

**BY EMAIL**

**1 June 2020**

**To: INTERMEDIARIES/BROKERS**

**GUARDRISK GUARANTEES: APPLICATION FORMS AND COLLATERAL RELEASE**

**CIRCULAR NO. GG-A-1/6/2020**

Dear Sir/Ma'am,

This serves as a formal notice from the Guarantees business unit of Guardrisk Insurance Company Limited ('Guardrisk') to client-appointed intermediaries/brokers.

We hereby implement the following policy in terms of our compliance, legal and operating processes:

- i. All new guarantee applications must be completed on a Guardrisk Guarantee Application form.
- ii. Any amendments and or extension requests to existing active guarantee/s must be completed on a Guardrisk Guarantee Amendment Application form.
- iii. All guarantee applications must be signed by the applicants authorised personal; documentary proof must be provided.
- iv. Guardrisk shall accept a facility application request on a third-party application form for the purposes of the initial risk appetite review. Should Guardrisk be interested to proceed with providing a facility, the Guardrisk Facility Application form must be completed.
- v. All collateral release requests must be completed on a Guardrisk Collateral Release form.
  - a. Guardrisk will release surplus funds that has been pledged as security only once it is satisfied that all criteria for doing so has been met.
  - b. Guardrisk at its discretion may or may not approve the release of surplus collateral if there are long outstanding guarantees, which should have been cancelled, do not have a fixed expiry date and have are not returned for cancellation.

Guardrisk's guarantee and collateral application forms are enclosed herewith in the email circular. We shall distribute the Facility Application form in due course.


**The above policy is effective immediately as of 1 June 2020.**

Guardrisk is part of Momentum Metropolitan Holdings ('MMH'). MMH is a financial services group that is listed on the Johannesburg Stock Exchange. MMH has a national stand-alone rating of **Aaa.za**, as rated by Moody's in December 2019. As part of MMH, Guardrisk is included in its **B-BBEE Level 1** rating. The Guarantees division is wholly responsible for the guarantees business within the Guardrisk Group. Further information is available on our website (<http://www.guardrisk.co.za>).

Should you have any queries, please do not hesitate to contact the undersigned.

Signed at **SANDTON** on this **1<sup>st</sup> DAY** of **JUNE 2020**.

Yours faithfully,



.....  
**Mr. Timothy Paramasivan**

**Executive: Guarantees**

T: 011 669 1151

E: [paramasivant@guardrisk.co.za](mailto:paramasivant@guardrisk.co.za)

A: 1<sup>st</sup> Floor, 102 Rivonia Road, Sandown, Sandton, Johannesburg, 2196