataset is the property of FinMark Trust, acting on behalf of the FinScope syndicate, and that the consultant has no ownership right to the marketing material and FinScope database.

The consultant agrees to use the material and data extracted from the database under the terms of this contract.

### **Penalties and termination:**

Any materials issued which may, in the opinion of FinMark Trust, contain errors and which may be likely to damage the credibility of FinScope, and in the event that the inaccurate material/data have already been released to the public, then the consultant's commission in respect of this material shall

be reduced to 0% and the consultant shall make best endeavors to replace the material issued with accurate material.

Should the consultant not operate within the spirit and terms of this agreement, FinMark Trust reserves the right to terminate the contract. The following shall constitute grounds for termination of this contract:

1. Failure to pay amounts due within seven working days of due date;
2. Bringing the name of FinMark Trust or FinScope into disrepute;
3. Failure to account timeously as required or adequately in the opinion of FinMark Trust for the funds received by the consultant under the agency agreement; and
4. Failure to adhere to the terms of this contract.

Either party may cancel the contract if no remedy is forthcoming after seven days written notice of such breach by the aggrieved party.

In the event of cancellation or at the end of this contract, the consultant will return all remaining material relating to FinScope to FinMark Trust within ten working days of termination or the end of this contract; and shall destroy any electronic copies of the dataset on any computers, CDs or storage devices which they own or to which they have access.

**Disputes and Arbitration:**

In the event that the parties cannot resolve a matter of dispute in the interpretation of this contract, they agree to submit the matter for arbitration to a partner in the law firm Webber Wentzel Bowens, who shall act as expert arbitrator; and whose costs shall be paid according to the determination reached.

**END.**