Rhett Cawood

From: patrick.radiopane@aon.co.za

Sent: Monday 12 August 2019 10:18 AM

To: Insuria Service

Subject: INTERMEDIARIES PROFESSIONAL INDEMNITY INSURANCE - CERTIFICATE OF

INSURANCE FOR POLICY NUMBER - J/AIB/09/0390

Attachments: AonMailLogo.jpg; Intermediaries Professional Indemnity - Policy Schedule.pdf; Data

Protection Schedule.pdf; Directors and Officers Liability Schedule.pdf; Business Annexure.pdf; Intermediaries Professional Indemnity - Policy Wording.pdf; Data Protection Extension - Policy Wording.pdf; Directors and Officers Liability - Policy Wording.pdf; Record of Advice.pdf; Aon South Africa (Pty) Ltd Disclosure.pdf; Intermediaries Professional Indemnity - Disclosure Notice.pdf; Data Protection

Extension - Disclosure Notice.pdf



BY YOUR SIDE

Good day Rhett Cawood,

With reference to the above, we have pleasure in confirming that the above policy has been renewed with effect from 01 July 2019 as per your signed acceptance of our quotation, for the period of 01 July 2019 to 30 June 2020 both dates included. We have pleasure in enclosing the following documentation for your kind attention and safe keeping:

- Policy Schedule
- Registered Business Activities as per the FSB
- The Intermediaries PI cover Policy Wording,
- . The Insurers' (Old Mutual Insure / Sintelum (Pty) Ltd) disclosure notice, and
- your Brokers' (AON South Africa (Pty) Ltd) disclosure notice

The Original Certificate of Insurance will also be saved on your Account on the Intermediaries PI Website later. Although every effort has been made to ensure that these documents are issued in accordance with your instructions, we kindly request that you peruse these documents and notify us immediately should there be any discrepancies or changes.

NB:- also attached please find the **record of advice** for this risk, and kindly insure that you **read** and **understand** and **sign** the documents and return the same for our file record, as it forms the bases of advice received from Aon South Africa as your broker. **We await the signed record of advice**.

Trust you find the above in order; however should you have any further queries please do not hesitate to contact me.

We also would like to take this opportunity and thank you for your patience and support during the renewal period.

Many thanks and kind regards,

Patrick Radiopane | Senior Client Manager Aon South Africa (Pty) Ltd | Professional Risks The Place | 1 Sandton Drive | Sandhurst | Sandton | 2196 t 27 11 944 7956 | f 27 866 392 808 | m 27 82 325 2311 patrick.radiopane@aon.co.za

aon.co.za | linkedin | twitter | facebook

I am required to confirm to you that I meet the FAIS Fit & Proper requirements and am competent to render financial services and carry the required section 13 Certificate.

Complaints/Compliments: comments@aon.co.za

Aon is a Principal Partner of Manchester United Aon South Africa (Pty) Ltd is an Authorised Financial Services Provider | FSB License # 20555 **Aon South Africa is rated a Level 2 Contributor to BBBEE**

www.aon.co.za/disclaimer

On all services provided, Aon's Terms & Conditions of Business, as amended from time to time, are applicable and can be found at www.aon.co.za/terms-of-trade or will be sent to you upon request



Intermediaries Professional Indemnity

Policy Pack

Policy Holder: IB Cawood Id: 690427 5060 08 2

For &On Behalf Of: Insuria Financial Services

Policy Number: J/AIB/09/0390



Underwritten by:

Sintelum (Pty) Ltd. (Reg. No. 2009/0044225/07)



Insured by:

Old Mutual Insure Limited. (Reg. No. 1970/006619/06)



This Certificate is issued in accordance with the authorisation granted to the Coverholder by Old Mutual Insurer Limited (hereinafter called Insurer), managed by Sintelum (Pty) Ltd, and in consideration of the premium specified herein, Underwriters do hereby bind themselves, severally and not jointly, each for his own part and not one for another, their Executors and Administrators

The Coverholder referred to herein is Aon South Africa (Pty) Ltd

The Place, 1 Sandton Drive, Sandhurst, Sandton, 2196 Registration Number 1978/004501/07 Authorised Financial Services Provider Licence Number 20555

The Insured is requested to read this Certificate, and if not correct, return it immediately to the Coverholder for appropriate alteration.

In the event of a claim under this Certificate, please notify the Coverholder who is acting as the agent of Insurers.

Certificate Provisions

- 1. **Assignment:** this Certificate shall not be assigned either in whole or in part without the written consent of the Coverholder endorsed hereon.
- 2. Attached Conditions Incorporation: this Certificate is issued and accepted subject to all the provisions, conditions and warranties set forth herein, attached or endorsed, all of which are to be considered incorporated herein. It is understood and agreed that wherever the words Insured/Company appear herein the same shall be deemed to read

Assured / Insurers respectively.

This Insurance shall be governed by the laws of the Republic of South Africa, whose courts shall have jurisdiction in any dispute arising hereunder.

Certificate of Insurance

Policy Number: J/AIB/09/0390
Contract Number: OMI 11/2018A

Policy Option: Option B

The Insured: IB Cawood Id: 690427 5060 08 2

For &On Behalf Of: Insuria Financial Services

Address: 203 PRETORIA ROAD, RYNFIELD, BENONI, 1514

FSP License Number: 37085

VAT Registration Number: 4330 249 832

Period of Insurance: From: 01 July 2019

To: 30 June 2020

Both dates inclusive and any subsequent period for which the insurer accepts a

premium

Renewal Date: 01 July 2020

Limit of Indemnity ZAR 7 500 000.00 in the annual aggregate but including Costs and Expenses

(Excluding VAT):

Retroactive Date: IB Cawood

01 Oct 2009 - ZAR 4 000 000.00 01 Jul 2018 - ZAR 7 500 000.00

Coverages: Professional Indemnity, General Public Liability Extension, Legal Defense

Costs, Computer Crime, Internal Compliance Officer Errors And Omissions, 2 X

Reinstatement of Indemnity Limit

Extensions Applicable:

Directors and Officers – Limit: ZAR 1 000 000.00 – Underwritten by Old Mutual Insure / Sintelum (Pty) Ltd

Data Protection Extension – Limit: ZAR 1 000 000.00 – Underwritten by Camargue Underwriting Managers (Pty) Ltd

Requirements / Subjectivities:

- Cover is restricted to your insurance broking activities as disclosed on the application form and as authorized by the FSB as per Annexure 1.
- This is an annual policy payable in monthly instalments in **ARREARS**. Upon notification of any claim or circumstance the outstanding balance of the full annual premium will become payable immediately
- Pension and Investment activities are restricted to individual financial planning only.
- Cover for General Public Liability Extension is effective 1 July 2016.
- Cover for Internal Compliance Officer Errors and Omissions is effective 1 July 2016.
- Notwithstanding the limit chosen, all extensions and insuring clauses except for Professional Indemnity and Legal Defence costs, will remain sub-limited to R 5 000 000 aggregate

Deductibles Applicable:

ZAR 15,000.00 each and every Claim inclusive of costs and expenses

Notwithstanding the above, it is understood and agreed that insofar as investment related claims are concerned, the above excess will be applied per individual claimant and/or investor and/or investment whether made by a private or legal person and whether originating form one action made up by various individual claimants and/or investors and/or investments.

Annual Premium Net Premium ZAR 6 013.25

VAT @ 15 % ZAR 901.99
Gross Annual Premium ZAR 6 915.24

Broker Fee: ZAR 691.56 (Inclusive of VAT)

Aon South Africa (Pty) Ltd Commission: ZAR 1 383.05 (Inclusive of VAT)

(included in annual premium)

Total Annual Cost: ZAR 7 606.80 (Inclusive of 15 % VAT)

Monthly Debit Amount: ZAR 633.90 (Inclusive of VAT)

Territorial Limits: Worldwide excluding USA / Canada

10 Getter

SIGNED FOR AND ON BEHALF OF THE INSURER

Date: Monday, 12 August 2019

Insured by Old Mutual Insure Limited. (Reg. No. 1970/006619/06), Underwritten by Sintelum (Pty) Ltd. (Reg. No.

2009/0044225/07) in terms of Agreement Ref no: 35225361





In the event of a claim, or any circumstance which may result in a claim under this Certificate, immediately notify Aon South Africa (Pty) Ltd.

Cancellation Clause

It is hereby understood and agreed that this contract can be cancelled by the insured, by giving 30 days' notice in writing to the Agent (Aon South Africa (Pty) Ltd).

Certificate Provisions

The authorization to issue Certificates of Insurance is restricted to Assureds domiciled within Africa south of the Sahara (in accordance with the Territorial Limitation hereon), and any such certificate will contain the following clause:- It is hereby agreed that:

- This Insurance shall be governed by the Law of South Africa whose courts shall have jurisdiction in any dispute arising hereunder, and
- 2. Any summons, notice or process to be served upon the Insurers for the purpose of instituting any legal proceedings against them in connection with this Insurance may be served upon the General Representative of Old Mutual Insure / Sintelum (Pty) Ltd:

Retashia Naidoo Wedgefield Office Park
ISS Compliance (Pty) Ltd No 17 Muswell Road South

Bryanston

Who has authority to accept service on their behalf.

3. The Insurers shall not be liable for any losses in respect of the following clauses:

Radioactive Contamination and Explosive Nuclear Assembles Exclusion Clause

War and Civil War Exclusion

- 4. **Assignment.** This Certificate shall not be assigned either in whole or in part without the written consent of The Agent endorsed hereon.
- 5. Queries: Should you have any queries concerning your insurance coverage, please contact the Agent Representative

Florence Mashita Client Service Advisor Direct Line: +27 11 944 7347
Patrick Radiopane Client Manager Direct Line: +27 11 944 7956

6. **Complaints:** Should you have any complaints concerning your insurance coverage, or with regards to lack of Service, please contact the Agent's Account Manager:

Patrick Radiopane Client Manager Direct Line: +27 11 944 7956

7. Attached Conditions Incorporated. This Certificate is issued and accepted subject to all the provisions, conditions and warranties set Forth herein and in the Master Policy Wording, attached or endorsed, all of which are to be Considered incorporated herein.

It is understood and agreed that wherever the words Insured/Company appear herein the same shall be deemed to read Assured/Insurers respectively.



CERTIFICATE OF INSURANCE

COMMERCIAL CRIME INSURANCE

Issued by

CAMARGUE UNDERWRITING MANAGERS (PTY) LTD

Authorised Financial Services Provider: License No. 6344

On behalf of

Certain Underwriters at Lloyd's

INTERMEDIARY: Aon SA (Pty) Ltd

THE INSURED: Insuria Financial Services

PERIOD OF INSURANCE: 2019/07/01 to 2020/06/30

(Both dates inclusive)

RENEWAL DATE: 2020/07/01

LIMIT OF INDEMNITY: R 1 000 000.00

(Each and every loss and in the annual aggregate)

FIRST AMOUNT PAYABLE: R 10 000.00

RETROACTIVE DATE: 2016/06/30

MONTHLY PREMIUM: R 84.06

(Inclusive of VAT and 20% Commission)

Subject otherwise to the terms conditions and exclusions of the Master Policy

On payment of the premium this certificate becomes a VAT invoice. Camargue Underwriting Managers (Pty) Ltd - VAT No. 4050204447

For Camargue Underwriting Managers (Pty) Ltd

Intermediaries Directors Liability Policy Schedule

Policy No.: J/AIB/09/0390

The Insured: IB Cawood Id: 690427 5060 08 2

For &On Behalf Of: Insuria Financial Services

Address: 203 PRETORIA ROAD, RYNFIELD, BENONI, 1514

Policy Period: From: 01 July 2019

To: 30 June 2020

(12:01 a.m. Local Time at address stated)

Limit of Liability: ZAR 1 000 000.00 aggregate

(Including Costs and Expenses)

Limit of Liability excludes VAT

Monthly Premium: ZAR 61.03

Retroactive Date: IB Cawood

01 Jul 2015 - ZAR 1 000 000.00

Jurisdiction: Worldwide excluding USA / Canada

Insurer: Old Mutual Insure Limited (Reg. No. 1970/006619/06)

Underwriting Manager: Sintelum (Pty) Ltd (Reg. No. 2009/0044225/07)

Financial Services Provider: Aon South Africa (Pty) Ltd

Broker Commission: ZAR 9.15 (inclusive of 15 % VAT)

Signed for and on behalf of The Insurer

Date: Monday, 12 August 2019

Insured by Old Mutual Insure Limited. (Reg. No. 1970/006619/06), Underwritten by Sintelum (Pty) Ltd. (Reg. No. 2009/0044225/07) in terms of Agreement Ref no: 35225361









01 August 2019

ANNEXURE 1

FSP Covered

FSP No	37085
FSP Name	INSURIA FINANCIAL SERVICES CC
FSP Type	Close Corporation
Registration Number	2008/177753/23
Date Authorised	13/04/2010

Products Approved

Category Description	Advice Automated	Advice Non- automated	Intermediary Scripted	Intermediary Other
CATEGORY I				
Long-Term Insurance subcategory A		X		X
Short-Term Insurance Personal Lines		X		X
Long-Term Insurance subcategory B1		X		X
Long-term insurance subcategory B2		X		X
Long-term Insurance subcategory B2-A		X		X
Long-term Insurance subcategory B1-A		X		X
Short-term Insurance Personal Lines A1		X		X
Long-Term Insurance subcategory C		X		X
Retail Pension Benefits		X		X
Short-Term Insurance Commercial Lines		X		X
Pension Funds Benefits		X		X
Participatory interests in a collective investment scheme		x		x
Health Service Benefits		X		X









Financial Institutions and Professional Risk

Intermediaries Professional Indemnity Insurance

Policy Wording



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Underwritten by:

Sintelum (Pty) Ltd. (Reg. No. 2009/0044225/07)



Insured by:

Old Mutual Insure Limited. (Reg. No. 1970/006619/06)



Professional Indemnity Insurance

This is to certify that in accordance with the authorisation granted by

Sintelum (Pty) Ltd on behalf of Old Mutual Insure Limited

The Underwriter - Sintelum (Pty) Ltd

Company Reg. Number: 2009/0044225/07

VAT Number: 4140 255 623

The Insurer - Old Mutual Insure Limited

Company Reg. Number: 1970/006619/06

VAT Number: 4460 101 019

and in consideration of, and conditional upon, the prior payment of the Premium by or on behalf of the Insured and receipt thereof by or on behalf of the Insurers, the Insurers are hereby bound to insure in accordance with the terms, Exclusions, Conditions and limitations contained herein or endorsed hereon.

The Insurance Contract is conditional upon and will only come into effect following payment of the Premium by the Insured and the receipt thereof by or on behalf of the Insurers.

01 November 2018





1. Preamble

The Insured having made a written proposal to Insurers, dated as stated in the Schedule, or otherwise submitted particulars and statements constituting the risk profile, which proposal or risk profile shall form the basis of this insurance (the Policy), the Insurers will indemnify the Insured in accordance with the terms, exclusions, conditions and limitations contained herein or endorsed hereon.

2. Insuring Clauses

The Insurers will indemnify the Insured pursuant to the following Insuring Clauses in accordance with the law of any country but not in respect of any judgement, award, payment or settlement made within countries which operate under the laws of North America or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part

2.1 Professional Indemnity

Against their legal liability to pay compensation (including interest thereon and claimants' costs, fees and expenses) for actual loss in respect of delictual liability arising out of any actual or alleged (other than by the Insured) negligent act, error or omission of the Insured in the performance of the Professional Duties undertaken in the course of the Insured's Business and the indemnity granted herein applies only to Claims first made against the Insured and notified to the Insurers during the Period of Insurance and subject further to the provisions of Condition 7.2.

2.2 Fidelity Guarantee (If stated in the Schedule to be included)

Direct financial losses first discovered, and reported to the Underwriter, by the Insured during the Period of Insurance arising in connection with the Business for any direct loss of money or other tangible property whatsoever belonging to the Insured in consequence of any dishonest or fraudulent act or omission of any Employee of the Insured:

Provided that

- 2.2.1 the Insurers shall not indemnify any person committing, making or condoning any dishonest or fraudulent act or omission;
- 2.2.2 for the purposes of the above and the Dishonesty of Staff Extension, "Employee" shall not include a director of a corporate Insured owning more than 20% of the equity of the Insured and "former Employee" shall be construed accordingly;
- 2.2.3 the Insured shall give immediate notice to the Insurers where there is any reasonable suspicion of fraud or dishonesty being committed by any person whether giving rise to a claim or not under this Policy;
- 2.2.4 the Insurers shall be entitled to pursue recovery of all monies paid or payable under this Policy against the persons concerned or their estates or personal representatives or trustees or assignee in bankruptcy;
- 2.2.5 the Insured shall provide all reasonable information and assistance requested by the Insurers in pursuance of such recovery and shall in particular withhold monies due to or held by the Insured but belonging to the dishonest or fraudulent person or persons, their estates or personal representatives or trustee or assignee in bankruptcy for the benefits of the Insured but only to the extent of the loss which they have suffered or will suffer as a result of the said persons dishonesty;
- 2.2.6 the Insured shall whenever have requested by the Insurers take all necessary steps for prosecuting or convicting such persons causing the loss;

- 2.2.7 the above property expressly does not include any information, any data, or any intellectual property of whatsoever nature.
- 2.2.8 salary, fees, commissions, bonuses, salary increases, promotions, profit sharing and other emoluments or benefits including business entertainment earned in the normal course of business do not constitute a loss or claim.
- 2.2.9 Property does not include premiums due to Insurers.

2.3 Liability following loss of Documentation (If stated in the Schedule to be included)

If during the Period of Insurance the Insured shall discover that any Documents, the property of or entrusted to the Insured which are supposed or believed to be in the custody of the Insured or in the custody of any other person to or with whom such Documents have been entrusted, lodged or deposited by the Insured in the ordinary course of Business, have been destroyed or damaged, lost or mislaid and after diligent search cannot be found, Insurers shall:

- 2.3.1 provide an indemnity against their legal liability which the Insured may incur to any other person in consequence of such Documents having been so destroyed, damaged, lost or mislaid; and
- 2.3.2 provide an indemnity against costs and expenses of whatsoever nature incurred by the Insured in replacing or restoring such Documents provided such costs and expenses incurred by the Insured shall be supported by bills or accounts which shall be subject to approval by a competent person to be nominated by Insurers with the approval of the Insured; and
- 2.3.3 pay the costs and expenses incurred with the written consent of Insurers in the defence or settlement of any claim to establish liability as described in (2.2.1) above.

Liability in respect of this Insuring Clause 2.2 shall be limited to R50 000 and will be included in the overall Limit of Indemnity and not in addition thereto. The Insured shall be liable for the first R500 of each claim.

2.4 Computer Crime (If stated in the schedule to be included)

- 2.4.1 The Insurers will indemnify the Insured in respect of a direct financial loss which is discovered by the Insured during the Period of Insurance resulting from:
 - 2.4.1.1 Computer Crime (committed by any person other than an identifiable Employee) acting alone or in collusion with others; or
 - 2.4.1.2 Computer Virus Damage.
 - 2.4.2 "Computer Crime" means:
 - 2.4.2.1 the unauthorised introduction of:
 - 2.4.2.1.1 Electronic Data; or
 - 2.4.2.1.2 Electronic Computer Instructions,

into the Insured's Computer System, Customer Communication System, Service Bureau's Computer System, Electronic Communication System or Central Depository;

2.4.2.2 the unauthorised modification, corruption or deletion of:

- 2.4.2.2.1 Electronic Data or Electronic Data Processing Media, including loss as an attempt to fraudulently or maliciously modify or delete such Electronic Data; or
- 2.4.2.2.2 Electronic Computer Instructions;

stored within, run within, or during dematerialised transmission to the Insured's Computer System, Customer Communication System, Central Depository or Service Bureau;

- 2.4.2.3 the unauthorised introduction, modification, corruption or deletion of dematerialised communications, or instructions within:
 - 2.4.2.3.1 any Computer System; or
 - 2.4.2.3.2 an Electronic Communication System;

and which involves a dishonest, fraudulent or malicious act by a third party or the commission of an act which would constitute 'cyber-crime' as described under the Electronic Communications and Transactions Act 25 of 2002, or an offence under the Computer Misuse Act 1990 or any similar legislation in any other jurisdiction.

2.4.3 "Computer Virus Damage" means the loss or destruction of or amendment to or damage to any Electronic Data or Electronic Computer Instructions upon which the Insured has acted or relied due to a Malicious Electronic Instruction or the Insured having transferred, paid or delivered funds or property upon the reliance of Electronic Data or Electronic Computer Instructions affected by such Malicious Electronic Instruction.

Specific Exclusion

This Insuring Clause shall not indemnify the Insured in respect of loss caused by an identifiable Employee of the Insured or by a person or persons in collusion with any Employee of the Insured.

Prior knowledge by any Employee that a fraudulent act by a person or persons, not in the employ of the Insured has been or will be perpetrated, shall for the intent and purpose of this Insuring Clause be deemed to be collusion should said Employee wilfully or deliberately withhold this knowledge from the Insured. The withholding of knowledge from the Insured by an Employee because of a threat to do bodily harm to any person or to do damage to the premises or property of the Insured shall not be deemed to be or to constitute collusion.

2.5 Liability following Employee Dishonesty (If stated in the Schedule to be included)

Notwithstanding anything to the contrary contained in Exclusion 6.8 of this Policy against Claims arising out of any dishonest, fraudulent or malicious act or omission of any Employee (not being a Director, Partner, member or Principal) of the Insured, provided always that:

- 2.5.1 the Insurers shall not be liable to indemnify the Insured in respect of claims arising out of the dishonest, fraudulent or malicious act or omission of any Employee after the discovery of or upon reasonable suspicion of any such act or omission on the part of the same Employee which has given or may give rise to a Claim under this Insuring Clause 2.3;
- 2.5.2 any Claim under this Insuring Clause arising out of the collusion of two or more Employees shall be deemed to be one Claim;

- 2.5.3 no indemnity shall be granted in respect of Claims which is incurred or insurable under any Fidelity Guarantee Policy of Insurance.
- 2.5.4 No cover will be provided in respect of premiums due to insurers.
- 2.5.5 No indemnity shall be provided in respect of any Mis-selling.

2.6 Support Staff Extension (If stated in the Schedule to be included)

"Support Staff" shall mean: Employees (not being Representatives as defined in FAIS) that render clerical, technical, administrative, legal, accounting or other service in a subsidiary or subordinate capacity, which service –

Their work does not include:

- a) Does not require judgement on the part of the latter person; or
- Does not lead a client to any specific transaction in respect of a financial product in response to general enquiries;"

2.7 General Public Liability Extension (If stated in the Schedule to be included)

2.7.1 Indemnity

The Insurers will indemnify the Insured under this Section against their legal liability established in accordance with the law of any country but not in respect of any judgement, award, payment or settlement made within countries which operate under the laws of North America (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part) for claims arising out of:

- a) accidental death, bodily injury, illness or disease of or to any person;
- b) accidental loss of possession or control of or actual damage to property;

arising out of and in the course of the Business.

2.7.2 Exclusions

This Section does not cover liability for claims arising out of:

- 2.7.2.1 The ownership, possession or use by or on behalf of the Insured of any motor Vehicle or trailer for which compulsory insurance is required by legislation, other than claims:
 - a) caused by the use of any tool or plant forming part of or attached to or used in connection with any motor Vehicle or trailer;
 - b) arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any motor Vehicle or trailer;
 - arising out of any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking;
- 2.7.2.2 The ownership, possession or use by or on behalf of the Insured of any aircraft, watercraft or hovercraft;
- 2.7.2.3 Damage to property owned, leased or hired or under hire purchase or on loan to the Insured or otherwise in the Insured's care custody or control other than:

- a) premises (or the contents thereof) temporarily occupied by the Insured for work therein, or other property temporarily in the Insured's possession for work thereon (but no indemnity is granted for damage to that part of the property on which the Insured is or has been working and which arises out of such work);
- b) employees' and visitors' clothing and personal effects;
- c) premises tenanted by the Insured (but only to the extent that the Insured would be held liable in the absence of any specific agreement).

2.7.3 Special Provisions

2.7.3.1 Indemnity to Others

The indemnity granted by this Section extends with Insurers' written consent to:

- a) officials of the Insured in their business capacity arising out of the performance of the Business or in their private capacity arising out of their temporary engagement of the Insured's employees;
- b) the officers, committee and members of the Insured's canteen, social, sports, medical, firefighting and welfare organisations in their respective capacities as such;
- the personal representatives of the estate of any person who would otherwise be indemnified by this Policy, but only in respect of liability incurred by such person.

Provided always that such persons or parties shall observe, fulfil, and be subject to the terms, Exclusions, Conditions and limitations of this Policy as though they were the Insured.

2.7.3.2 Cross Liabilities

Each person or party indemnified is separately indemnified in respect of claims made against any of them by any other, subject to the total liability of the Insurers not exceeding the General Public Liability Limit stated in the Certificate.

2.7.3.3 Pollution

In respect of claims arising out of Pollution the Limit of Indemnity represents the total amount of the Insurers' liability in respect of all claims made during the Period of Insurance.

2.8 Internal Compliance Officer (If stated in the Schedule to be included)

The Insurer shall indemnify the Insured's internal Compliance Officer against his or her Delictual liability to pay for actual loss (including claimant costs, fees and expense) in respect of liability to the Insured arising out of the negligence of the internal Compliance Officer as a result of any actual or alleged (other than by the Compliance Officer) negligent act, error or omission (including consequential loss) in the performance of the professional duties of the Compliance Officer.

For the purpose of this Insured Event, the Compliance Officer is an Employee of the Insured.

"Professional Duties" Shall mean the duties of the Compliance Officer as contemplated and further defined in the Financial Advisory and Intermediaries Services Act 2002 (as amended) and shall also extend to include any responsibility assumed by the Compliance Officer to ensure the Insured's compliance with the Financial Intelligence Centre Act 2001 (as amended) and any other legislation

relative to Compliance matters as a result of any negligence act, error or omission committed by the Insured's Compliance Officer.

Exclusion 6.12 (Fines and Penalties) shall remain applicable.

2.9 Defamation or Slander (If stated in the Schedule to be included)

Notwithstanding Exclusion 6.7, the terms "negligent act", "error" or "negligent omission" is deemed to include defamation, including injurious falsehood.

3. Defence Costs (and ancillary claims costs)

- 3. 1 The Insured shall render at their own cost all such assistance as the Insurers may require in order to investigate defend or settle any claim and shall arrange to be available at their own cost for such interviews as may be required by the Insurers or any advisers or legal representatives appointed by the Insurers.
- 3. 2 The Insurers will pay any expenses incurred by the Insured (excluding such costs mentioned in 3.1) in order to assist with the investigation defence or settlement of any claim made against the Insured and the costs of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any Claim made or which might be made against the Insured, provided such Claim or Claims are the subject of indemnity by this Policy and the Insurers' prior written consent is obtained.
- 3.3 All costs, fees and expenses incurred by the Insurers or at their instance in the investigation defence or settlement of any claim made against the Insured and the costs of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any claim made or which might be made against the Insured shall be deemed to be costs, fees and expenses incurred by the Insured with the prior consent of the Insurers.
- 3.4 The above costs will be part of, and not in addition to the Limit of Liability stated in the Schedule.
- 3.5 Costs and expenses incurred in successful defence will also be deemed to be a claim in terms of the Policy and therefore subject to the Deductible as stated in the Schedule.

4. Limit of Liability

Notwithstanding the number of individual Insureds insured by this Policy the Insurers liability to pay Claims together with claimants' costs, fees and expenses and Defence Costs shall be limited to the sum stated in the Schedule under Limit of Liability in respect of all Claims aggregated during the Period of Insurance and shall not apply per individual Insured.

Where more than one Period of Insurance of this Policy, following its renewal or replacement, may apply to a Claim the Insurer's total liability shall be limited to the maximum Limit of Liability for any one such Period of Insurance.

To the extent that the Insured is accountable to the tax authorities for Value Added Tax in respect of any payment in terms of this Policy the Insurers will include the amount of such tax in the final settlement of any claim under this Policy in addition to the Limits of Indemnity.

In the event of a Claim forming the subject of indemnity by more than one insuring clause it is agreed that the aggregate liability of the Insurers under all Insuring Clauses combined for all Claims shall not exceed the amount equal to the highest Limit of Indemnity stated in the Schedule available to the Insured under any one of the Insuring Clauses (excluding Insuring Clause 2.2) and be likewise subject to the highest Deductible applicable to any one of such Insuring Clauses (excluding Insuring Clause 2.2).

5. Definitions

For the purposes of this insurance.

- 5.1 "The Insured" shall include:
 - 5.1.1 the Company, Partnership, Close Corporation, Association or Person named in the Schedule (hereinafter in this definition referred to as the "Insured");
 - 5.1.2 any present (including appointments made during the Period of Insurance) or former Director, Partner, Member, Principal or "In-house" Consultant of the Insured;
 - 5.1.3 any present or former Representative (as defined in FAIS) or Employee of the Insured in respect of those activities that are conducted for and on behalf of and within the course and scope of that Representative's or Employee's employment with and under the FAIS License of the Insured;
 - 5.1.4 any predecessors of the Insured but only to the extent that liability attaches to the Insured.
 - 5.1.5 In the event of the death, incapacity, insolvency or bankruptcy of any person treated as the Insured (in respect of claims against such person) his estate, legal representatives and/or heirs.
- 5.2 "FAIS" shall mean the Financial Advisory and Intermediary Services Act, its Schedules, Regulations, Code of Conduct and the Directives issued by the Financial Services Board in terms of the Regulations.
- 5.3 "Professional Duties" shall mean the activities and duties of a Financial Service Provider registered under the Category and sub-categories as stated in FAIS which the Insured undertakes in the course of their usual "Business" as stated in the Schedule.
- "Documents" shall mean bonds, debentures, scrip certificates, deposit receipts, transfers, coupons, warrants, bills of exchange, promissory notes, title deeds, insurance and assurance policies, powers of attorney, deeds, wills, agreements, maps, plans, records (whether on paper, microfilm, magnetic tape or optical disk) and written and printed documents and forms of any nature, belonging to the Insured or for which the Insured is responsible in connection with the "Business".

The definition of Documents does not include bearer bonds, coupons, bank notes, currency notes, coins and negotiable instruments, including cash, postal and money orders, credit, charge or other similar cards.

5.5 "Deductible" shall mean that first amount of each and every claim to be borne by the Insured, it being understood and agreed that if any expenditure is incurred by the Insurers which, by virtue of the Deductible, is the responsibility of the Insured, then such expenditure shall be forthwith reimbursed by the Insured.

The Deductible shall apply Per Claim.

Notwithstanding the above, in respect of investment related claims, the above Deductible will apply per investor.

- 5.6 "Retroactive Date" shall mean the date stated as such in the Schedule.
- 5.7 **"Claim"** shall mean claims for compensation made against the Insured arising from one originating cause or source.
- 5.8 **"Environmental Impairment / Pollution"** shall mean the emission, discharge, release, dispersal, disposal, seepage or escape of solid, liquid, gaseous or thermal contaminants or irritants, including

vapours, smell, odours, humidity, fumes; smoke, soot or other airborne particulates; acids, alkalis, chemicals and waste; electromagnetic waves, noise, vibrations; other emission of effluent or noxious substances into or upon the soil, the atmosphere or any watercourse or body of water which changes the natural state or condition of the soil, the atmosphere or any watercourse or body of water; the depositing or storing of effluent, noxious substances, nuclear material or nuclear waste and the breach of any legislation relating to the a foregoing.

- 5.9 **"North America"** shall mean the United States of America (being the fifty states of the union plus the District of Columbia), Canada and any territory operating under the laws of or subject to the jurisdiction of courts of the afore-mentioned territories.
- 5.10 "Product" shall mean any property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured, but shall not mean food and drink supplied by or on behalf of the Insured primarily to the Insured's employees as a staff benefit.
- 5.11 **"Employee"** it is hereby agreed and understood that the word "Employee" (and the word "employee") wherever used in the Policy or in any other applicable Endorsement means:
 - 5.11.1 any person engaged under a contract of employment with the Insured;
 - 5.11.2 any director in the full-time employ of the Insured and not owning, directly or indirectly more that 20% of the equity of the Insured;
 - 5.11.3 any principal, member or partner in the Insured entitled to a share, directly or indirectly, in the Insured's profits of not more than 20%;
 - 5.11.4 any guest student pursuing studies or duties with the Insured when so acting;
 - 5.11.5 any person provided by an employment contractor or agency to perform employee duties for the Insured under the Insured's supervision;
 - 5.11.6 any person remunerated by the Insured on a commission only basis; however cover shall only extend to indemnify the Insured in respect of acts undertaken by such persons for and on behalf of the Insured.
- 5.12 "Sub Agent" is defined as any person or persons over who's actions the insured has no control or who is not required to do the work personally or who is paid on a commission only basis, or who enjoys independence in the performance of his duties, or any person who has direct contact with clients without the insureds assistance or knowledge; and the phrase "former employee" shall be construed accordingly.
- 5.13 "Malicious Electronic Instruction" is defined as any unauthorised program or code created and/or distributed through the Insured's Computer System or networks or a Service Bureau's Computer System or networks which instructions were maliciously or fraudulently introduced
- 5.14 Mis-selling which shall be defined as the actual or alleged non-suitability or mis-description of or act, error, omission or misrepresentation concerning the nature, characteristics or purpose of any financial product or service to any person or entity which if known to the buyer would have materially influenced the decision to enter into the investment or to purchase the financial product.

6 Exclusions

The Insurers shall not be liable to indemnify the Insured in respect of a Claim or loss:

6.1 arising from breach of contract unless such breach is a breach or alleged breach of professional duty by the Insured or any other person upon whom the Insured has placed reliance.

- 6.2 for the costs of replacing or restoring documents other than as provided for in Insuring Clause 2.2.2.
- 6.3 arising out of loss of or distortion of computer data due to
 - 6.3.1 the presence of magnetic flux;
 - 6.3.2 defects in the data tapes or other data media;
 - 6.3.3 use or processing whilst mounted in or on any machine;
 - 6.3.4 wear, tear, vermin or gradual deterioration;
 - 6.3.5 climatic or atmospheric conditions or extremes of temperature.
- 6.4 arising out of any property or Product manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured.
- 6.5 arising out of:
 - 6.5.1 loss of money (including postal and money orders and Kruger Rand);
 - 6.5.2 theft or forgery of cheques and other negotiable documents of title;
 - 6.5.3 the failure to account for monies or securities in lieu of such monies.
- 6.6 arising out of defamatory statements in public or any publication, journal, magazine or newspaper or on radio or television or in any electronic media.
- 6.7 brought about or contributed to by intentional, dishonest, criminal or malicious act or omission committed by or alleged to have been committed by or on behalf of the Insured other than as provided for by Insuring Clause 2.3.
- 6.8 made against the Insured by any associated, parent or subsidiary company or by any person or entity having a financial or executive interest in the Insured unless emanating directly from an independent third party.
- 6.9 arising from the conduct of the business in North America
- 6.10
- 6.10.1 known to the Insured at the inception of this Policy
- 6.10.2 advised to the Insurers of any other policy attaching in a period prior to the Period of Insurance;
- 6.10.3 that happened or is alleged to have happened prior to the Retroactive Date (if any) provided that nothing contained within this Exclusion shall be interpreted as releasing the Insured from their obligation to reveal as a material fact all details of a Claim or specific event or circumstance likely to give rise to a claim;
- 6.10.4 arising from any specific event or circumstances notified to the insurers of any other policy
- 6.11 for fines, penalties, punitive, vindictive or exemplary damages.
- 6.12 arising directly or indirectly out of or contributed to by, irrespective of any other cause, the insolvency or liquidation or failure (including any Scheme or Arrangement in terms of Section 311 of the Companies Act 61 of 1973 or any proceedings relating to business rescue proceedings as contemplated in Chapter 11 of the Companies Act No 71 of 2008) of:

- 6.12.1 The Insured, or
- 6.12.2 Any Insurer, or
- 6.12.3 Any Assurer, or
- 6.12.4 Any investment vehicle or investment scheme, howsoever constituted in which the claimant has invested on the advice, assistance, promotion or recommendation of the Insured.
- 6.13 less than the Deductible.
- 6.14 arising from or involving in any way liability accepted by contract or agreement unless such liability would have attached in the absence of such contract or agreement.
- 6.15 resulting from the Insured's activities as insurance or assurance Underwriters, Underwriting Agents or Managers of any Insurance Company, Underwriter or syndicate of Underwriters.
- 6.17 resulting from any third-party claim arising directly or indirectly out of failure by the Insured to meet the requirements, conditions, obligations and restrictions imposed upon the Insured in terms of the Insured's FAIS license.
- 6.17 directly or indirectly due to actual or alleged unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or relate to any breach of a provision of the Competition Act No. 89 of 1998 as amended or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose.
- 6.18 arising out of Environmental Impairment and/or Pollution.
- 6.19 arising out of any advice given on North American Law.
- 6.20 arising from or contributed to by, irrespective of any other cause:
 - 6.20.1 the depreciation, diminution (or failure to appreciate) in value of any investments, including securities, commodities, currencies, options and futures transactions, or;
 - 6.20.2 the failure to appreciate in value of any investments, including securities, commodities, currencies, options and future transactions
 - 6.20.3 the failure of any guarantee, warranty, or contractual undertaking given by the entity in which an investment is made, or
 - It is agreed however that these exclusions shall not apply to any loss due solely to negligent omission on the part of the Insured, any Representative or employee to effect a specific transaction in accordance with the specific prior instructions of a client of the Insured.
 - 6.20.4 Any alleged or actual representation, guarantee or warranty provided by or on behalf of the Insured as to the performance of any investments;
 - 6.20.5 arising from the realising of or failure to realise arbitrage opportunities.
- 6.21 involving the reimbursement of fees, commissions, costs or other charges paid or payable to the Insured, or, any claim based upon allegations against the Insured of excessive fees, commissions, costs or other charges.
- 6.223arising directly or indirectly out of or in connection with the provision of investment advice and / or the administration of any funds in contravention of or in any way breaching the Banks Act, (Act No 94 of 1990) or any amendments thereto. This exclusion will also apply to claims following directly or indirectly from investments where the product supplier or financial services provider had acted or

- administered funds in contravention of said act whether the Insured should reasonably have been aware of this breach or not.
- 6.23 arising from any liability incurred by the Insured following from the actions or omissions of a sub agent or sub broker, unless specifically agreed to, in writing, by the Insurers.
- 6.24 Notwithstanding any provision of this Policy including any special Exclusion or extension or other provision not included herein which would otherwise override an Exclusion, this Policy does not cover any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or consisting of or arising from the incapacity or failure of any computer, correctly or at all, to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any trojan horse, time or logic bomb or worm or any other destructive code, media or program or interference.
 - A computer includes any computer, data processing equipment, microchip, integrated circuit or similar device in computer or non-computer equipment or any computer software, tools, operating system or any computer hardware or peripherals and the information or data electronically or otherwise stored in or on any of the above, whether the property of the Insured or not.
- 6.25 This Policy shall not indemnify the Insured in respect of any loss occasioned by or through or in consequence of, whether directly or in connection with, any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss:
 - 6.25.1 war, invasion, act of foreign enemy, hostilities or war-like operations (whether war be declared or not) or civil war;
 - 6.25.2 mutiny, military rising, military or usurped power, martial law, state of siege or any other event which determines the proclamation or maintenance of martial law or state of siege;
 - 2.25.3 insurrection, rebellion or revolution;
 - 2.25.3 any act of Terrorism.
 - For the purposes of this Exclusion "Terrorism", means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear. If the Insurers allege that by reason of this Exclusion any loss, damage, cost or expense is not covered by this Policy, the burden of proving the contrary shall be upon the Insured.
- 6.26 involving in any way the loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss or any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from:
 - 6.26.1 ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
 - 6.26.2 the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 6.27 involving in any way Mis-selling or allegation thereof
- 6.28 involving any allegations directly or indirectly linked to or in any way involving any investment or product provided by a product supplier which is not regulated and registered as such or is not recognised by FAIS or the Short Term Insurance Act or Long Term Insurance Act.
- 6.29 Notwithstanding any provision of this Policy including any Exclusion, exception or extension or other provision which would otherwise override an Exclusion, this Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by,

arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

7. Conditions

Conditions 7.1 to 7.9 are Conditions precedent to the liability of the Insurers to provide indemnity under this Policy.

- 7.1 Premium is payable on or before the inception date or renewal date or instalment date as the case may be. The Insurer shall not be obliged to accept premium tendered to them more than 15 days after such date but may do so upon such terms as they in their sole discretion may determine.
- 7.2 The Insured shall give written notice to the Insurers as soon as practicable of any claim made against the Insured (or of any specific event or circumstance which may give rise to a claim being made against the Insured) and which forms the subject of indemnity under this Policy and shall give all such additional information as the Insurers require. Every claim, writ, summons or process and all documents relating to the claim, event or circumstance shall be forwarded to the Insurers immediately they are received by the Insured.

If the Insured notifies the Insurers during the Period of Insurance of any event or circumstance which the Insurers accept may give rise to a claim being made against the Insured, then such claim shall for the purpose of this Policy be treated as having been first made against the Insured during the Period of Insurance.

This Policy will allow the Insured the opportunity to notify Insurers of claims made against them or circumstances that may give rise to claims being made against them for up to 30 days after expiry of this Policy provided that the Insured first became aware of the claim or circumstance prior to expiry, it being understood however that this opportunity is only available in the event of Insurers having refused to renew the Policy and that the insured was unable after reasonable attempts to arrange alternative cover.

- 7.3 The Insured shall at all times maintain accurate descriptive records of all professional services which records shall be made available for inspection and use by the Insurers or their duly appointed representatives insofar as they pertain to any Claim under this Policy.
- 7.4 No admission, offer, promise or payment shall be made or given by or on behalf of the Insured without the written consent of the Insurers who, if they so wish, shall be entitled to take over and conduct, in the name of the Insured, the defence or settlement of any claim or to prosecute, in the name of the Insured, any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any Claim and the Insured shall give all such information and assistance as the Insurers may require.
- 7.5 The Insured shall give notice as soon as reasonably possible of any fact, event or circumstance which materially changes the information supplied to the Insurers at the time when this Policy was effected and the Insurers may amend the terms of this Policy according to the materiality of such change.
 - Whilst this insurance shall remain fully operative in the event of a change in the constitution of the Insured, notice shall be given as soon as reasonably possible of any change in the Principals, Partners, Members or Directors or in the legal constitution of the Insured and the Insured shall supply such further information as the Insurers may require for reassessment of the risk.
- 7.6 The interpretation and enforcement of the terms, Conditions and Exclusions of this Policy (and any phrase or word contained herein) shall be in accordance with the law of the Republic of South Africa whose courts shall have jurisdiction to the exclusion of the courts of any other country.
- 7.7 The Policy and Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or Schedule shall bear such meaning wherever it may appear.

- 7.8 The Insurers may at any time pay to the Insured in connection with any Claim or Claims under this Policy to which the Limit of Liability applies the amount of such limit (after deduction of any amounts already paid) or any lesser amount for which such Claim or Claims can be settled and upon such payment being made the Insurers shall relinquish the conduct and control of and be under no further liability in connection with such Claim or Claims notwithstanding the fact that the Insured has been only partially reimbursed for their loss due to the amount of any Deductible payable in terms hereof.
- 7.9 Where Insuring Clause 2.3 Employee Dishonesty applies, the Insured shall take all possible action to sue for and obtain reimbursement from such person and any money or other property held by the Insured which, but for such dishonesty, would be due to such person shall, to the extent allowable in law, be deducted from the Insured's loss.
- 7.10 All recoveries made in respect of any claim under this Policy shall be applied (after deduction of the costs, fees and expenses incurred in obtaining such recovery) in the following order of priority
 - 7.10.1 the Insured shall first be reimbursed for the amount by which their liability in respect of such claim exceeded the amount of indemnity provided by the Policy;
 - 7.10.2 the Insurers shall then be reimbursed for the amount of their liability under the Policy in respect of such claim;
 - 7.10.3 any remaining amount shall be applied towards the amount of the Deductible borne by the Insured in respect of such claim.
- 7.11 Where the premium is provisionally based on the Insured's estimates, the Insured shall keep accurate records and after expiry of the Period of Insurance, shall declare as soon as possible such details as the Insurers may require. The premium shall then be adjusted and any difference paid by or allowed to the Insured, as the case may be, subject to any minimum premium that may apply. Unless otherwise stated the premium shown in the Schedule shall be the Minimum Premium.
- 7.12 If indemnity is sought under this Policy by any fraudulent means:
 - 7.12.1 all benefit in respect of such claim shall be forfeited;
 - 7.12.2 Insurers may cancel the Policy with immediate effect by notice in writing to the last known address of the Insured.
- 7.13 If the Limit of Liability is increased during the Period of Insurance, the liability of the Insurers in respect of claims made against the Insured or for circumstances notified, or which should have been notified to the Insurers prior to such increase, shall not exceed the Limit of Liability applicable prior to such increase.
- 7.14 It is hereby understood and agreed that this contract can be cancelled by Insurers by giving 30 days' notice in writing to the Insured via any media available at the time, including but not limited to Fax, E-mail and Mail.
- 7.15 Whenever this Policy provides notice to be given to the Insurers such notice shall be given to:

Sintelum (Pty) Ltd on behalf of Old Mutual Insure Limited

Physical Address: The Campus, Augusta Building, 57 Sloane Street, Bryanston,

Johannesburg, 2021

Postal Address: Private Bag X127, Bryanston, Johannesburg, 2021

Tel: +27 (0)11 575 3243 email: alan.taylor@sintelum.com

8. Special Extensions

8.1 2 X Aggregate Reinstatement of Indemnity Limit

- 8.1.1 In the event of the reduction in whole or in part of the aggregate limit, under any Insuring Clause or of the summation of indemnity under all Insuring Clauses by reason of any one Claim, such aggregate limit shall be reinstated, but any such reinstated amount shall apply only in respect of payments which are totally unrelated to any payment(s) that gave rise to such reduction; it being understood that the total liability of Insurers under one Insuring Clause or of the summation of indemnity under all Insuring Clauses shall be limited to twice the respective amounts shown in the Schedule during the Period of Insurance.
- 8.1.2 If the Insured has in effect any insurance or insurances providing excess coverage for limits beyond the amounts available under this Insurance, reinstatement shall become effective only AFTER the total exhaustion of the limits of all such excess coverage by reason of payments thereunder.

9. 36 Months Run-Off Cover

In the Event of and with effect from the retirement or ceasing business practice, the **Insured** and in the event of death of the **Insured**, the **Insureds** Executor on behalf of the deceased's **Insureds** Estate, is granted an additional period of thirty six (36) month (hereinafter referred to as Run-Off Cover) to identify and report **Claims** and/or **Circumstances** in connection with work performed during the currency of this policy that may give rise to a **Claim** in terms of this policy and provided that:

9.1 The **Insured** enjoyed continuous uninterrupted professional indemnity cover through the Aon Intermediaries Facility for a period of not less than three years immediately and consecutively prior to the expiring of this policy;

9.2 The Run-Off Cover

- i. Is subject otherwise to all the terms, exclusions and conditions of this policy;
- ii. Shall not apply to **Claims** made against the **Insured** where such **Claim** or **circumstance** that might give rise to a **Claim**, was advised to the **Insurer** prior to the commencement date of the Run-Off Cover:
- iii. Shall, notwithstanding the stated thirty sic (36) months period, terminate immediately at the commencement date thereof should Professional Indemnity insurance be obtained by the **Insured** with another insurer
- 9.3 The Insurers total liability in respect of all Claims made during the final Period of Insurance and all Claims made or Circumstances identified during the Run-Off Cover shall in no event exceed the Limit of indemnity as stated in the schedule which applied immediately prior to commencement of the Run-Off Cover;
- 9.4 No Run-Off Cover will be allowed should the **Insured** elect not to renew this insurance and place such insurance with another insurer providing Professional Indemnity cover;
- 9.5 This extension shall not be afforded written notice of such election is given by the **Insured** to the **Insurers** prior to the date of expiry of this policy. Any **Claim** made Circumstances reported during the Run-Off Cover shall be deemed to have been made during the last period of..

Provided always that the total liability of the Insurers is not increased beyond that which would have applied in the absence of such extensions of cover.



Professional Risk

Intermediaries Data Protection Extension

Insurance Policy Wording



All policy wording in this document ("policy wording") has been designed by Aon South Africa (Pty) Ltd ("Aon") and is subject to Copyright © 2015. It is the exclusive property of Aon and has been negotiated with insurers on your behalf. All rights are reserved and none of the policy wording may be reproduced or copied in any manner or format whatsoever without the express written permission of Aon.

Insured by:

Camargue Underwriting Managers (Pty) Ltd. Co. Reg. No. 2000/028098/07



Specialised Liability Management

Data Protection Extension Insurance

This is to certify that in accordance with the authorisation granted by

Camargue Underwriting Managers (Pty) Ltd.

The Insurer

Company Reg. Number: 2000/028098/07

VAT Number: 4050 204 447

FSP Number 6344

and in consideration of, and conditional upon, the prior payment of the Premium by or on behalf of the Insured and receipt thereof by or on behalf of the Insurers, the Insurers are hereby bound to insure in accordance with the terms, Exclusions, Conditions and limitations contained herein or endorsed hereon.

The Insurance Contract is conditional upon and will only come into effect following payment of the Premium by the Insured and the receipt thereof by or on behalf of the Insurers.

01 November 2018



DATA PROTECTION EXTENSION

IMPORTANT NOTICE: THIS POLICY IS A CLAIMS MADE AND NOTIFIED POLICY. EXCEPT AS OTHERWISE PROVIDED HEREIN, THIS POLICY COVERS ONLY CLAIMS FIRST MADE AND NOTIFIED TO UNDERWRITERS DURING THE POLICY PERIOD AND ON OR AFTER THE RETROACTIVE DATE BUT BEFORE THE END OF THE POLICY PERIOD. ALL CLAIMS ARE SUBJECT TO THE APPLICABLE LIMITS OF INDEMNITY AND THE APPLICABLE FIRST AMOUNT PAYABLE.

TERMS THAT APPEAR IN BOLD FACE TYPE ARE DEFINED TERMS IN THIS POLICY. PLEASE READ THIS POLICY CAREFULLY. WHEN USED BELOW, THE WORDS "YOU," "YOUR," OR "YOURS" SHALL MEAN THE INSURED AS PROVIDED IN SECTION VI BELOW AND "WE," "US," AND "OUR" SHALL MEAN THE UNDERWRITERS OR INSURERS PROVIDING THIS INSURANCE.

I. INSURING AGREEMENTS

You have purchased some or all of the following Insuring Agreements. Please refer to the Schedule, which shows the Insuring Agreement(s) you have purchased.

INSURING AGREEMENT 1: SECURITY AND PRIVACY LIABILITY

We shall pay on your behalf all damages and Defence Costs which exceed your First Amount Payable as stated within the Schedule, which you become legally obliged to pay as a result of any claim first made against you and notified by you to us in writing, in accordance with Section XI of this policy, during the policy period or any extended reporting period, if applicable, arising from a Security breach or Privacy breach by you or others on your behalf for whom you are legally responsible, resulting from any actual or alleged wrongful acts, which for the purposes of this agreement shall mean:

- 1. The failure to prevent or hinder unauthorised access to or unauthorised use of your computer network; failure to prevent physical theft or loss of information, or hardware controlled by you, your people, or the failure to prevent processes; security failures; or false communications designed to trick the user into surrendering personal information (commonly known as "phishing" or "pharming") that results in:
 - The alteration, copying, corruption, destruction, deletion, or damage to electronic data on a computer network;
 - b. Unauthorised disclosure of commercial, personal, or private information or data
 - c. Theft of data (including theft of data which is commonly referred to as identity theft);
 - d. Your negligent failure to disclose a breach of security affecting personally identifiable, non- public information, or negligent failure to dispose of such information within the required time period in violation of notification laws or regulations in effect now or in the future;
 - Your negligent failure to prevent transmission of malicious code or computer virus from a computer network to third party computers or systems; or
 - f. Your breach of duty to maintain the security or confidentiality of personally identifiable information stored on your computer network under any contract, including but not limited to a payment card processing agreement with a merchant bank or payment processor.
- 2. Privacy breach, security breach, or breach of privacy regulations; or
- 3. Your negligent failure to prevent or hinder participation in a denial of service from a computer network operated by you or on your behalf against internet sites or computer networks of a third party; or
- 4. Loss of employee personally identifiable information, as defined in privacy regulations provided that the above actual or alleged wrongful acts occurred on or after the retroactive date.

INSURING AGREEMENT 2: PRIVACY REGULATORY DEFENCE AND PENALTIES

We shall pay on your behalf all damages and defence costs, which exceed your First Amount Payable as stated within the Schedule, which you become legally obliged to pay, as a result of a civil regulatory action, including a regulatory compensatory award, civil penalty, or fines to the extent insurable by law, first imposed by a governmental regulatory body against you and notified by you to us, in writing, in accordance with Section XI of this policy, during the policy period or any extended reporting period, if applicable, as a result of a privacy breach, security breach, or breach of privacy regulations by you or others on your behalf for whom you are legally responsible, provided that the privacy breach, security breach, or breach of privacy regulations occurred on or after the retroactive date.

INSURING AGREEMENT 3: CRISIS MANAGEMENT COSTS, CUSTOMER NOTIFICATION EXPENSES, AND CUSTOMER SUPPORT AND CREDIT MONITORING EXPENSES

We shall indemnify you for crisis management costs, customer notification expenses, and customer support and credit monitoring expenses which exceed your First Amount Payable, as stated in the Schedule, when such costs and expenses are first incurred by you, following a security breach, privacy breach or breach of privacy regulations, and notified by you to us in writing, in accordance with Section XI of this policy, during the policy period or any extended reporting period, if applicable, provided that the security breach, privacy breach or breach of privacy regulations occurred on or after the retroactive date.

II. DEFENCE, SETTLEMENT, AND INVESTIGATION OF CLAIMS

- a) With respect to Insuring Agreement 1, we shall have the right but not the obligation, to take control of and conduct in your name the investigation, defence, or settlement of any claim or circumstance as we in our absolute discretion see fit.
- b) The limit of indemnity available to pay damages and as stated in the Schedule shall be reduced, and may be completely exhausted, by payment of defence costs or any other amounts covered under this policy. Damages, defence costs, and any other amounts covered under this policy are all subject to the First Amount Payable, as stated in the schedule.
- c) We shall have the right to make any investigation we deem necessary including, without limitation, any investigation with respect to the application, statements made in the application and with respect to coverage.
- d) With respect to Insuring Agreement 1, if you refuse to consent to any settlement or compromise recommended by us that is acceptable to the claimant and elect to contest the claim, our total liability for any damages, defence costs, and other amounts covered under this policy shall not exceed the amount for which the claim could have been settled, or compromised less the remaining First Amount Payable, plus the defence costs incurred up to the time of such refusal.
- e) It is further provided that we shall not be obligated to pay any damages, defence costs, or any other amounts covered under this policy, or to undertake or continue to defend any claim after the applicable limit of indemnity has been exhausted by payment of damages, defence costs, or other amounts covered under this policy and that upon such payment, we shall have the right to withdraw from the further defence thereof by tendering control of said defence to you.

III. LIMIT OF INDEMNITY

- a) The limits of indemnity specified in the Schedule shall be the limit of our liability for each claim and in the aggregate arising under each Insuring Agreement, including defence costs, where applicable.
- b) The limits of indemnity specified in the Schedule shall be our total limit of liability under this policy regardless of the number of Insuring Agreements that apply, including defence costs where applicable.
- c) Notwithstanding the aggregate limit of indemnity under each Insuring Agreement as set forth in the Schedule, all payments made under this policy, regardless of the number of Insuring Agreements that apply, will reduce the total limit of indemnity specified in the Schedule. In no event will we pay more than the total limit of indemnity specified in the Schedule.

- d) All claims arising out of the same event without regard to the number of insureds, claims, or claimants shall be considered a single claim and only one limit of indemnity, as set forth in the Schedule, will apply. All such claims shall be deemed to have been made at the time of the first such claim.
- e) In the event that a claim is notified by you, in accordance with Section II of this policy, and attaches to more than one Insuring Agreement, only one limit of indemnity as set forth in the Schedule shall apply. In such event, at most, only the highest of the applicable limits of indemnity shall apply to such claim. We have the sole discretion to allocate claims paid, if any, against the appropriate applicable limit of indemnity. With regard to such claim, in no event shall the amount paid by us under any Insuring Agreement be greater than the limit of indemnity specified in the Schedule.
- f) The limits of indemnity for the extended reporting period, if applicable, shall be part of and not in addition to the limit of indemnity for the policy period.

IV. FIRST AMOUNT PAYABLE

- a) The First Amount Payable specified in the Schedule shall apply to each and every claim. The First Amount Payable shall be satisfied by your payment of amounts covered under this policy.
- b) Your payment of the applicable First Amount Payable is a condition precedent to the payment by us of any amounts covered under this policy and we shall only be liable for the amount which exceeds the First Amount Payable, not to exceed our total limit of indemnity as stated in the Schedule. You shall make direct payments within the First Amount Payable to the appropriate parties designated by us.
- c) All claims arising out of the same originating cause without regard to the number of insureds, claims, or claimants shall be considered a single claim and only one First Amount Payable shall apply. All such claims shall be deemed to have been made at the time of the first such claim.

V. TERRITORIAL LIMITS

This policy applies to any wrongful acts, insured events, breaches or threats detailed under the relevant Insuring Agreements, committed, alleged to have been committed or occurring anywhere in the world.

VI. INSURED

The insured means:

- a) The legal entity(s) shown on the Schedule;
- Any subsidiary of the legal entity(s) shown on the Schedule, but only with respect to wrongful acts, insured
 events, breaches, or threats as detailed under the relevant Insuring Agreement, which occur while it is a
 subsidiary and otherwise covered by this policy;
- c) Any past, present, or future officer, director, trustee, or employee of any party described in VI (A) or (B) above, but only while acting solely within the scope of their duties as such;
- d) In the event that any party described in VI (a) or (b) above is a partnership, limited liability partnership, or limited liability company, then any general or managing partner, principal, member, or owner thereof, but only while acting solely within the scope of their duties as such;
- e) Any agent or independent contractor, including distributors, licensees, and sub-licensees, but only while acting on behalf of at the direction of, or under the control of any party described in VI (a) or (b) above; and
- f) Any entity required by contract to be named an insured under this policy and to whom we consent in writing, but only for the acts of any entity, as detailed under the relevant Insuring Agreement.

VII. DEFINITIONS

- a) Application means all application forms, including any attachments thereto, and all other information and materials submitted to us by you or on your behalf in connection with the underwriting of this policy. All such applications, attachments, information, and materials are deemed attached to and incorporated into this policy.
- b) Bodily injury means physical injury, sickness, disease, or death sustained by any person and, where resulting from such physical injuries only, mental anguish, mental injury, shock, humiliation, or emotional distress.

c) Claim means:

- A written demand for monetary damages or non-monetary relief, the service of civil proceedings, or
 institution of arbitration proceedings received by you seeking monetary damages or non-monetary relief
 including the threat or initiation of proceedings seeking a temporary restraining order or an interim or
 permanent interdict.
- Formal regulatory action to the extent covered by Insuring Agreement 5;
- A crisis management event or the incurring of customer notification expenses or customer support and credit monitoring expenses;
- 4. Notice by a third party to you of circumstances that could reasonably be expected to result in any of the foregoing (1) to (3) above.

d) Defence costs means:

- Reasonable and necessary legal costs and expenses incurred with our consent and charged by an attorney designated by us to defend a claim;
- All other reasonable and necessary fees, costs, and expenses resulting from the investigation, adjustment, defence, and appeal of a claim, if incurred by us, or by you with our written consent;
- Defence costs does not include any salary, overhead, or other charges incurred by you for any time spent in cooperating in the defence and investigation of any claim or circumstance which might lead to a claim notified under this policy; or
- 4. With respect to Insuring Agreement 5, your reasonable and necessary legal costs and expenses incurred with our consent in the defence of any civil administrative proceeding or regulatory action as a result of a privacy breach, security breach, or breach of privacy regulations by you or on your behalf for whom you are legally responsible.
- e) Computer network(s) means interconnected electronic, wireless, web, or similar systems (including all hardware and software) used to process data or information in an analogue, digital, electronic or wireless format including, but not limited to, computer programs, electronic data, operating systems, servers, media libraries, associated input and output devices, mobile devices, networking equipment, websites, extranets, off line storage facilities (to the extent that they hold electronic data), and electronic backup equipment.
- f) Computer virus means a program that possesses the ability to create replicas of itself (commonly known as "auto reproduction" program) within other programs or operating system areas, or which is capable of spreading copies of itself wholly or partly to other computer systems/networks.
- g) Crisis management costs means any fees reasonably and necessarily incurred by you and approved by us for the employment of a public relations consultant if you reasonably consider that such appointment is needed in order to avert or mitigate any material damage to any of your brands following an actual or alleged security breach or breach of privacy regulations and such event has been publicised through any media channel and has arisen due to a claim.
- Customer notification expenses means those reasonable and necessary legal expenses, public relations expenses, postage expenses, and related advertising expenses incurred by you to comply with governmental

privacy legislation mandating customer notification in the event of a security breach, privacy breach, or breach of privacy regulations that results in the compromise or potential compromise of personal information maintained by you or otherwise residing on a computer network operated by you or on your behalf.

- i) Customer support and credit monitoring expenses means those reasonable and necessary expenses you incur for the provision of customer support activity, including the provision of credit file monitoring services and identity theft education and assistance in the event of a privacy breach that results in the compromise or potential compromise of personal information maintained by you or otherwise residing on a computer network operated by you or on your behalf.
- j) Damages means a monetary judgment, award, or settlement including punitive damages to the extent insurable under South African law. Damages does not include:
 - 1. Your future profits or royalties, your restitution, or loss of your profits;
 - 2. The cost to comply with orders granting an interdict or non-monetary relief, including specific performance, or any agreement to provide such relief;
 - Loss of your fees or profits, return or offset of your fees or charges, or loss of your commissions or royalties provided or contracted to be provided;
 - 4. Taxes, fines, penalties, or sanctions, save to the extent insurable by law;
 - 5. Any damages that are a multiple of compensatory damages;
 - 6. Any amount which you are not financially or legally obligated to pay;
 - 7. Your loss of any remuneration or financial advantage to which you were not legally entitled; or
 - 8. Monetary judgments, awards, or settlements which are uninsurable under South African law.
 - 9. Past, present and/or future license fees of any kind; or
 - 10. Liquidated damages
- k) Data means any machine readable information, including ready for use programs or electronic data, irrespective of the way it is used and rendered including, but not limited to, text or digital media.
- Denial of service means unauthorised or unexpected interference or malicious attack on your computer network that restricts or prevents access to your computer network by persons or entities authorised to gain access to it.
- m) Employee(s) means any individual in your service, including any part-time, seasonal, and temporary employees who are under a contract of service with you or any individual who is working on your behalf, or at your direction, and under your direct control. Employee does not include any partner or director of you.
- n) Extended reporting period means the period of time after the end of the policy period for reporting claims as provided in Section X of this policy.
- o) First Amount Payable means the amount specified in the schedule
- p) Hardware means any and all physical components of a computer network.
- q) Malicious code means software designed to infiltrate or damage a computer network without the owner's informed consent by a variety of forms including, but not limited to, Trojan horses, spyware, dishonest adware, and crime ware.
- r) Named insured means the individual, partnership, entity, or corporation designated as such in the Schedule.

- s) Policy period means the period of time from the inception date to the termination date as specified in the Schedule, or to any earlier cancellation date.
- t) Portable media device means disks, tapes, USB or flash memory data storage device, laptops, blackberrys or any type of smart phone, tablet or removable device capable of storing data.
- u) Privacy breach means a breach of confidentiality, infringement, or violation of any right to privacy including, but not limited to, a breach of your privacy policy, breach of a person's right of publicity, false light, intrusion upon a person's seclusion, public disclosure of a person's private information.
- v) Privacy regulations means the following, as well as similar statutes and regulations, as they currently exist and as amended, associated with the confidentiality, access, control, and use of personally identifiable, non-public information including, but not limited to:
 - 1. the Constitution of the Republic of South Africa Act 108 of 1996;
 - 2. the Electronic Communications and Transactions Act. 25 of 2002:
 - 3. the Promotion of Access to Information Act 2 of 2000:
 - 4. the Consumer Protection Act 68 of 2008 and regulations regarding the privacy of consumer information;
 - the Regulation of Interception of Communications and Provision of Communications-Related Information Act 20 of 2002;
 - 6. the Protection of Personal Information Act, 2013; and
 - 7. the common law in relation to the right to privacy.
- w) Property damage means physical injury to, impairment, destruction, or corruption of any tangible property, including the loss thereof. Data is not considered tangible property.
- x) Regulatory compensatory award means a regulatory agency's monetary award to a third party. Regulatory compensatory award does not include a criminal penalty or fine issued by a regulatory agency of any kind.
- y) Retroactive date means the date specified in the Schedule.
- z) Security breach means the intentional, malicious and wilful misuse of your computer network to modify, delete, corrupt, or destroy data or a denial of service, or the actual or alleged act, error, omission, or breach of duty to protect the security and confidentiality of non-public proprietary corporate information, personally identifiable non-public information of a medical or financial nature, or other personal or confidential paper records or electronic information. This includes, but is not limited to, electronic or non-electronic security failures, failure to protect against anticipated threats or hazards, failure to protect against unauthorised access, use, disclosure or, physical theft of information or hardware, false communications, or social engineering techniques designed to trick the user into surrendering personal information (commonly known as "phishing" or "pharming").
- aa) Subsidiary(ies) means:
 - 1. Any entity of which more than 50% of the issued and outstanding shares are owned by you, on or before the commencement of the policy period; or
 - 2. Any entity which becomes a subsidiary during the policy period provided that such entity does not represent more than a fifteen percent (15%) increase in your total assets, employee count or gross revenue as of the date of the acquisition. Where such entity represents an increase in your total assets, employee count or gross revenue of more than fifteen percent (15%), such entity shall be deemed a subsidiary under this policy, but only upon the condition that within thirty (30) days of it becoming a subsidiary, you shall have provided us with full particulars of the new subsidiary and agreed to any additional premium and/or amendment of the provisions of this policy required by us relating to such new subsidiary, subject to

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advanced review and acceptance by us of full and complete underwriting information.

- bb) "We," "us" or "our" means the Underwriters or insurers providing this insurance.
- cc) "You," "your" and "yours" means the insured as provided in Section 6 of this policy.

VIII. EXCLUSIONS

We shall not be liable for any claim directly or indirectly arising out of or in any way attributable to:

- a) Any claim or circumstance arising from any wrongful acts or the same, related, or continuing acts, facts, or circumstances under Insuring Agreement 1, privacy breach, security breach, or breach of privacy regulations under Insuring Agreement 2, security breach, privacy breach, or breach of privacy regulations under Insuring Agreement 3 which were first committed, alleged to have been committed or occurred prior to the retroactive date;
- b) Any claim or circumstance arising from any wrongful acts under Insuring Agreement(s) 1, privacy breach, security breach, or breach of privacy regulations under Insuring Agreement 2, security breach, privacy breach, or breach of privacy regulations under Insuring Agreement 3, which was committed, alleged to have been committed or occurred prior to the inception of this policy, if you knew or could have reasonably foreseen such acts, facts, or circumstances could be the basis of a claim or circumstance:
- c) Any claim or circumstance notified to a previous insurer prior to the inception of this policy;
- d) Any claim made by an insured against another insured; unless such claim is brought by an employee under insuring agreements 1 and 3;
- e) Any claim arising out of your wilful, deliberate, malicious, fraudulent, dishonest, or criminal act. Notwithstanding the foregoing, the insurance afforded by this policy shall apply to defence costs incurred in defending any such claim, but shall not apply to any damages that you might become legally obligated to pay. We will have the right to recover those defence costs incurred from those parties found to have committed criminal, wilful, deliberate, dishonest, fraudulent, or malicious acts by a court, jury, or arbitrator;
- f) Any claim arising out of your activities as a trustee, partner, officer, director, or employee of any employee trust, charitable organisation, corporation, company, or business other than that of the named insured;
- g) Your insolvency or bankruptcy or the insolvency or bankruptcy of any other entity including, but not limited to, the failure, inability, or unwillingness to make payments because of the insolvency, liquidation, or bankruptcy of any individual or entity;
- h) Bodily injury, except that this exclusion shall not apply to wrongful infliction of emotional distress or mental anguish arising out of actual or alleged privacy breach, security breach, or breach of privacy regulations;
- i) Property damage;
- The confiscation, commandeering, requisition, destruction of or damage to, hardware by order of a government de jure or de facto, or by any public authority for whatever reason;
- k) Satellite failures; electrical or mechanical failures and/or interruption including, but not limited to, electrical disturbance, spike, brownout, or blackout; and outages to electricity, gas, water, telephone, cable, telecommunications, or other infrastructure, unless such infrastructure is under your operational control and unless such claim forms part of a first party insured event;
- I) The wear and tear, drop in performance, progressive or gradual deterioration, or aging of electronic equipment and other property or hardware used by you or the failure of you or those acting on your behalf to maintain any computer, computer network or network, computer software, or other equipment
- m) Failure or gradual deterioration of overhead transmission, distribution lines or subterranean insulation or cabling

- n) Fire, smoke, explosion, lightning, wind, water, flood, earthquake, volcanic eruption, tidal wave, landslide, hail, an act of God, or any other physical event however caused, unless such claim is part of a first party insured event:
- The actual or alleged inaccurate, inadequate, or incomplete description of the price of goods, products, or services; including your cost guarantees, cost representations, contract price or cost estimates being exceeded;
- p) The violation of any economic or trade sanctions by the United States government including, but not limited to, sanctions administered and enforced by the United States Treasury Department's Office of Foreign Assets Control ("OFAC");
- q) The liability of others assumed by you under any contract or agreement, either oral or written, except and to the extent you would have been liable in the absence of such contract or agreement;
- r) The actual or alleged loss of value of any securities;
- s) The actual or alleged purchase, sale, offer of, or solicitation of an offer to purchase or sell securities, or violation of any securities law including, but not limited to, the provisions of the Securities Services Act 36 of 2004, or any regulation promulgated under the foregoing statute, or any, local, or foreign laws similar to the foregoing statute, whether such law is statutory, regulatory, or common law;
- t) The actual or alleged violation of the Prevention of Corrupt Activities Act 12 of 2004 or the Financial Intelligence Centre Act 38 of 2001 (commonly known as "FICA") or any regulation promulgated under the foregoing statutes, or any similar local or foreign laws, whether such law is statutory, regulatory or common law;
 - 1. To the extent that a claim falls under Insuring Agreement 2; or
 - 2. To a claim by a government entity brought in its capacity as a customer of you arising in the course of your provision of technology professional services to such government entity;
- Any employer-employee relations, policies, practices, acts, or omissions, any actual or alleged refusal to employ any person, or any misconduct with respect to employees. This includes but is not limited to claims arising under workers compensation or similar laws.
- v) Any actual or alleged discrimination of any kind including, but not limited to, age, colour, race, gender, creed, national origin, marital status, sexual preferences, disability, or pregnancy;
- w) The violation of any pension, healthcare, welfare, profit sharing, mutual, or investment plans, funds, or trusts; or any violation of any provision of the Employee Retirement Income Security Act of 1974 and its amendments and/or the Pension Protection Act of 2006 and its amendments, or any regulation, ruling, or order issued pursuant thereto;
- x) Strikes or similar labour actions, war, invasion, act of foreign enemy, hostilities or warlike operations (whether declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular uprising, military uprising, insurrection, rebellion, revolution, military or usurped power, or any action taken to hinder or defend against these actions. This exclusion also excludes coverage for any loss or damages arising out of confiscation or nationalisation or requisition or destruction of or damage to property by or under the order of any government or public or local authority. This exclusion also excludes loss, cost, damages, or defence costs of whatsoever nature directly or indirectly caused by, resulting from, or in connection with any action taken in controlling, preventing, suppressing, or in any way relating to the above.
- y) All losses or expenses arising from a terrorist act. For the purposes of this agreement, a terrorist act means an act or series of acts including the use of force or violence of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious, or ideological purposes, including the intention to influence any government and/or to put the public in fear for such purposes;
- z) Your commercial decision to cease providing a particular product or service,
- Gambling, pornography, prizes, awards, coupons, or the sale or provision of prohibited, restricted, or regulated items including, but not limited to, alcoholic beverages, tobacco, or drugs;

- bb) Any fine or penalty arising out of any agreement by you to comply with or follow the Payment Card Industry Standard or any Payment Card Company Rules; or implement, maintain, or comply with any security measures or standards related to any payment card data including, but not limited to, any fine or penalty imposed by a payment card company on a merchant bank or payment processor that you have paid or agreed to reimburse or indemnify. However, this exclusion shall not apply to civil penalties and fines to the extent insurable by law arising out of an otherwise covered claim under Insuring Agreement 2;
- cc) Any actual or alleged unfair competition, antitrust violations, deceptive trade practices, or restraint of trade or any actual or alleged breach of any competition or antitrust statute, legislation, or regulation;
- dd) The actual or alleged infringement of any patent or the misappropriation, theft, copying, display or publication of any trade secret by, or with the active cooperation, participation, or assistance of any insured, any of your former employees, subsidiaries, directors, executive officers, partners, principals, trustees, or any of your successors or assignees;
- ee) Your knowing use of illegal or unlicensed programs that are in violation of the provisions or laws referring to software protection;
- ff) The existence, emission, or discharge of any electromagnetic field, electromagnetic radiation, or electromagnetism that actually or allegedly affects the health, safety, or condition of any person or the environment or that affects the value, marketability, condition, or use of any property.
- gg) Any claim involving the loss of or theft of any portable media device, or any security breach, privacy breach, or breach of privacy regulations by you or others on your behalf, arising from the loss or theft of any portable media device unless such portable media device is encrypted.
- hh) Any Insured versus Insured claim.
- ii) We shall not be deemed to provide cover and shall not be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose Us to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

IX. INNOCENT INSURED PROVISION

- a) Whenever coverage under this policy would be excluded, suspended, or lost because of non-compliance with Section XI, relating to the giving of notice of a claim to us, by one or more insureds responsible for the loss or damage otherwise insured hereunder, then such insurance as would otherwise be afforded under this policy shall cover and be paid with respect to those insureds who did not personally commit or personally participate in committing or personally acquiescing in such failure to give notice, provided that the insured entitled to the benefit of this provision shall comply with Section XI promptly after obtaining knowledge of the failure of any other insured to comply therewith. Notwithstanding the foregoing, the reporting of any such claim must be made during the policy period or extended reporting period, if applicable.
- b) Any insurance as afforded by this provision shall not cover a claim if a current executive officer or director failed to give notice as required by Section XI for a claim or circumstance that could reasonably be the basis of a claim, which was known to a current executive officer or director.
- c) Whenever coverage under this policy would be excluded, suspended, or lost because of Exclusion E relating to wilful, deliberate, malicious, fraudulent, dishonest, or criminal acts by any insured, then such insurance as would otherwise be afforded under this policy shall cover and be paid with respect to those insureds who did not personally commit, personally participate in committing, personally acquiesce, or remain passive after having personal knowledge thereof.

X. EXTENDED REPORTING PROVISIONS

a) Automatic Extended Reporting Period: If either you or us cancel or non-renew this policy, you shall have the right following the effective date of such cancellation or non-renewal, to a period of sixty (60) days in which to give written notice to us of claims, provided that any actual or alleged wrongful acts under Insuring Agreement 1, privacy breach, security breach, or breach of privacy regulations under Insuring Agreement 2 or security breach, privacy breach or

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breach of privacy regulations under Insuring Agreement 3 occurred prior to the end of the policy period and are otherwise covered by this policy.

- b) Extended Reporting Period Endorsement: In the event of cancellation or non-renewal of this policy, you shall have the right, upon payment in full and not proportionally or otherwise in part:
 - 1. 100% of the premium set forth in the Schedule if we cancel or non-renew; or
 - 2. 200% of the premium set forth in the Schedule if you cancel or non-renew.

to have issued an endorsement providing a 12-month extended reporting period for claims, provided that any actual or alleged wrongful acts under Insuring Agreement 1, privacy breach, security breach, or breach of privacy regulations under Insuring Agreement 2, security breach, privacy breach or breach of privacy regulations under Insuring Agreement 3, occurred prior to the end of the policy period and are otherwise covered by this policy and are reported to us during the extended reporting period, subject to the conditions set forth with regard to the extended reporting period herein. In order for the named insured to purchase the extended reporting period endorsement, the payment of the additional premium for the extended reporting period must be paid to us within thirty (30) days of the non-renewal or cancellation.

- c) The extended reporting period in A. and B. above only relates to those Insuring Agreement(s) purchased as shown in the Schedule.
- d) The limit of indemnity for the extended reporting period shall be part of, and not in addition to, the limit of indemnity for the policy period.
- e) The quotation by us of a different premium or First Amount Payable or limit of indemnity or changes in policy language for the purpose of renewal shall not constitute a refusal to renew by us.
- f) The right to the extended reporting period shall not be available to the named insured where cancellation or non-renewal by us is because of non-payment of premium or your failure to pay amounts within the applicable First Amount Payable.
- g) All notices and premium payments with respect to the extended reporting period option shall be directed to us through the entity named in the Schedule.
- h) At the commencement of the extended reporting period. In Item B, above the entire premium shall be deemed earned and in the event the named insured terminates the extended reporting period for any reason prior to its natural expiration, we will not be liable to return any premium paid for the extended reporting period.
- i) Change of Control Extended Reporting Period: In the event of your acquisition by or merger into another entity, or your liquidation or dissolution, or the sale or disposition of substantially all of your assets, all of which collectively and alternatively constitute a "change of control", provided that you have otherwise complied with the terms and conditions of this policy, you may notify us within thirty (30) days of the change of control, of your election for an extended reporting period of twelve (12) months from the date of such change of control. Such change of control extended reporting period shall cover claims made under Insuring Agreement 1, privacy breach, security breach, or breach of privacy regulations under Insuring Agreement 2, security breach, privacy breach or breach of privacy regulations under Insuring Agreement 3, and reported to us during this change of control extended reporting period, but only in respect of any claim which took place prior to the end of the policy period and is otherwise covered by this policy.

XI. NOTICE OF CLAIM OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

- a) If any claim under Insuring Agreement(s) 1 or 2 is made against you, your risk manager, General Counsel, senior officer, or director shall forward to us as soon as practicable through the insurance brokerage named in the Schedule every demand, notice, summons, or other process received by you or your representative.
- b) If you have any claim under Insuring Agreement 3, your risk manager, General Counsel, senior officer, or director shall forward to us as soon as practicable through the insurance brokerage named in the Schedule such claim.
- c) If during the policy period, you become aware of any acts, facts, or circumstances that could reasonably be a

basis for a claim, your risk manager, General Counsel, executive officer, or director must give written notice of the following information to us, through the insurance brokerage named in the Schedule, as soon as practicable during the policy period:

- 1. Specific details of the acts, facts, or circumstances that could reasonably be the basis for a claim;
- 2. Possible damages, penalties, or other amounts potentially covered under this policy that may result or has resulted from the facts or circumstances:
- 3. Details regarding how you first became aware of the acts, facts, or circumstances; and
- 4. The computer network security and event logs, which provide evidence of the alleged incident. Any subsequent claim arising out of such acts, facts, or circumstances which is the subject of the written notice to us will be deemed to be a claim at the time written notice complying with the above requirements was first given to us.
- d) A claim shall be considered to be reported to us when notice is first given to us through the insurance brokerage named in the Schedule.

XII. ASSISTANCE AND COOPERATION

- a) You shall cooperate with us in all investigations. You shall execute or cause to be executed all papers and render all assistance as requested by us. Part of this assistance may require you to provide copies of a third party's system security and event logs.
- b) Upon our request, you shall assist in making settlements in the conduct of suits and in enforcing any right of contribution or indemnity against any person or organisation who may be liable to you with respect to which insurance is afforded under this policy; and you shall attend hearings and trials and assist in securing and giving evidence and obtaining the attendance of witnesses at your own cost.
- c) You shall not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, stipulate to any judgment or award, or dispose of any claim without our prior written consent. However, the prompt public admission of a security breach potentially impacting non-public personally identifiable information of employees or third parties as required by governmental privacy legislation or credit card association operating requirements will not be considered as an admission of liability requiring our prior consent; however we are to be informed as soon as practicable of such public admission if such public admission is a circumstance that could lead to a claim.
- d) We shall have the right to make any investigation we deem necessary with respect to coverage including, but not limited to, any investigation with respect to the application, statements made in the application and any supplemental material submitted therewith.
- e) You shall submit for examination under oath by our representative, if requested, in connection with all matters relating to this policy.

XIII. SUBROGATION

If any payment is made under this policy and there is available to us any of your rights of recovery against any third party, then we shall maintain all such rights of recovery. You shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. You shall do nothing to prejudice such rights. Any recoveries shall be applied first to subrogation expenses, second to damages, defence costs, or any other amounts paid by us, and lastly to the First Amount Payable. Any additional amounts recovered shall be paid to you.

XIV. OTHER INSURANCE

This policy shall apply in excess of any other valid and collectible insurance policy available to you, including any retention or deductible portion thereof, unless such other insurance is written only as specific excess insurance over the limit of indemnity of this policy.

XV. ENTIRE AGREEMENT

By acceptance of this policy, you agree that this policy embodies all agreements between you and us relating to this insurance. Notice to any agent or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy or stop us from asserting any right under the terms of this insurance; nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy and signed by us.

XVI. ASSIGNMENT

The interest hereunder is not assignable by you or your subsidiaries. If an insured shall die or be adjudged incompetent, such insurance shall cover your legal representative as you would be covered under this policy.

XVII. CANCELLATION BY YOU

If this policy is cancelled by you, we will refund the unearned premium computed at the customary short rate. No premium will be refunded where any claims or circumstances have been notified under this policy.

XVIII.CANCELLATION BY US

We will only cancel this policy if you fail to pay the premium within forty-five (45) days of the inception of this policy period, or if a principal, partner, executive officer, or director intentionally makes a material misrepresentation to us in regard to any claim notified to us under this policy; in which case, we will provide a notice of cancellation in accordance with applicable law.

XIX. WORDS AND TITLES OF PARAGRAPHS

The titles of paragraphs, section, provisions, or endorsements of or to this policy are intended solely for convenience and reference and are not deemed in any way to limit or expand the provisions to which they relate and are not part of this policy. Whenever the singular form of a word is used herein, the same shall include the plural when required by context.

XX. DISPUTE RESOLUTION

- a) No action shall lie against us unless, as a condition precedent thereto, there shall have been full compliance with all terms of this policy, nor until the amount of the insured's obligation to pay shall have been finally determined either by judgment or award against you after actual trial or arbitration or by written agreement of you, the claimant, and us.
- b) No person or organisation or any legal representative thereof who has secured such judgment, award, or written agreement shall thereafter be entitled to make a claim under this policy to the extent of the insurance afforded by this policy. No person or organisation shall have any right under this policy to join us as a party to an action or other proceeding against you to determine your liability nor shall you be entitled to join us to any proceedings against you by a third party. Bankruptcy or insolvency of you or of your estate shall not relieve us of our obligations hereunder.
- c) Mediation. If any dispute arises between any insured and us involving this policy and/or a claim hereunder, it is hereby mutually agreed by you and us that such dispute shall be referred to a qualified mediator in a good faith effort to negotiate a resolution of the dispute, prior to the initiation of any arbitration or other proceedings. The party electing to mediate shall provide written notice to the other party setting forth its request to mediate and a brief statement regarding the issue to be mediated. The disclosure document forming part of the policy documents details the address for delivery of Notice of Mediation on behalf of us. The named insured is authorised and directed to accept the Notice of Mediation on behalf of any insured.
- d) Arbitration. As a condition precedent to any right of action hereunder, in the event that a good faith effort to mediate pursuant to Section XX (c) above cannot resolve a dispute between any insured and us involving this policy or a claim or circumstance hereunder, it is hereby mutually agreed that such dispute shall be determined by final and binding arbitration before a single arbitrator. If the parties cannot mutually select the arbitrator, the parties will refer the selection of the arbitrator to the Chairman of the Bar Council.

XXI. SERVICE OF PROCEEDINGS CLAUSE

- a) Subject to the application of Section XX, it is agreed that in the event of our failure to pay any amount claimed to be due under this policy, we herein, at your request, will submit to the jurisdiction of a court of competent jurisdiction within South Africa. Nothing in this clause constitutes or should be understood to constitute a waiver of our rights to commence an action in any court of competent jurisdiction in South Africa. It is further agreed that service of proceedings may be made upon our representative, and that in any proceedings instituted against any one of them upon this contract; we will abide by the final decision of such court, or of any appellate court in the event of an appeal.
- b) Our representative is authorised and directed to accept service of proceedings on our behalf.

XXII.CHOICE OF LAW

The interpretation of this policy or any disputes involving this policy shall be resolved applying South African law.

XXIII.WARRANTY BY YOU

By acceptance of this policy, all insureds agree that the statements contained in the application, any application for insurance if this policy is a renewal, and any supplemental materials submitted therewith are their agreements and representations, which shall be deemed material to the risk assumed by us, and that this policy is issued in reliance upon the truth thereof.

The misrepresentation or non-disclosure of any matter by you or your agent in the application, any application for insurance if this policy is a renewal, or any supplemental materials submitted to us, will render this policy void ab initio and relieve us from all liability under this policy.

The application and any application for insurance if this policy is a renewal, and any supplemental materials submitted to us are deemed incorporated into and made a part of this policy.

XXIV.FORFEITURE

Any:

- 1. action or failure to act by you with the intent to defraud us; or
- material misrepresentation or non-disclosure of any material fact or claims by you in the application or in any supplemental materials submitted to us; shall render this policy void ab initio, and all coverage hereunder shall be forfeited.

XXV. THIRD PARTY RIGHTS

A person who is not a party to this contract has no right to enforce any terms of this contract

Provided always that the Data Protection Extension is a compulsory extension to the primary Intermediaries Professional Indemnity Insurance.



Professional Risk

Directors and Officers Liability and Reimbursement

Policy Wording



Specialty | Professional Risks

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Underwritten by:

Sintelum (Pty) Ltd. (Reg. No. 2009/0044225/07)



Insured by:

Old Mutual Insure Limited. (Reg. No. 1970/006619/06)



Specialty | Professional Risks

Directors and Officers and Company Reimbursement Insurance

Operative Clause

In consideration of and conditional upon the prior payment of the premium by or on behalf of the Holder of this insurance and receipt thereof by the Insurers and the Holder of this insurance having made a written proposal to Insurers and/or otherwise submitted particulars and statements constituting the risk profile shall form the basis of this insurance, the Insurers will indemnify the Holder of this insurance and/or Insured Person against its liability to pay compensation as per the indemnity clause in accordance with the law of the country stipulated in the territorial limits and subject to the terms, exclusions, conditions and limitations contained herein or endorsed hereon.

The indemnity applies only to such liability as defined in respect of claims first made against the Holder of this insurance and/or Insured Person during the period of insurance and arising out of the ordinary course of the business within the territorial limits.

Value Added Tax

Unless otherwise indicated all amounts are exclusive of value added tax.

01 November 2018





Definitions

- Asset or liberty proceeding shall mean any proceeding made against an Insured Person in his
 capacity as such as a result of which an order of the type referred to in extension 1 may
 be made.
- 2. **Bodily injury and/or property damage** shall mean bodily injury, sickness, disease, death or emotional distress or Damage to destruction, impairment or loss of use of any property.

3. Claims shall mean

- 3.1. any written demand or claim form, writ, summons, arbitration proceeding or other civil application of any description whatsoever including any cross-claim or counter claim for a wrongful act:
- 3.2. any regulatory or criminal proceeding for a wrongful act;
- 3.3. for the purposes of this insurance unless clearly stated otherwise claims includes investigations.
- 4. Continuity date shall mean the applicable date specified in the schedule.

5. Costs and expenses shall mean

- 5.1. the reasonable and necessary fees and expenses incurred by the Holder of this insurance and/or any Insured Person with the Insurers prior written consent, which consent shall not be unreasonably withheld or delayed, resulting solely from the participation in an investigation and/or defense and/or monitoring and/or settlement of any claim and appeals therefrom;
- 5.2. costs and expenses does not include salaries, commissions, expenses or other benefits of any Insured Person or any other costs of the Holder of this insurance.

6. **Damage** shall mean

- 6.1. damages or costs awarded against the Insured Person by a competent court or tribunal, including punitive or exemplary damages where insurance against liability to pay such damages is lawful under the laws of the territory in which the award was made;
- 6.2. settlements entered into by the Insured Person in respect of his liability for damages with the Insurers' prior written consent which consent, shall not be unreasonably withhold or delayed;
- 6.3. costs and expenses which also include investigation costs, pre-investigation costs, asset and liberty expenses, prosecution costs and extradition costs

Damage does not include any obligation to repay any monies wrongfully received by the Insured Person or any civil, regulatory or criminal fines or penalties.

7. **Deductible** shall mean that first amount of each and every claim to be borne by the Holder of this insurance and/or Insured Person. It being understood and agreed that if any costs and expenses are incurred by the Insurers which, by virtue of the deductible, is the responsibility of the Holder of this insurance then such expenditure shall forthwith be reimbursed by the Holder of this insurance.

8. Directors and/or Officers shall mean

8.1. any natural person who is, was or during the period of insurance becomes a director of officer of the Holder of this insurance including a shadow director as defined in the Companies Act or such equivalent in the relevant jurisdiction and any natural person who is construed to be a director of officer within the meaning of any applicable law or regulation governing such matters;

- 8.2. any natural person who is, was or during the period of insurance becomes a managerial or supervisory employee of the Holder of this insurance.
- Employment wrongful act and/or acts shall mean any actual or alleged violation of employment laws
 or any other legal provisions relating to an individual's actual or prospective employment relationship
 with the Holder of this insurance.
- 10. Excess limit shall mean the limit stated in the schedule that is available to each of the Holder of this insurance non-executive directors
 - 10.1. when the limit of liability;
 - 10.2. all other applicable management liability insurance whether specifically written as excess over the limit of liability of this insurance or otherwise;
 - 10.3. all other indemnification for Damage available to any non-executive director

have all been exhausted.

- 11. **Extradition proceeding** shall mean a proceeding against the Insured Person in his capacity as such pursuant to the Extradition Act or such equivalent in any other jurisdiction for a wrongful act including all appeals whether in the same or separate proceedings.
- 12. Hijacking shall mean illegal holding under duress for a period in excess of six hours of an Insured Person during travel in the course of employment with the Holder of this insurance on or in any aircraft, motor vehicle or waterborne vessel.
- 13. Holder of this insurance shall mean the company stated in the schedule and includes all subsidiaries.
- **14**. **Insured Person** shall mean any natural person who was, is or during the period of insurance becomes a director or officer, employee as well as any outside entity director. Insured Person is extended to include
 - 14.1. the spouse including civil partnerships;
 - 14.2. the administrator, heirs, legal representatives or executor of a deceased, incompetent, insolvent or bankrupt estate

of an Insured Person referred to above in regard to the acts of an Holder of this insurance Person.

- **15**. **Investigation** shall mean any formal or official hearing, investigation or inquiry into the affairs of the Holder of this insurance or into the conduct of a director or officer in his capacity as such by an official body
 - 15.1. once the director or officer has received a written request to attend a meeting or provide information;
 - 15.2. is identified in writing by an investigating official body as a target of the hearing, examination or inquiry but not including an industry-wide hearing examination or inquiry.
- **Kidnapping** shall mean any event or connected series of events of seizing, detaining or carrying away by fraud an Insured Person while acting outside his country of residence in the course of employment with the Holder of this insurance for the purpose of demanding ransom monies.
- 17. Kidnap consultants shall mean any person or entity as required by Insurers.
- 18. Kidnap response costs shall mean the reasonable fees and expenses of the kidnap consultants

incurred in response to any kidnapping, hijacking or wrongful detention incident.

- 19. Merger shall mean the combination of two or more entities such that none of them
 - 19.1. controls the composition of the board of directors;
 - 19.2. controls more than half of the voting power;
 - 19.3. holds more than half of the issued share capital.
- **20**. **Official body** shall mean any regulator, government body, government agency, official trade body, or any other body that is empowered by statue to investigate the affairs of the Holder of this insurance or Insured Person.
- 21. Outside entity shall mean any entity other than the Holder of this insurance that
 - 21.1. is not domiciled in the United Stated of America, its territories or possessions or does not have any securities listed on an exchange in the United States of America;
 - 21.2. does not have negative net assets at the inception of this insurance;
 - 21.3. is not a bank, investment company, investment adviser and/or manager, hedge or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or similar entity!
- **22**. **Outside entity director** shall mean any director or officer who at the specific request of the Holder of this insurance becomes a director or officer of an outside entity.
- 23. Pollution shall mean the discharge, dispersal, release or escape of any substance exhibiting any hazardous characteristics as defined by or identified on a list of hazardous substances issued by the National Environmental Act and the Hazardous Substances Act, 1973 as may be amended from time to time and any equivalent EU or US equivalent. Such substances shall include, without limitation, solids, liquids, gaseous, or thermal irritants, contaminants or smoke, vapours, soot dust, fibres, fungi, viruses, bacteria, fumes, acids, alkalis, chemicals and waste including, but not limited to material to be recycled, reconditioned or reclaimed, asbestos or asbestos product, noise, odour and any electric, magnetic or electromagnetic field. Pollution also includes ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel or radioactive toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- 24. Regulatory crisis event shall mean any raid, inspection or visit by any official regulator on the Holder of this insurance that was not prearranged and at which documents are inspected or required to be produced.
- **25**. **Retired director or retired officer** shall mean any director or officer who other than by reason of a takeover or merger or insolvency of the Holder of this insurance voluntarily retires during the period of insurance.
- **26**. **Security or securities** shall mean any security representing debt of or equity interests in the Holder of this insurance.
- 27. Securities claim shall mean any written demand or civil, criminal, administrative, regulatory or arbitration proceedings other than administrative or regulatory proceeding against the Holder of this insurance alleging a violation of any laws, statutory or common, rules or regulations regulating securities, the purchase or sale or offer or solicitation of an offer to purchase or sell securities or any registration relating to such securities
 - 27.1. brought by any person or entity alleging arising out of, based upon or attributable to the purchase or sale, or offer or solicitation of an offer to purchase or sell any securities of the

Holder of this insurance:

- 27.2. brought by a security holder of the Holder of this insurance with respect to such security holder's interest in securities of such Company;
- 27.3. brought derivatively on behalf of a company by a security holder of that company.

Securities claim shall not mean any claim by an director, officer or employee of the Holder of this insurance alleging, arising out of, based upon or attributable to Damage of, or the failure to receive or obtain, the benefit by any securities including warrants or options.

28. Subsidiary shall mean

- 28.1. any company in respect of which the Holder of this insurance either directly or indirectly through one or more of its subsidiaries on or before the inception date of this insurance
 - 28.1.1. controls the composition of the board of directors;
 - 28.1.2. controls more than half of the voting power;
 - 28.1.3. holds more than half of the issued share capital

provided that this insurance shall only apply in respect of a wrongful act by any director or officer of such company or circumstance giving rise to an investigation, whilst a subsidiary.

- 28.2 any other company specifically named in the schedule or in any endorsement to this insurance as a subsidiary.
- 29. Takeover of an entity shall mean a transaction or event as a result of which another entity
 - 29.1 controls the composition of the board of directors;
 - 29.2 controls more than half of the voting power;
 - 29.3 holds more than half of the issued share capital.
- **30**. **Wrongful act** shall mean any actual or alleged wrongful act or omission including an employment wrongful act an Insured Person individually or collectively solely in their capacity as such. Related or continuous or repeated or causally-connected wrongful acts shall constitute a single wrongful act.

Exclusions

The Insurers shall not be liable to indemnify the Holder of this insurance and/or Insured Person in respect of claims related to or caused by or arising out of:

1. Bodily injury and/or property damage

any actual or alleged bodily injury, sickness, disease or death of any person or any actual or alleged damage to or destruction of any tangible property including loss of use thereof provided that this exclusion shall not apply to

- 1.1 a claim against a director or officer by an employee of the Holder of this insurance alleging emotional distress caused by a wrongful act relating to that employee's contract of employment;
- 1.2 a criminal prosecution of any Insured Person for manslaughter in relation to the business of the Holder of this insurance or outside entity.

2. Breach of professional duty

any third party alleging a breach of any professional duty owed to such a third party provided that this exclusion shall not apply to any claim for the failure to supervise or manage.

3. Claims made by the company or outside entity in the USA

in the United States, its territories or possessions by or on behalf of the Holder of this insurance or any director or officer against a director or officer or by or on behalf of an outside entity or any of its directors or officers against an outside entity director provided that this exclusion shall not apply to

- 3.1 any claim brought by or at the direction of any liquidator, provisional liquidator, administrator or receiver;
- 3.2 any claim made against any former Insured Person after there has been a change in the majority of the relevant board of directors;
- any claim for contribution or indemnity in respect of a claim made by an independent third party without the procurement or instigation of any Insured Person;
- 3.4 any claim brought as a shareholder derivative action without the involvement, procurement or instigation of any Holder of this insurance Person;
- 3.5 any claim against an Insured Person in respect of an employment wrongful act;
- 3.6 costs and expenses.

4. Claims notified under previous insurance

any circumstance notified under any insurance in force prior to the inception date of this insurance or which have been so notified.

5. Conduct

- 5.1 the dishonesty, fraud or deliberately criminal conduct of the Holder of this insurance and/or Insured Person;
- 5.2 the gaining of a profit or advantage to which the Holder of this insurance was not legally entitled

provided that this exclusion shall only apply to an Holder of this insurance who has been found by a court or other judicial panel to have committed such conduct and shall not in any event apply to the costs and expenses.

6. Pension and retirement funds

or based upon, arising out of, resulting from or in consequence of or in any way involving any pension or superannuation fund or programme provided that this exclusion shall not apply to

- 6.1 any claim brought by or at the direction of any liquidator, provisional liquidator, administrator or receiver of the Holder of this insurance;
- 6.2 any claim made against any former director or officer by the Holder of this insurance after there has been a change in the majority of the board of directors;
- 6.3 any claim for contribution or indemnity in respect of a claim made by an independent third party without the procurement or instigation of any director or officer;

- 6.4 any claim brought as a shareholder derivative action of the Holder of this insurance without the involvement, procurement or instigation of any director or officer;
- 6.5 costs and expenses.

7. Pollution

any actual or alleged seepage, pollution or contamination of any kind provided that this exclusion shall not apply to

- 7.1 any claim brought by or at the direction of any liquidator, provisional liquidator, administrator or receiver of the Holder of this insurance;
- 7.2 any claim made against any former director or officer by the Holder of this insurance after there has been a change in the majority of the board of directors;
- 7.3 any claim for contribution or indemnity in respect of a claim made by an independent third party without the procurement or instigation of any director or officer;
- 7.4 any claim brought as a shareholder derivative action of the Holder of this insurance without the involvement, procurement or instigation of any director or officer;
- 7.5 costs and expenses.

8. Prior and pending claims

allegations made or any facts in issue in any pending or prior litigation as at the pending and prior date stated in the schedule or arising out of the same or substantially the same facts, circumstances or situations.

For the purposes of this exclusion "litigation" shall mean any civil, administrative, regulatory or criminal proceedings or any investigation, examination, inquiry or disciplinary proceedings, including any correspondence prior to any such proceedings, involving any Holder of this insurance Person.

Provisions

1. Admission of liability

The Holder of this insurance shall not admit liability for or settle or attempt to settle any claim or incur any costs and expenses in connection with any claim without the Insurers' prior written consent and such consent shall not be unreasonably withheld or delayed. Subject to 6 below, the Holder of this insurance and/or Insured Person may subject to the Insurers' prior written consent, which consent shall not be unreasonably withheld or delayed appoint solicitors or counsel to represent them in defending any claim but where the same or a similar claim is made against more than one Holder of this insurance Person the same solicitors and counsel shall be appointed to defend the Holder of this insurance and/or Insured Persons unless there is a conflict of interest between them.

2. Arbitration

Except as otherwise specifically provided any dispute regarding any aspect of this insurance or any matter relating to cover thereunder which cannot be resolved by agreement within 30 days, shall be referred to binding arbitration by either party upon giving seven (7) days' notice to the other in terms of the Arbitration Act, South Africa. The Arbitration will be held in Johannesburg Gauteng under the auspices of The Arbitration Foundation of South Africa. The Insurers and Holder of this insurance and/or Insured Persons will be responsible for their own costs and expense incurred in the arbitration.

3. Assignment

This Insurance and any rights hereunder cannot be assigned without the prior written consent of the Insurers.

4. Co-operation

It shall be a condition precedent to the Insurers liability under this insurance that the Holder of this insurance and/or Insured Persons shall give to the Insurers such information and co-operation as the Insurers may reasonably require.

5. Costs and expenses

The Insurers shall pay covered costs and expenses prior to the final resolution of any claim. If such payment is made the Holder of this insurance and/or Insured Person shall refund such costs and expenses if it is established at a later date that they are not entitled to indemnity under this insurance.

6. Defense of claims

Except as otherwise provided in this proviso the Holder of this insurance shall defend claims. The Insurers shall be entitled to participate fully in the defense and in the negotiation of any settlement that appears reasonably likely to involve the Insurers.

7. Disclosure

It shall be a condition precedent to the Insurers' liability under this insurance that the Holder of this insurance and/or Insured Persons shall not disclose the terms of this insurance to anyone without the Insurers prior written consent which consent shall not be unreasonably withheld or delayed save to the extent that such disclosure is required by law and for the avoidance of doubt a requirement to disclose the existence of this insurance is not a requirement to disclose its terms.

8. Jurisdiction USA and Canada

8.1 Any claim made or legal proceedings made within the United States of America and/or Canada and/or territories which come under the jurisdiction of the United States of America and/or Canada including the enforcement by courts of any other country of any judgment originally obtained in any court of the United States of America and/or Canada shall be subject to the following specific conditions and specific exclusions.

8.2 specific conditions

- 8.2.2 the maximum amount payable in respect of all claims made under this insurance shall not exceed the indemnity limit stated in the schedule;
- 8.2.3 any costs and expenses incurred during the investigation, defense and settlements shall be included in the limit of indemnity and deductible as stated in the schedule.

8.3 specific exclusions

this insurance shall not apply to

- 8.3.1 any punitive and/or exemplary damages awarded against the Holder of this insurance;
- 8.3.2 claims based upon the Employment Retirement Income Security Act of 1974 and any amendment thereto, or any rules or regulations promulgated thereunder;
- 8.3.3 claims arising out of any actual or alleged violation of the Racketeer Influenced and Corrupt Organizations Act, 18 USC Sections 1961 seq., and any amendments thereto, of any rules and regulations promulgated thereunder;

- 8.3.4 claims arising out of actual or alleged violation of any of the provisions of the Securities Act of 1933, the Securities Exchange Act 1934 or any similar Federal or State law or any common law relating thereto;
- 8.3.5 claims arising out of seepage, pollution and/or contamination howsoever caused.

9. Notice and authority

The Holder of this insurance shall act on behalf of all Insured Persons in connection with all matters relevant to this insurance unless in the event of a takeover or the receivership, bankruptcy, liquidation or administration of the Holder of this insurance in which case each Insured Person shall act on their own behalf.

10. Preference

The Insurers will pay Damage in the order it is presented to the Insurers and as between different Holder of this insurance Persons on a "first come first served" basis. If it becomes apparent to the Insurers in its absolute discretion that the limit of indemnity will not be sufficient to cover all expected damage then still on a "first come first served" basis as between different Holder of this insurance the Insurers will pay it in the following order

- 10.1 Damage in respect of which the Holder of this insurance has no liability to indemnify the Insured Person:
- 10.2 Damage for which the Holder of this insurance has a legal liability to indemnify the Insured Person.

Notwithstanding the above the Insurers shall have no liability to any Insured Person in connection with the order in which it makes payments or to any Insured Person in connection with payments it has made to any other Insured Persons.

11. Subrogation

The Insurers shall be entitled to prosecute in the name of the Holder of this insurance and/or Insured Person for their own benefit any claim for payment, indemnity or Damage or otherwise against any third party.

12. Insurers' duty of obligation

If a claim is brought against the Holder of this insurance and/or Insured Person by a company or as applicable an outside entity

- 12.1 the Insurers shall have no duty or obligation to communicate with any other Insured Person and/or the Holder of this insurance or outside entity in relation to that claim;
- 12.2 if such claim is brought outside the United States of America, its territories or possessions, the Insurers shall have the right to defend the claim on behalf of such Insured Person and/or the Holder of this insurance.

13. Value Added Tax

To the extent that the Holder of this insurance is accountable to the tax authorities for value added tax in respect of any payment in terms of this insurance the Insurers will include the amount of such tax in the final settlement of any claim under this insurance in addition to the limit of indemnity.

Conditions

1. Cancellation

If the premium has not been paid the Insurers may cancel this insurance by giving 15 days written notice to the Holder of this insurance. If the premium is paid in full to the Insurers before the notice period expires, notice of cancellation shall automatically be revoked. If not this insurance shall automatically terminate at the end of the notice period. In the event of such cancellation, premium is due to the Insurers on a pro rata basis for the period that the Insurers were on risk but the full premium shall be payable in the event of notification of a claim or of any circumstances before the effective date or termination.

2. Choice of law and jurisdiction

This insurance shall be governed by and construed in accordance with the law of the Holder of this insurance country of domicile and each party agrees to submit to the exclusive jurisdiction of the courts of the Holder of this insurance country of domicile in any dispute arising hereunder.

3. Claims

If a claim is made both against any director or officer and against the Holder of this insurance or otherwise against any Insured Person and any other persons not insured under this insurance the Insurers shall pay only damage sustained by the Holder of this insurance and/or such Insured Person.

In respect of costs and expenses incurred on behalf of both the Insured Person and the Holder of this insurance or any other person not insured under this insurance the Insurers shall pay only such proportion of such costs and expenses as is reasonable having regard to such Insured Person reasonable potential liability for the claim.

In respect of any liability for Damage excluding costs and expenses under any settlement the Insurers shall pay only such amount as may be just and equitable having regard to the Insured Person's responsibility for the same.

The Holder of this insurance and any Insured Person and the Insurers shall use their best efforts to determine a fair and proper allocation of Damage as between the Holder of this insurance and such Insured Person and the Insurers but in default of agreement the Insurers shall pay sums that they state are fair and proper.

4. Corporate transactions

- 4.1 In the event of the takeover or merger of the Holder of this insurance this insurance shall automatically be amended so that it shall apply only to wrongful acts committed or alleged to have been committed prior to the date of the takeover or merger.
- 4.2 In the event of any subsidiary ceasing during the period of insurance to be a subsidiary this insurance shall automatically be amended so that it shall apply only to wrongful acts committed or alleged to have been committed by any director or officer of that subsidiary when it was a subsidiary.
- 4.3 This insurance shall not cover Damage in respect of any claim arising out of any proposed offering of securities of the Holder of this insurance in the United States of America. However subject to have the Insurers having been provided with information concerning such proposed offering of securities and having received payment of such additional premium as they may require this insurance shall be extended to cover Damage arising from any claim arising out of such offering of securities of the Holder of this insurance.

5. Interpretation and dispute resolution

The parties to this insurance are the Insurers and the Holder of this insurance and/or Insured Persons to the extent of their respective insured interests. A person who is not a party to this contract has no right under the Contracts, rights of third parties, Act to enforce any term of this contract but this does not affect any right or remedy of a this party which exists or is available from that act.

6. Limit of liability

The Insurers' total aggregate liability under this insurance including any extended cover and endorsements to this insurance inclusive of costs and expenses shall not exceed the limit of indemnity stated in the schedule, irrespective of the number of claims made and the number of Insured Persons against whom such claims may be made.

7. Other insurance

This insurance shall be in excess of any more specific available insurance and in the case of an outside entity shall also only apply in respect of Damage which the outside entity is unable by reason of a prohibition in the applicable law or insolvency to indemnify.

8. Reporting of claims

It shall be a condition precedent to the Insurer's liability under this insurance that the Holder of this insurance shall as soon as practicable and in any event not later than the expiry of the period of insurance or if applicable any discovery period give to the Insurers notice in writing of any claim or of any circumstances of which the Holder of this insurance shall become aware which might reasonably be expected to give rise to a claim, giving reasons for the anticipation of such claim with full particulars as to dates and persons involved. Such notice having been given as required by this provision any subsequent claim arising out of the circumstances so notified shall be deemed to have been made during the period of insurance.

9. Severability

The proposal form and/or written submission shall be construed as a separate application by each Insured Person and no statement or omission in the proposal form and/or written submission nor any other knowledge, act or omission by any one Insured Person shall be imputed to any other Insured Person for the purpose of determining the availability of payment under this insurance.

With respect to indemnity 6 – company securities, only the statements and knowledge of any chief executive officer, chief operating officer, chief financial officer or chief legal officer or equivalent positions of the Holder of this insurance will be imputed to that insured company and the knowledge of the same officeholders of the Holder of this insurance will be imputed to all insured companies.

10. Terminology

The construction of the terms of this insurance shall be informed by the following

- 10.1 headings are descriptive only not an aid to interpretation;
- 10.2 singular includes the plural and vice versa;
- 10.3 the male includes the female and neuter;
- 10.4 all references to specific legislation include amendments to and re-enactments of such legislation and equivalent relevant to the Republic of South Africa legislation;
- 10.5 reference to positions, offices or titles shall include their equivalents in any relevant jurisdiction.

Indemnity

The Insurers agree to pay Damage on behalf of

- 1. each Insured Person in their capacity in respect of a claim made against them;
- the Holder of this insurance to the extent that the Holder of this insurance has indemnified such Insured Person:
- 3. an Insured Person the investigation costs arising from such investigation;
- 4. the Holder of this insurance the investigation costs of an Insured Person arising from any investigation to the extent that the Holder of this insurance has indemnified such Insured Person:
- **5**. the Holder of this insurance non-executive directors:
- **6**. each insured company arising from a securities claim;
- 7. the Holder of this insurance newly appointed directors and/or officers during the period of insurance;
- 8. Insured Person in respect of professional fees incurred by the Holder of this insurance in dealing with any regulatory crisis event as per extension 16;
- **9**. the Insured Person's extradition proceedings costs as per extension 9;
- **10**. the Insured Person the bail bond and civil bond premium, prosecution costs and any assets and liberty costs as per extension 3;
- **11**. the Insured Person the public reputation costs as per extension 15.

Extended Cover: Not applicable unless specifically agreed to be included and as stated in the Policy Schedule

1. Assets and liberty costs

The Insurers shall pay the reasonable and necessary fees and expenses incurred by an Insured Person with the Insurers prior written consent, which consent shall not be unreasonably withheld or delayed in seeking the discharge or revocation of an interim or temporary order of a competent court arising from an Asset or liberty proceeding first made during the period of insurance which

- 1.1 freezes his rights of ownership of real or personal property;
- 1.2 puts in place a charge over his real or personal property;
- 1.3 disqualifies him from being a director or officer of the Holder of this insurance;
- 1.4 restricts his liberty to a specified residence of facility and/or orders his deportation from any country in the world where he had valid immigration status which has been revoked for any reason other than a conviction for a criminal offence

provided that Insurers' liability shall not exceed the limit of indemnity stated in the schedule.

2. Avoidance waiver

The Insurers wave any right they may have to avoid or rescind any Insured Person's interest in this Insurance for material misrepresentation or non-disclosure where such misrepresentation or non-disclosure was free from any dishonest intent.

3. Bail bond and civil bond expenses

The Insurers shall pay costs and expenses includes the reasonable and necessary premium paid for insurance instruments for appeal, bail or similar bonds arising from Damage provided that Insurers' liability shall not exceed the limit of indemnity stated in the schedule.

4. Bodily injury and property damage defense costs

The Insurers shall pay the defense costs of each Insured Person for any claim in respect of bodily injury and/or property damage subject to the limit of indemnity stated in the schedule as well as exclusion 1.

5. Defense costs

The Insurers shall pay the reasonable and necessary professional fees and expenses incurred by the Holder of this insurance in the mitigation or prevention of a potential claim and with the Insurers express prior written consent, which consent shall not to be unreasonably withheld or delayed provided that Insurers' liability shall not exceed the limit of indemnity stated in the schedule.

6. Derivative action costs

The Insurers will pay on behalf of the Holder of this insurance the reasonable professional fees and expenses incurred by any shareholder of the Holder of this insurance with the Insurers prior written consent, which consent shall not be unreasonably withheld or delayed, in pursuing a claim first made during the period of insurance against any director or officer which the Holder of this insurance is legally liable to pay pursuant to an order of the court provided that Insurers' liability shall not exceed the limit of indemnity stated in the schedule.

7. Discovery period

In the event this insurance is not renewed the Holder of this insurance shall have the right to the discovery period as stated in the schedule in respect of any wrongful act committed during or prior to the period of insurance provided that this insurance is not replaced by any broadly equivalent insurance and

- 7.1 the Holder of this insurance shall within thirty (30) days after the period of insurance give notice in writing to Insurers and shall pay the additional premium specified in the schedule within thirty (30) days after the period of insurance;
- 7.2 this right to an extended discovery period is not exercisable on or after the takeover or merger of the Holder of this insurance or on or after the appointment of any liquidator, provisional liquidator, administrator or receiver of the Holder of this insurance or where this insurance is cancelled by Insurers for non-payment of premium;
- 7.3 the limit of indemnity stated in the schedule shall not in any way be increased by virtue of the discovery period;
- 7.4 the premium specified in the schedule has been paid the discovery period shall not be cancellable.

8. Emergency costs and expenses

If the Insurers prior written consent cannot reasonably be obtained before costs and expenses are incurred the Insurers shall approve such costs and expenses up to 10% of the limit of indemnity retrospectively as if prior written consent had been obtained.

9. Extradition proceedings

The Insurers shall pay the reasonable and necessary fees and expenses incurred by an Insured Person with respect to any extradition proceedings.

10. Kidnap response costs

The Insurers shall pay the reasonable fees and expenses of the kidnap consultants incurred in response to any kidnapping, hijacking or wrongful detention incident anywhere in the world but excluding Columbia, Iraq, Nigeria and the Philippines. Such fees and expenses shall include related costs for travel, accommodation, qualified interpretation, communication and payments to informants provided that Insurers' liability shall not exceed the limit of indemnity stated in the schedule.

11. Manslaughter

Damage includes any criminal prosecution of an Insured Person in his capacity as such for manslaughter.

12. New subsidiaries

In the event a company that is not domiciled or incorporated or listed in the United States of America its territories or possessions is acquired or created by the Holder of this insurance after inception of this insurance, it shall nevertheless constitute a subsidiary if the Holder of this insurance

- 12.1 controls the composition of the board of directors;
- 12.2 controls more than half of the voting power;
- 12.3 holds more than half of the issued share capital

and this insurance shall apply only in respect of wrongful acts of its directors or officers or circumstances that become the subject of an investigation, regulatory crisis event, extradition proceeding occurring or arising whilst an entity was or is a subsidiary provided that Insurers are notified of the company acquired, which assets value exceed 20% of the total assets of the Holder of this insurance, within 30 days of the transaction date.

13. Non-executive directors

In the event the limit of indemnity of this insurance and the limits of indemnity of all available insurance in excess of this insurance are exhausted by payments of Damage, the limit of indemnity which shall be in the annual aggregate of this insurance shall reinstate by the percentage stated in the schedule in respect of the covered costs and expenses payable. The limit so reinstated shall be a single limit for all such non-executive directors and not a separate limit for each such non-executive directors.

14. Pollution derivating costs

The Insurers shall pay the reasonable and necessary costs and expenses incurred by the Holder of this insurance in the mitigation or prevention of a claim and with the Insurers express prior consent, such consent which shall not be unreasonably withheld or delayed provided that Insurers' liability shall not exceed the limit of indemnity stated in the schedule.

15. Public reputation costs

The Insurers shall pay public relations costs to mitigate any potential damage to the reputation of an Insured Person who has successfully defeated a claim and has been exonerated from any faults, incurred in the aggregate for any one claim provided that Insurers' liability shall not exceed the limit of indemnity stated in the schedule.

16. Regulatory crisis response

The Insurers shall pay the reasonable and necessary professional fees and expenses excluding salaries, commissions, expenses or other benefits of any Insured Person or employee incurred by the Holder of this insurance in dealing with any regulatory crisis event first happening during the period of insurance provided that Insurers' liability shall not exceed the limit of indemnity stated in the schedule.

17. Retired Holder of this insurance Persons

In the event that either the Insurers or the Holder of this insurance do not renew this insurance any retired director or retired officer shall have the right to a discovery period of 72 months for no additional premium in respect of any wrongful act committed during or prior to the period of insurance provided that this insurance is not replaced by any broadly equivalent insurance and the limit of indemnity stated in the schedule shall not in any way be increased by virtue of the discovery period.

18. Spouse and estate

The Insurers will indemnify

- 18.1 the Insured Person's lawful spouse in respect of enforcement proceedings brought against him or her to enforce a court judgment against the Insured Person provided such judgment constitutes Damage and arises from a claim;
- 18.2 in the event of death, incompetency or bankruptcy, the Insured Person's estate, heirs, legal representatives or assigns in respect of Damage which arises from a claim

provided the Insured Person would have been entitled to an indemnity for such Damage hereunder.



Professional Risk

Financial Services Providers

Professional Indemnity Insurance

Record of Advice



Introduction

The purpose of this document is to discuss the role Aon South African (Pty) Ltd as brokers can play to obtain and renew The Professional Indemnity Insurance cover for a financial advisor / Intermediary / Financial Institution / Financial Services Provider in relation to the registered FSP products with the financial Services board and the FAIS requirements. It will also record the actions that have taken place in insuring or renewing the Professional Indemnity Cover for your FSP.

Furnishing of Advice

It is important to note that the inception or renewal of the PI policy is based on the following assumptions:

- We did not accomplish an interview with the advisor or FSP hence no examination was done on any or other unambiguous needs of the FSP.
- We have worked with the information as supplied by the FSP on the application form and a quote was prepared based on this information, in good faith.
- We must accept that the FSP has studied the information contained in this document, quotation and policy wording, as it contains important information re the covers provided and obligations by the FSP.
- We thus confirm that no analysis was done and the FSP must thus realise that there may be limitations on the appropriateness of the advice provided and that the FSP should take particular care to consider on its own whether the advice is appropriate considering the FSP's objectives, financial situation and particular needs.
- We confirm that the PI policy for the FSP, with the wording offered by Arch Underwriting Managers at Lloyd's (South Africa) (Pty) Ltd on behalf of Syndicate 2012 as the local underwriter and Insurer, is an appropriate product for FSP's wishing to take out PI cover.
- We offer quotations only on the Arch Underwriting Managers at Lloyd's (South Africa) (Pty) Ltd on behalf
 of Syndicate 2012 and for this we have an agreement in place with Arch Underwriting Managers at
 Lloyd's (South Africa) (Pty) Ltd on behalf of Syndicate 2012.

Current State of the Insurance Market

1. Products & Rates

We are continually in discussion with Underwriters and Insurers regarding the state of the market, locally and internationally, and any trends that may develop.

The local insurers report that their rates are hardening. This is mainly due to more incidents or claims being reported and an acknowledgement that the local rates are generally lower than that of the international market.

We thus expect that local rates may increase over the next few years and the underwriters may also want to place more exclusions on the policy. The products/policy wordings available from different Underwriters are more or less all the same. The Law of Liability originates from the English Law and all Insurers apply more or less the same principles.

The aspect that is important is that, in addition to the normal policy wording, an underwriter may place additional exclusions or higher excesses, specifically for the FSP in question, on the policy. These exclusions are added to the quote which the FSP accepts and then printed on the insurance schedule that gets issued. These exclusions, if any, will be specifically pointed out to the FSP on the renewal quote.

Your final policy is issued on terms as per the quote accepted and certificate issued – linked to the master policy wording.

2. Players in the market

The local market for PI policies for Advisors and FSP's has changed considerably over the last few years.

There are a few alternative schemes available, through Snyman & Van Der Vyver, Marsh and a few other smaller players. As mentioned, when applying to us, we only offer the Arch Underwriting Managers at Lloyd's (South Africa) (Pty) Ltd on behalf of Syndicate 2012 product.

3. Underwriting and claims

The local underwriters have become wary in providing cover to advisors and FSP's and we have seen the following develop:

- There is an increase in the number of claims / incidents reported.
- There has been the property syndication schemes collapses giving rise to possible claims and running up claims costs.
- The underwriters are much stricter in applying underwriting principles, even on renewal of a policy.
- The underwriters are also looking at tightening up the wording of the policies and are also looking to increase possible excesses in event of claims – all of this to keep this PI product affordable for advisors and FSP

Deciding On an Underwriter

An advisor or FSP is obviously free to approach the different role-players for quotes on PI cover. Please remember that we only offer the Arch Underwriting Managers at Lloyd's (South Africa) (Pty) Ltd on behalf of Syndicate 2012 product, if an FSP applies to us for PI cover. If you want alternative quotes from the market, we will not be able to supply it.

What Should You Be Aware Of as an FSP.

We need to specifically point out the following:

- a. Be aware of the conditions of the policy wording and especially what is not covered by the policy. Make sure that the exclusions, as stated in the wording are comprehended.
- b. Make sure that you understand your obligations once a claim or circumstances arise which may lead to a claim. This is important as a claim, legal in all aspects, may later be denied as the FSP did not follow the requirements of the policy.
- c. Make sure that the correct level of cover is selected. This will depend on the FSP, the size of the FSP and number of clients, and the likelihood of mistakes and the possible size of every claim. However, it is important that the FSP think this through and take an informed decision. See our summary of covers for guidance, on our electronic portal
- d. Implement a risk analysis for the FSP and make sure all risks are identified and properly dealt with / minimised through actions.

BASES OF COVER ADVICE

Who is covered / Insured

- The Company, Partnership, Close Corporation, Association or Person named in the Schedule
- Any present or former Director, Partner, Member, Principal or "In-house" Consultant of the Insured;
- Any present or former Representative (as defined in FAIS) or Employee of the Insured in respect of those activities that are conducted for and on behalf of and within the course and scope of that Representative's or Employee's employment with and under the FAIS License of the Insured;
- Any predecessors of the Insured but only to the extent that liability attaches to the Insured.
- In the event of the death, incapacity, insolvency or bankruptcy of any person treated as the Insured (in respect of claims against such person) his estate, legal representatives and/or heirs.

What is covered?

Your PI cover kicks in when a third party (client) claims from you for a financial loss that he/she has suffered, due to your negligent act, error or omission in your work performed for the client.

The policy, in general terms, covers you against:

- your costs to defend a claim against you
- to pay the claim if you are wrong and the claim succeeds
- all legal costs even those of the other party if so ordered

What constitutes a claim under a Professional Indemnity Insurance Policy?

The purpose of the policy is to indemnify the insured broker / Financial Advisor / Intermediary / Financial Services Provider if and when certain events occur. There are, however, certain criteria that must be met even before the merits of the specific claim are investigated and the PI policy is activated:

There must be a third party

We use the term "third party" to indicate an entity that is not related to the insured broker or insurer. Think of the insurer and the insured (broker / FSP) as being the first and second parties. The claimant must therefore be another party unrelated to the first two parties – thus a third party – typically a client of the insured broker.

The third party must have suffered damages

The third party must be able to prove that they have suffered damages and the damages must be measurable (or awarded by the courts).

There must be a direct link between the damages and a negligent act of the broker (Causal Connection)

The damages suffered by the third party must arise out of a negligent **act**, **error or omission** in the work performed by the insured broker during the scope of their business as defined in the policy. An accurate description of the insured broker's business activities is thus very important and the broker will also only be covered for that business authorised under his FSP Licence.

The insured broker / Financial Advisor / Intermediary / Financial Services Provider must be legally liable

The insured broker can only be held liable if he/she is liable in accordance with SA law. The insured broker may deny liability and insurers may defend the claim. The insured broker may simply in certain instances not be legally liable. The measure is that the insured broker should have acted as could be expected of a "reasonable man" in similar circumstances.

The third party must institute a claim

There is no claim if the third party does not demand compensation from the insured broker. There, however, may then be an "incident" that can lead to a claim later, and should also be reported to the insurer.

The claim must arise out of work performed subsequent to the retroactive date

If the insured broker has never been insured before, underwriters will automatically quote the retroactive date as the inception date of the policy. For a claim to be successful, the claim must first be made on the current policy (claims made basis), and the incident, giving rise to the claim, must also have happened whilst cover was in force for the broker – thus after the retroactive date. Claims arising out of work performed **prior** to the retroactive date on the policy are excluded.

Example

Policy started 1/1/2008 and retroactive date on schedule thus 01/01/2008. Claim reported on 15/2/2012.

Test - Is a policy in force when claim instituted? Yes.

When did the <u>incident/error</u> happen that gave rise to the claim? If after 1/1/2008, then the claim is valid. If before 1/1/2008, then there will be no claim under this policy.

If you should increase your Limit of Indemnity at any given time (usually on renewal) such increased limits will only be available for work performed after the date of increase, for any incident or claim arising from it.

The claim or circumstances must be reported during the current period of insurance

If a claim is reported after the policy has expired, there is also no cover. One can buy so-called "run off" cover to protect you if you should stop practising as a broker.

 The claim may not result from an incident the insured broker was aware of and did not disclose to the Insurer.

The insured broker who signs the proposal form or renewal form must ask his employees if they know of any circumstances, incidents or possible claims, when completing the relevant section of the proposal. If not disclosed, a claim arising from such circumstances may be rejected.

Coverages / Bases of Cover / what is covered

The PI Policy is issued in the name of the FSP and is linked to the official FSP licence number and authorities so granted by the FSB.

Comprehensive cover is provided to the brokers, partners, directors and all employees of the insured FSP for all activities performed as per the FSP's licence. (Please note that there will be no cover for advice or work performed for products etc, not authorised by FSP licence.)

The policy is for financial advisors and intermediaries and will cover the normal professional services conducted by the FSP. This can include: assurance brokers, investment advisors, financial planning consultants, healthcare advisors, unit trust advisors and short term insurance brokers. It will include all products normally associated to such business, but only those products that are registered by the FSB, regulated as such, and can be linked to your authorities granted under your licence. (See wording for specific products excluded.)

Professional Indemnity

Legal Liability to third parties arising from negligent acts, error and omissions of the Insured, from claims made during the period of insurance as result of:

- Negligent act, error or omission,
- Breach of Duty
- Libel and Slander
- Fraudulent or dishonest act or omission committed by an employee whom is authorised as the Insured Key individual and or Representative by the FSB
- Policy indemnification includes: Compensatory damages (including claimant's costs, fees and expenses).

Legal Defense Costs

- The Insured shall render at their own cost all such assistance as the Insurers may require in order to investigate defend or settle any claim and shall arrange to be available at their own cost for such interviews as may be required by the Insurers or any advisers or legal representatives appointed by the Insurers
- The Insurers will pay any expenses incurred by the Insured (excluding such costs mentioned above) in order to assist with the investigation defence or settlement of any claim made against the Insured and the costs of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any Claim made or which might be made against the Insured, provided such Claim or Claims are the subject of indemnity by this Policy and the Insurers' prior written consent is obtained.
- All costs, fees and expenses incurred by the Insurers or at their instance in the investigation defence or settlement of any claim made against the Insured and the costs of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any claim made or which might be made against the Insured shall be deemed to be costs, fees and expenses incurred by the Insured with the prior consent of the Insurers.
- The above costs will be part of, and not in addition to the Limit of Liability stated in the Schedule.
- Costs and expenses incurred in successful defence will also be deemed to be a claim in terms of the Policy and therefore subject to the Deductible as stated in the Schedule

Computer Crime

Direct financial loss resulting from computer fraud (other than by an identifiable employee) acting alone or in collusion with others

- Computer Virus damage
- This covers loss resulting directly from a fraudulent entry of data into, or change of data elements or programs within the insured's proprietary computer system or computer systems
- provided the fraudulent entry or changes causes:
- Property to be transferred, paid or delivered, an account of the insured, or its customer, to be added, deleted, debited or credited, or an unauthorised account or fictitious account to be debited or credited

Fidelity Guarantee (If stated in the Schedule)

Direct financial losses first discovered, and reported to the Underwriter, by the Insured during the Period of Insurance arising in connection with the Business for any direct loss of money or other tangible property whatsoever belonging to the Insured in consequence of any dishonest or fraudulent act or omission of any Employee of the Insured:

Liability following loss of Documentation (If stated in the Schedule)

Covers legal liability arising from loss of documents entrusted to the Insured, including restoration costs.

Defamation and Slander (If stated in the Schedule)

Covers the Insured where another Broker or the Third Party might sue as a result of them proving that they have suffered financial loss as a result of the Insured slandering and defaming their Company or chances of winning a new contract or business

Support Staff Extension (If stated in the Schedule)

Covers Legal Liability to third parties arising from negligent acts, error and omissions of the Insured's Support Staff for their Intermediaries Services.

Support Staff shall mean:

 Employees of the Insured whom are NOT authorised representatives (do not provide advice to the Insured's clientele), however provide support in an administrative role or intermediary services

Liability following Staff Dishonesty (If stated in the Schedule)

 Covers any legal liability arising as a result of any dishonest or fraudulent act committed by an employee.

Examples

- If an employee did not pay over a clients' premium to Underwriters, and the client suffers a loss, the staff dishonesty extension will pick up the liability arising (loss) as a result of the premiums not being paid to Underwriters, but will not cover the actual loss of premium.
- If an employee of the Insured had to steal half of a clients' contribution towards an annuity policy each month, the staff dishonesty section of the policy would pick up the balance/short fall of the annuity amount due to the client at the end of the term, which would be a direct result suffered by the client due to the dishonesty of a staff member. This section of the policy will however not cover the loss of the month contribution which was stolen by the employee

2 x Full Reinstatement

- In the event of the exhaustion of the aggregate limit by reason of any one Claim such aggregate limit shall be reinstated, without payment of an additional premium, During the Period of Insurance.
- This mean that the Insured is covered to 3 times the aggregate limit in the period of insurance, however the Insurers will only indemnify to the Limit of Indemnity per 1 Claim.

Internal Compliance Officer

The Insurer shall indemnify the Insured's internal Compliance Officer against his or her Delictual liability to pay for actual loss (including claimant costs, fees and expense) in respect of liability to the Insured arising out of the negligence of the internal Compliance Officer as a result of any actual or alleged (other than by the Compliance Officer) negligent act, error or omission (including consequential loss) in the performance of the professional duties of the Compliance Officer.

General Public Liability Extension

The Insurers will indemnify the Insured under this Section against their legal liability established in accordance with the law of any country but not in respect of any judgement, award, payment or settlement made within countries which operate under the laws of North America (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part) for claims arising out of:

- accidental death, bodily injury, illness or disease of or to any person;
- accidental loss of possession or control of or actual damage to property; arising out of and in the course of the Business.

Data Protection Extension

The Data Protection Extension will help you to respond in the case of a breach and help you to comply with most of the requirements as contemplated in the POPI Act. South Africa is currently the most cyber attacked country in the world and has been in the top 5 for the last 5 years

Provides cover for Organizations that hold customer data or other sensitive information within their networks have a legal obligation to Protect and safeguard this information. Businesses who suffer a privacy or security breach which results in the compromise of this data often end up with significant and costly obligations imposed under data protection legislations, regulatory issues, and fines and penalties imposed by regulatory bodies. The implementation of the Protection of Personal Information Act increases the onus of care required by custodians of personal information, as well as broadening companies' exposure to litigation and penalties, resulting from data breaches.

Employment Practice Liability (EPL) - Optional Cover

Provides cover to the employer for allegations made by employees in respect of employment, such as discrimination, sexual harassment, wrongful termination of employment and other employment-related allegations brought against the employer at The CCMA, Bargaining Council, Labour Court or Arbitration Proceedings.

Directors and officers Liability Cover - Optional Cover

This Policy will extend to cover directors and officers (Management) of the company, against personal financial loss resulting from the wrongful act as a result of a contravention of any common law or statutory fiduciary duty, which they have committed or are alleged to have committed during the policy period in their capacity as Directors or Officers of the company

Are there certain activities that are specifically excluded?

Yes, and this has mainly to do with work which is not part of a normal Category I registered broker.

The following activities are not covered:

- Trustees (of any kind)
- Executors of Estates
- Legal/Accounting work
- Pension Fund Administration
- Pension Fund Benefit Consulting to the fund (not pension fund broking)
- Any other activities not authorised by licence.

Should you be registered as an Investment Manager Category II (Discretionary FSP) with the FSB, will you be covered?

Yes, your Category II activities will be cover, however the underwriting process needs to be referral to insurers for approval and confirmation. Kindly note that in order to be covered for you Category II activities for information for underwriting is requited as follows:-

- Latest Audited and signed Financial Statements not more than a year old
- Latest Fund Fact Sheet
- Mandate between the FSP and the Third Party
- Business Activities percentage Split between cat 1 and Cat II Activities

Important Condition

If the Insured notifies the Insurers during the **Period of Insurance** of any event or circumstance which the Insurers accept may give rise to a claim being made against the Insured, then such claim shall for the purpose of this Policy be treated as having been first made against the Insured during the Period of Insurance.

This Policy will allow the Insured the opportunity to notify Insurers of claims made against them or circumstances that may give rise to claims being made against them for up to **30 days** after expiry of this policy provided that the Insured first became aware of the claim or circumstance prior to expiry, it being understood however that this opportunity is only available in the event of Insurers having refused to renew the Policy and that the insured was unable after reasonable attempts to arrange alternative cover.

The cover is on a **Claims Made** Basis. This means that the policy in force on the day a claim is made or when you become aware of a circumstance that could give rise to a claim, will be the policy that will respond to such a claim and not the policy in force at the time the work was done, subject to the retroactive date as stated in the Schedule. If the policy is allowed to lapse, expire or be cancelled then no further claim can be brought against the insurance as there will be no cover in force. If a lower limit of indemnity than that of expiring policy is chosen, the new lower limit will apply to claims going forward.

Specialty | Professional Risks

Run off cover is recommended when you cease trading. Your business as well as you will remain liable to Third Parties for claims even if the business has ceased trading. This cover is provided only when you have completely ceased trading and are no longer earning any income, this policy can also be purchased if you retire. The policy will cover claims arising out of work prior to the date that you ceased trading and is based on your expiring policy terms, conditions and exclusions.

Will cover be retroactive? - Should you have existing PI cover, insurers will pick up the existing retroactive date (the date your PI cover first started), provided there has been no gap in the cover. If this is the first time you are applying for PI cover, the cover will be effective from the inception date of the policy.

Reinstatement of PI Cover - PI cover is provided on the assumption that claims would be the exception, rather than the rule! For this reason, the limit is an aggregate limit per annual period of insurance. It is possible however, that one claim could expunge the entire limit - i.e. a policy with an aggregate limit of R3m could pay out a claim for R 3m early in a year and no cover would be available for any subsequent claims during that year.

How does reinstatement work? - The policy has an option where the insured broker can at inception or renewal, at a small extra premium, ensure that the insured amount elected as cover, will be reinstated in the year to meet further claims on the policy. This reinstatement is available for any new and subsequent claims and effectively increases the aggregate amount available in a year to double the cover amount. BUT, the reinstatement cover will not pay out if one claim is more than the initial cover selected.

Example A

Cover level: R 3,000,000.00 (plus 2 x reinstatement)

Cover for year: R 9,000,000.00 available

Claim payable: R 3,500,000.00

Only R 3,000,000.00 is paid (maximum cover) and the reinstatement cover of R 3,000,000.00 is then available for any new claims. (In this example the insured broker will be liable for the extra R 500,000.00 not covered by the policy.)

Example B

Claim: R 1,000,000.00

The R 1,000,000.00 claim is paid, and from the second pool of R 3,000,000.00, an amount of R 1,000,000.00 is "transferred" to the Limit of Indemnity so that a full R 3,000,000.00 is available again for any new claim.

This policy is an **annual policy**, and is renewable annually after a full underwriting process is fully completed, needs analysis (Application Form), Renewal Quotation accepted.

Premiums are payable annually against a premium invoice and / or Monthly via Debit order on the first working days of each Month or by EFT before or on the 7th Day of each month. **No cover exists where premiums have not been paid by the due date.** Where premiums are not paid for a period of 2 months, the policy will be cancelled and the retroactive cover will be lost.

Renewal Process

- You will receive a renewal invitation from AON South Africa
- You complete the renewal proposal form electronically on the self-help portal Must be completed urgently.
- On receipt of the completed, signed and dated proposal form, we process the information and send you our proposed renewal terms – turnaround time is estimated between 72 to 96 hours
- On acceptance of the proposed renewal terms, you sign and return the renewal quote to Aon or uploading the signed quotation on the self-help portal
- On receipt of same, we will issue the certificate of insurance to you turnaround time is estimated between 72 to 96 hours
- Once you receive the certificate of insurance, the policy has been renewed for a period of 12 months.

Is there anything that the broker / FSP warrant under the policy or are there conditions that apply?

Yes, you warrant, by the information as supplied by you on the proposal forms, and as described in the conditions of the policy, the following:

- That there has not been a material alteration in your business activities which will affect your risk.
- That there has been no non-disclosure or misrepresentation of any facts.
- You will pay the premium in full as due.
- You will take reasonable precautions and exercise care in your duties to minimise risks.
- That you will not make a fraudulent claim under the policy.
- You will allow the insurer to subrogate against any other party to recover losses where applicable.
- You will not insure your deductible under any other policy (excess waiver).
- You will inform the insurer within 30 days of claim/incident about it and provide full details.
- You will not admit liability, make a payment or incur legal costs without the insurer's written consent.

How do you institute a claim or report an incident?

There is, unfortunately, no standard claim form or set of requirements when dealing with a PI claim or incident, as the nature of such claims can vary so much in range. All PI claims or incidents are thus dealt with on a case-by-case basis.

Having a possible claim for damages lodged against your FSP can be a daunting prospect – these notes serve to help you through the process.

In terms of your policy wording, you need to report an incident, possible claim or actual claim as soon as you become aware of it. If reported to us, we will submit it on your behalf to Arch Underwriting Managers at Lloyd's (South Africa) (Pty) Ltd on behalf of Syndicate 2012 (ARCH), and they will issue a claim number. We will forward this claim number to you and it should be used as a reference number in all correspondence.

The following process will be followed in dealing with a claim notification, potential claim, claim or incident:

What do I have to do next?

You need to provide us with all the information about the possible claim or claim against you. You can do this by:

- Providing the insurer with as much information about the allegation and/or the claim made against you.
- Complete the claim form.
- Forward all documentation relating to the advice given, or work done for the client, in connection with the claim.
- If you have already received a claim from the client please include this. (Letter of demand or letter from an attorney or someone representing the claimant.)
- If you received a "notice of complaint" from the ombuds office, please include this and also your reply to this complaint.
- Any correspondence between you and the client or other parties that lead to the complaint.

Comprehensive information makes it easier for the underwriter to determine cover and the next steps in the matter.

I have submitted all the detail? What will happen now?

Once you have submitted the detail, there could be a few scenarios:

i. If it is just an incident being noted (and not yet a claim), the insurer will not do anything initially. You will keep the insurer informed about progress, and, should it lead to a claim, the insurer will deal with it.

- ii. If it is a complaint that the client directed to the FAIS Ombud, the insurer will wait for the process to run its course. You would need to deal with the Ombud process and reply to the complaint. All correspondence should also be submitted to the insurer to keep them informed. If there is a determination against you by the Ombud, the insurer will deal with the matter from there.
- iii. If there is a proper claim instituted, the insurer will consider the facts and documentation submitted by you. In this process the insurer might ask for clarification. This process is initiated in order to determine if you are indeed, in their opinion, liable. If found not liable, they will support you in defending yourself against the claim. If found liable, they will set out to determine whether the policy will pay out and proceed likewise.

What is a proper claim?

Due to the close relationship that exists between you and the client or claimant in many cases this can become problematic.

You need to understand that a formal claim against you must be drafted and written by the client or claimant and you cannot do this on their behalf. It happens from time to time that the complainant in a matter is emotional and just wants the broker to rectify a situation without them actually knowing what the loss is they suffered or think they suffered. They are in other words accusing the FSP that they did something wrong but they do not clearly set out how much their financial loss was.

A proper claim needs to consist of the following:

- The details of the person claiming and against who they are claiming.
- The financial loss that was allegedly suffered.
- The reason(s) the claimant feels the broker was negligent.
- This claim must be made in writing and done by the client or claimant. It can happen that it is done by a representative of the client, for example their attorney.

The underwriter will not regard a claim as a proper claim unless you have received the above.

What happens if I am not covered?

There might be instances where you may be found liable towards the client, but your PI policy will not make a pay-out. This will happen if it falls within one of the exclusions on the policy or some requirement was not met, for example, the error was made before the retroactive date on the policy.

You will receive a letter from the insurer informing you about the rejection of the claim and stating the reasons for it. You will also have the opportunity to appeal the decision should you believe that they have overlooked material facts.

What will the process be to make this decision?

Your PI cover is in place for actions or omissions that you are liable for and that caused a financial loss to one or more of your clients.

The underwriter will first have to determine if you were indeed liable, by evaluating all of the facts provided in the documents. The facts are then tested against the policy wording to determine whether the policy will react.

If the policy will respond the next steps will apply:

- The amount of the claim will be assessed by the underwriter, you might be asked to clarify certain aspects.
- An agreement of loss will be sent to you. This is the settlement offer less the deductible applicable on the policy.
- Once accepted by you, signed and returned, payment will be made into your bank account.
- You now will need to settle the full amount with your client or the claimant. (This is an important point to note payment is to you as you are the policy holder. You must then pay the client/claimant.)

The allegation against me is not true, I did nothing wrong!

If this is indeed the case and the underwriter also finds that you were not negligent the action against you will be defended. The following is important to note:

- Under no circumstances should you appoint an attorney to help you without the written consent of the underwriter
- The underwriter will confirm that you may use your own attorney or will appoint an attorney to defend the matter on your behalf.
- Legal defence costs are covered in terms of the policy and the insurer will liaise with you about this.

What do I tell my client?

We understand that you may get anxious about the claim and that a client may push you for a pay-out. However, as the process to determine whether you are actually liable can take some time, you should inform your client that you have reported the claim to your PI Insurer and that they will respond in due course.

You may not admit liability to your client at any stage. You can keep them informed about the progress by sending them feedback you might receive from time to time.

How long will this all take?

Unfortunately, it is difficult to give exact timelines as claims will differ from one another. Especially in complex cases the insurer may involve outside attorneys to investigate and give an opinion on the matter. This will stall the process.

The insurer will ensure that he has all the facts before making a decision on the claim. Even in a simple matter, this may take a minimum of one month before settlement will occur.

Who do I contact if I have any queries?

As your PI Broker, the team at Aon South Africa (Pty) Ltd will assist you in this process. They will liaise with the insurer and will ensure that all communication flows through to you.

The insured broker / FSP must as soon as they become aware of a claim or a possible claim, notify the insurer via Aon South Africa (Pty) Ltd (AON) immediately at brilliant.makaleng@aon.co.za or fsgclaims@aon.co.za or <a href="mailto:fsgclaims@aon.co.za, contact telephone number 011 944 7195. Provide a full description of the event with as much detail as possible, whereupon the claim will immediately be reported by AON to the underwriter, Arch Underwriting Managers at Lloyd's (South Africa) (Pty) Ltd on behalf of Syndicate 2012 (ARCH). Receiving a legal action or the notice of a legal action can be very stressful, but rest assured that we are here to assist you through this event.

The Information that forms part of the Policy

The following documents and information forms part of the insurance policy and must be read together as one Insurance document:-

- The information you gave to us when you Applied for Insurance or renewed your Professional Indemnity Insurance. You might have given information in a manual Application form, Online Disclosure on the Client portal system. This information is deemed to be true and a true representation of your insurance requirements.
- A Policy Schedule. This sets out the type of insurance you have bought, The people or Entity who are insured, the period of insurance, the amount you are insured for (Limit of Indemnity), the Excess or Deductible that Apply and the Premium you must pay. Any changes to your policy will be shown in your schedule and will form part of your policy.

• Insurance terms, conditions and exclusions. These consist of:

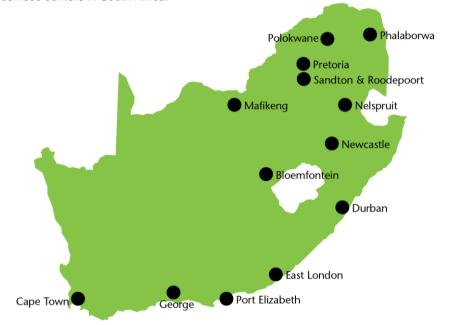
Terms, conditions and exclusions set out your duties, processes, restrictions and subjectivities applicable to the insurance contract, and how to claim for an insured event for any loss as stipulated in the policy.

The Coverages, Extensions, exclusions and the policy wording form part of the legal contract of Insurance.

Corporate Information

Aon South Africa

Aon is one of the larger corporate brokers in South Africa, employing over 750 employees, with representation in all major business centers in South Africa.



We serve the following market segments

- Large multi-national groups.
- Large national groups.
- Medium large organisations.
- Parastatals.
- Small organisations.
- Individuals.

Aon South Africa is fast emerging as the preferred choice in risk management solutions based on our proven ability to crystallise business risks and effectively manage these to support the progress of your business. Aon offers a full range of services ranging from risk management to insurance, specialty insurance and reinsurance brokerage, employee benefit consulting and actuarial services.

With access to the global resources and distribution network of our parent company, Aon plc, Aon South Africa has the unique capability to design risk management solutions that address the special risks faced by corporate, commercial and individual clients, particularly in South Africa and on the African continent.

The Aon Group

Aon plc (NYSE:AON) is a leading global professional services firm providing a broad range of risk, retirement and health solutions. Our 50,000 colleagues in 120 countries empower results for clients by using proprietary data and analytics to deliver insights that reduce volatility and improve performance. Visit Aon.com for more information.

Aon has been named repeatedly as the world's best broker, best insurance intermediary, best reinsurance intermediary, best captives manager, and best employee benefits consulting firm by multiple industry sources. Visit **aon.com** for more information on Aon and **aon.com/manchesterunited** to learn about Aon's global partnership with Manchester United.

Aon Advantage

Through its more than 50,000 colleagues worldwide, Aon readily delivers distinctive client value via innovative and effective risk management and workforce productivity solutions. Aon's industry-leading global resources and technical expertise are delivered locally through more than 500 offices in more than 120 countries.

- No. 1 global risk insurance broker.
- No. 1 global reinsurance broker.
- No. 1 global manager of captive insurance companies.
- No. 1 U.S. wholesale broker.
- No. 2 U.S. employee benefits consultant.
- No. 3 global employee benefits consultant.

Beauty in Numbers:

#1 Rated risk broker, reinsurance intermediary and human resource consulting and outsourcing provider **50,000** Number of Aon colleagues around the world

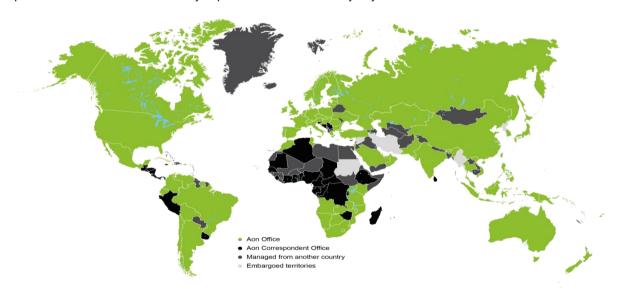
500 Number of global offices

120 Number of countries in which Aon operates

USD 11.6B Total revenue generated by Aon in 2016

Aon World

Our Global offices are all part of the Aon family, not an affiliation that changes from year to year, but Aon professionals who can successfully implement solutions virtually anywhere in the world.



Aon plc results can be accessed on the global website www.aon.com

Read and accepted by the FSP:	
Name of Brokerage:	Place:
Date:	
Signature of Partner/Director, Principal, Key Individual or repres	sentative



Disclosures by Aon South Africa (Pty) Limited

We are a licensed Financial Services Provider in terms of the Financial Advisory and Intermediary Services (FAIS) Act and are required to make the following disclosures in terms of that Act, which also governs aspects of the way we do business. One of the objectives is that you are able to make informed decisions. There are also responsibilities to you, our client. This document deals with both aspects.

Financial Service Provider's information (Aon South Africa)

Business name	Aon South Africa (Pty) Limited	
	The Place, 1 Sandton Drive, Sandhurst, Sandton, 2196	
	P O Box 1874, Parklands, 2121, but please use the branch office handling your business	
	Website: www.aon.co.za	
Trade name	Aon South Africa (Pty) Ltd	
Registration number	1978/004501/07	
Financial Services Provider no.	20555	
Categories of financial services	Category 1	
for which we are licensed to provide advice and intermediary services	Short-term Insurance: Commercial Lines. Advice and Intermediary Services.	
	Short-term Insurance: Personal Lines. Advice and Intermediary Services.	
	Long-term Insurance: Long Term Insurance Category A. Advice and Intermediary Services.	
	Long-term Insurance: Long Term Insurance Category B1 &2. Advice and Intermediary Services.	
	Long-term Insurance: Long Term Insurance Category C. Advice and Intermediary Services.	
	Pension Funds Benefits: Pension Funds Benefits (excluding retail). Advice and Intermediary Services.	
	Health Service Benefits: Health Service Benefits. Advice and Intermediary Services.	
	Securities & Instruments : Shares, Money Market Instruments : Advice and Intermediary Services	
	Participatory interests in Collective Investment Schemes: Advice and Intermediary Services	
	Category 4	
	Administration of Assistance Policies	



Financial Service Provider's information (Aon South Africa) Cont'd

Compliance and Complaints Officer

Customer satisfaction and retention of your business **is vital to us** and has been one of the aspects of our ongoing success. Feedback on our service is always welcomed (both negative and positive) and we'd appreciate it if you would please refer initial problems (if any) to the representative handling your account or to their superior. If you cannot achieve satisfaction please don't hesitate to contact our compliance / complaints officer:

Compliance e-mail comments@aon.co.za

Complaints e-mail comments@aon.co.za

Telephone number (011) 944-7000 Fax number (011) 944-8000

Restriction of our Liability

We confirm that we hold Professional Indemnity and Fidelity Guarantee insurance cover and IGF Guarantees.

To the fullest extent permitted by law, and except for damages resulting solely and directly from fraud or intentional misconduct by us, Aon's liability to you for any and all damages, costs, and expenses (including but not limited to attorneys' fees), whether based on contract, delict (including negligence), or otherwise, in connection with or related to the services (including a failure to provide a service) or any other services that we provide shall be limited to a total aggregate amount of an R 15 million (Aon Standard) or such higher amount which may have been agreed with you.

More information can be found on Aon's website, http://www.aon.co.za/terms-of-trade under our Terms and Conditions of Business, as amended from time to time, or a hard copy will be provided to you on request.

Financial Service Provider Representative's information

First name	Patrick	Surname	Radiopane
Telephone number	011 944 7956	Fax number	0866 392 808
E-mail	patrick.radiopane@aon.co.za		
Registered license categories	Short-term Insurance Commercial Lines Advice & Intermediary Services		
Contractual relationship with FSP			red representative. Should a der supervision, you will be informed

Financial Service Provider Representative's information (Cont'd)

Contractual relationship with

Product Supplier Aon South Africa (Pty) Limited is authorised to underwrite certain risks on behalf of Old Mutual Insure Limited (Insurer), Sintelum (Pty) Ltd (Underwriter) in terms of a signed "Agreement". The coverholder binder is managed on behalf Old Mutual Insure Limited by Sintelum (Pty) Ltd.



Aon South Africa (Pty) Limited also issues policy documentation on behalf of Old Mutual Insure Limited and is paid an administration fee by Old Mutual Insure Limited / Sintelum (Pty) Ltd. Such costs are exclusively at the expense of the Product Supplier and are not imparted to you. These costs remain separate from any commissions or fees which are earned by Aon South Africa (Pty) Limited due to broking services rendered to you.

Product Supplier's information (insurers)

Name, postal and physical addresses, and telephone numbers

The name/s of the product suppliers involved in your account are listed below. We have contractual relationships with these and various other product suppliers – in fact, with virtually the entire insurance market which enables us to obtain the best and most appropriate cover for you.

Legal and contractual relationship

Aon South Africa (Pty) Limited is a licensed FSP authorised by product suppliers to provide the financial services in respect of the financial sub-categories as stated above, collect premium and undertake certain other duties on their behalf.

In the preceding 12 months, we have not received more than 30% of our total remuneration from any one Product Supplier (insurer).

We hold no interest exceeding 5% in any product supplier's shares.

Product supplier's name and contact details

Underwriting Managers (Head Office)	Address	Telephone Number of Complaints & Compliance Department
Sintelum (Pty) Ltd Company Registration Number 2009/004225/07	Physical Address: The Campus, Augusta Building, 57 Sloane Street, Bryanston, Johannesburg, 2021 Postal Address: Private Bag X127, Bryanston, 2021	Their Compliance Officer can be contacted on; Tel: 0861 266 759
Insurance Company The Insurers (Head Office)	Address	Telephone Number of Complaints & Compliance Department
Old Mutual Insure Limited	Physical Address: 75 Helen Joseph Street, Johannesburg Postal Address: P.O. Box 1120, Johannesburg 2000	Complaints Department: PO Box 1120, Johannesburg, 2000 Complaints@ominsure.co.za www.ominsure.co.za Tel (011) 374 9111



Financial product name and conditions

Details of the products and all conditions relating thereto are contained in your policy documentation and some of these are set out in your summary of insurances. To assist you the summary also contains helpful hints on your cover and duties. It is however vital that you read the policy which is your contract with insurers and may contain specific terms for your insurance. Please advise us of any aspect which requires further explanation, or which is incorrect.

Detail on how to institute a claim

Immediately after it is known to the insured, any loss or damage which may result in a claim must be reported to Aon, followed by details in writing. Procedures for the submission of claims are detailed in the policy document. Please also refer to the "claims notification procedure" contained in your summary of insurances.

Remuneration and other considerations received by the service provider

The Rand amount of fees and/or commissions earned by us is disclosed in your policy and/or our Fee Report

Please note

- 1. You are required to pay the premium on or before the inception date or renewal date or on receipt of our debit in respect of endorsements, otherwise no cover applies.
- 2. Incorrect or non-disclosure by you of relevant facts may result in rejection of your claims. This includes any facts (or omissions) which increase the risk of loss or damage and includes facts indicating you may have financial problems, etc. This duty to disclose remains your responsibility and continues right up to inception or renewal date of your covers and thereafter.
- 3. Do not sign any written or printed form or document unless all details required to be inserted thereon have already been inserted and you have read and understood the content thereof. Complete all forms in ink. Keep a copy.
- 4. Keep all documents provided to you. We are required to supply you with a copy or written or printed record of any transaction, on request.
- 5. Ensure that you receive written confirmation of important changes in cover and advice provided to you.
- 6. Don't be pressurised to buy any product.
- 7. You may require advice on products purchased by you or risks to which you are exposed. If you do not believe you have received adequate advice or are unsure of the advice you have received, please ask questions of your representative who deals with you or their superior.
- 8. Your broker may not request or induce you to waive any right conferred upon you in terms of the FAIS Act.



FAIS Ombud contact details for problems in terms of the FAIS Act

Postal Address: Box 74571, Lynwood Ridge, Pretoria, 0040

Tel: (012) 470 9080 Website: <u>www.faisombud.co.za</u>

Fax: (012) 348 3447 e-mail: info@faisombud.co.za

The Ombudsman for short-term insurance

The Ombudsman is available to advise you in the event of claim problems which are not satisfactorily resolved by the insurance intermediary and/or the insurer:

Postal Address: Box 32334, Braamfontein, 2017

Tel: (011) 726 8900 or 0861 726 890 Website: <u>www.osti.co.za</u>

Fax: (011) 726 5501 e-mail: <u>info@osti.co.za</u>

DISCLOSURE NOTICE TO SHORT-TERM INSURANCE POLICY HOLDERS IMPORTANT - PLEASE READ CAREFULLY - DISCLOSURE AND OTHER LEGAL REQUIREMENTS

(This notice does not form part of the Insurance Contract or any other document)

As a short-term insurance policyholder, or prospective policyholder, you have the right to the following information:

Your insurance broker should provide this information to you within a reasonable time from the time you are provided with a quotation, take out a policy or amend your policy.

If your broker does not do so after you have requested it, please contact the Underwriting Manager as per the details shown below.

This information must make it clear which entity accepts responsibility for the actions of the broker or representative who has advised you.

The broker or representative must disclose whether his service to you is rendered under supervision of another person.

1. About your Financial Services Provider (The Broker)	
(a) Name, address, contact details of your broker	See financial services provider / broker Disclosure Notice
(b) Legal status of your broker	See financial services provider / broker Disclosure Notice
(c) Whether services are rendered under supervision	See financial services provider / broker Disclosure Notice
(d) Whether more than 10% of the insurer's share are held and	See financial services provider / broker Disclosure Notice
whether more than 30% of the total remuneration was received from the in	
(e) Whether professional indemnity insurance is held	See financial services provider / broker Disclosure Notice
(-)	F
(f) Details of broker's complaints procedure	See financial services provider / broker Disclosure Notice
	'
(g) details of broker's compliance procedure	See financial services provider / broker Disclosure Notice
	·
(h) Rand amount of fees, commissions, etc. payable	See financial services provider / broker Disclosure Notice
(i) Contractual arrangement with product supplier / insurer	Standard Independent Intermediary Agreement concluded with
including any restrictions or conditions	the product supplier / insurer and subject to:
	 Each entity accepting responsibility for their own actions and advice provided
	Compliance with all relevant legislation and codes of
	conduct

2. About the Financial Services Provider (The Underwriting Manager)

(a) Name, address	, contact details of	Underwriting Manager
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Sintelum (Pty) Ltd

FSB Number: 43830

Licensed for Short-Term : Category Commercial Lines

Physical Address: The Campus, Augusta Building, 57 Sloane

Street, Bryanston, Johannesburg, 2021

Postal Address: Private bag X127, Bryanston, 2021

Company Registration Number: 2009/004225/07

Telephone Number: +27 (11) 575-3234 E-mail: alan.taylor@sintelum.com

(b) Professional Indemnity Professional Indemnity Insurance is in place (c) Conflicts of Interest A written Conflict of Interest Policy in place. A copy of our Conflicts of Interest policy can requested directly from Sintelum directly (contact details as above) (d) Details of how to submit a claim To submit a claim, you can contact your broker to submit or alternatively submit your claim to the Financial Lines Claims email address, details are shown below; Sintelumclaims@sintelum.com (e) Details of complaints resolution procedure of the Financial Please note that in terms of the FAIS Act, all complaints must be addresses to us in writing. Should we not be able to address Service Provider / Underwriting Manager the concerns to your satisfaction, you may wish to lodge a complaint with any of the Ombudsmen whose detail appear below, but in particular with the FAIS Ombud or seek your own legal counsel. You are entitled to request a copy of our complaints policy and procedure. (f) Details of Compliance Officer Our Compliance Officer can be contacted on: Telephone Number: 0861 266 759 (g) Type of policy involved Your policy document contains the name, class and type of policy. (h) Premium Obligations You agreed to pay the premium. The amount due, the frequency of payment and due date are contained in your premium notification. Not paying premium on or before the due date, could result in cover being cancelled and claim rejected 3. About the Product Supplier (The Insurer) **Old Mutual Insure Limited** (a) Name, address, contact details of the product supplier / insurer Physical Address: 75 Helen Joseph Street, Johannesburg Postal Address: P.O. Box 1120, Johannesburg 2000 Telephone: +27 (11) 374-9111 (b) Details of complaints procedure of the Insurer (s) Complaints Department

(c) Disclosure of the contractual relationship with the product

(d) Whether more than 10 % of the insurer's share are held and

supplier (if any), and whether the provider has contractual

whether more than 30 % of total remuneration, including

relationships with other product suppliers

commission, was received from the insurer

PO Box 1120, Johannesburg, 2000 Complaints@ominsure.co.za www.ominsure.co.za Tel (011) 374 9111

remuneration from Old Mutual Insure.

Sintelum (Pty) Ltd is an Underwriting Manager, exclusively

Sintelum is remunerated through a binder arrangement of which Old Mutual Insure pays all their expenses plus a margin of 10%.

Sintelum (Pty) Ltd is a wholly owned subsidiary of Old Mutual Insure Limited and Sintelum will earn more than 30%

writing business on behalf of Old Mutual Insured Limited.

4. The FAIS Ombud Details for all FAIS advice related complaints

(a) Name, address, contact details of the FAIS Ombud

The Customer Contact Division

Physical address: Ground Floor, Block B, 473 Lynnwood Road, Corner Lynwood Road & Sussex Avenue, Lynwood, 0081

Postal Address: P.O. Box 74571, Lynnwood Ridge, 0040

Telephone Number: 0860 / FAISOM (0860 324 766)

E-mail: info@faisombud.co.za

5. The Short-Term Ombud Details for all Short-Term insurance complaints

(a) Name, address, contact details of the FAIS Ombud

The Short-Term Ombud

Physical address : Sunnyside Office Park, 5th Floor, Building D, 32 Princess Wales Terrace, Parktown, 2107

Postal Address: P.O. Box 32334, Braamfontein, 2107

Telephone Number: +27 (11) 726 - 8900 Facsimile Number: +27 (11) 726 - 5501

E-mail: info@osti.co.za



Insurers

Commercial Technology Errors and Omissions and Cyber Liability Insurance (as evidenced by contract B038518CIG053/18)

Lloyd's Syndicate 2987 (Brit) for 50% Lloyd's Syndicate 2015 (Channel) for 50%

Several Liability Clause

The liability of an insurer under this contract is several and not joint with any other insurers party to this contract. An insurer is liable only for the proportion of liability it has underwritten. An insurer is not jointly liable for the proportion of liability underwritten by any other insurer. Nor is an insurer otherwise responsible for any liability of any other insurer that may underwrite this contract.

The proportion of liability under this contract underwritten by an insurer (or, in the case of a Lloyd's syndicate, the total of the proportions underwritten by all the members of the syndicate taken together) is shown in this contract.

In the case of a Lloyd's syndicate, each member of the syndicate (rather than the syndicate itself) is an insurer. Each member has underwritten a proportion of the total shown for the syndicate (that total itself being the total of the proportions underwritten by all the members of the syndicate taken together). The liability of each member of the syndicate is several and not joint with other members. A member is liable only for that member's proportion. A member is not jointly liable for any other member's proportion. Nor is any member otherwise responsible for any liability of any other insurer that may underwrite this contract. The business address of each member is Lloyd's, One Lime Street, London EC3M 7HA. The identity of each member of a Lloyd's syndicate and their respective proportion may be obtained by writing to Market Services, Lloyd's at the above address.

Although reference is made at various points in this clause to "this contract" in the singular, where circumstances so require this should be read as a reference to contracts in the plural.

Risk Management Services

In line with Camargue's M³ philosophy of managing, mitigating and migrating critical business risks, in addition to the insurance coverage provided under this product you also have access to various risk management services. To find out more please contact your broker and click on the following link: https://camargue.insure/RM

Warranty

The Insured warrants that, prior to the inception or renewal date of the policy, no claims have been made or intimated, nor have any facts, events or circumstances occurred which may give rise to a claim under the policy for which application has been made or for which renewal is sought. The Insured acknowledges that this information is material to the assessment of the risk by the Insurer.

Privacy Statement

I/We consent to Camargue Underwriting Managers processing my/our personal information as per the **Privacy Statement** which may be accessed here https://www.camargueum.co.za/legal



IMPORTANT INFORMATION FOR ALL OUR CLIENTS

(This notice does not form part of the Insurance Contract or any other document)

Conflict of interest

We make every effort to ensure that at all times we act in your best interests and in no way allow our own interests, potential or actual, to influence our objective performance and the delivery of unbiased and fair financial services to you. In furtherance of this objective we want to ensure you fully understand the various interests we have, be they Ownership, Financial or Relationships with third parties. There are a number of entities with whom we can have a relationship of this nature and a summary of these is provided below.

A full copy of our overall conflict of interest management policy can be obtained from our website (www.camargueum.co.za) or from our offices upon request to

compliance@camargueum.co.za.

About ourselves, your Underwriting Manager

Company Name: Camargue Underwriting Managers (Pty) Ltd

(Reg No. 2000/028098/07)

Physical Address: Camargue House, 33 Glenhove Road, Melrose Estate, Johannesburg 2196

Postal Address: Postnet Suite 250, Private Bag X4, Bedfordview 2008

Telephone No: 011 778 9140 Fax No: 011 778 9199

Website & e-mail: www.camargueum.co.za / camargue@camargueum.co.za

Our Compliance Officer: Associated Compliance (Pty) Ltd

Tel: 011 678 2533

e-mail: info@associatedcompliance.co.za

Our licence to operate as

a Financial Services

Provider:

Licence No: 6344

Category 1.2 Short Term Insurance Personal Lines Category 1.6 Short Term Insurance Commercial Lines

Licenced for intermediary services.

Staff requirements: We undertake to ensure that all staff delivering a financial service on behalf of our

insurers which we represent are all authorised representatives, who meet all the required honesty, integrity and educational standards, and that we check these on at

least an annual basis.

We have the following insurance coverage in

place:

Professional Indemnity Insurer: Lloyd's of London Fidelity Guarantee Insurer: Lloyd's of London



Our mandate: We are appointed by Bryte Insurance Company Limited, Compass Insurance

Company Limited and Lloyd's Underwriters to manage a specific type of product on their behalf and have written mandates evidencing this. We make every effort to ensure that at all times we act in your best interests and in no way allow our own interests, potential or actual, to influence our objective performance and the delivery of unbiased and fair financial services to you. In furtherance of this objective we want to ensure you fully understand the various interests we have, be they Ownership, Financial or Relationships with third parties. There are a number of entities with whom we can have a relationship of this nature and a summary of these is provided below.

How we are paid for our

services:

We are paid a fee by insurers for managing your policy on their behalf.

In addition we have a vested interest in this transaction by virtue of a profit share

agreement between ourselves and insurers.

Immaterial financial

interest:

It is generally accepted practice within our industry that 'entertainment' and 'gifts and other incentives', collectively referred to as an immaterial financial interest in the Conflict of Interest Regulations, are often provided by the product provider to the financial services provider (broker) and vice versa, and potentially from and to other financial service providers. The Rand value of such interests is limited by legislation, per calendar year, to R1,000 in respect of any one individual be they the provider of or beneficiary of such immaterial financial interest. Such limitations are dealt with and managed by our management policy.

About your Product Suppliers / Insurers

Name: Certain Underwriters at Lloyd's

Address: Lloyd's South Africa (Pty) Ltd, The Forum, 15th Floor, Sandton,

Johannesburg. PO Box 787163 Sandton 2146.

Website: https://www.lloyds.com/lloyds-around-the-world/africa/south-africa/contact-us

Telephone No: 011 505 0000 Fax No: 011 505 0001

Contact Person: Adelle Budricks

Adelle.Budricks@lloyds.com

Name: Bryte Insurance Company Limited

Registration number: 1965/006764/06

FSP number: 17703

Address: 15 Marshall Street, Ferreirasdorp, Johannesburg, 2001

Website & E-mail http://brytesa.com

Telephone No: 011 370 9111



Compliance Officer: Legal and Compliance Department

Tel: 011 370 9111 Fax: 011 370 9910 e-mail: fais@brytesa.com

Name: Compass Insurance Company Limited

Registration number: 1994/0030010/06

FSP number: 12148

Address: Compass Insurance, KPMG Wanooka Place, St Andrews Road, Parktown,

Johannesburg

Website & E-mail www.compass.co.za / info@compass.co.za

Telephone No: 011 745 8333 Fax No: 011 745 8444

Compliance Officer: Adél Walker

Tel: 011 745 8333 Fax: 011 745 8444

e-mail: adel.walker@compass.co.za

General

Type of financial product: Short-Term Insurance Commercial Lines

How your insurer is paid: The premium shown on your quote, policy or renewal schedule will be paid to insurers

less the intermediary commission and our management fee.

Ownership: We own no shares in any Lloyd's Underwriters, Bryte Insurance Company Limited or

Compass Insurance Company Limited. Bryte Insurance Company Limited and Compass Insurance Company Limited do not own any shares in us. One of our Lloyd's Underwriters, namely Brit Insurance Holdings owns shares in us. We do not have a relationship with any other product provider that provides an ownership or

financial interest.

Other FSPs: We do not have a relationship with any other FSP that provides an ownership or

financial interest.

Distribution channels: We do not have a relationship with any distribution channel that provides an

ownership or financial interest or support service.

Other persons: We do not have a relationship with any other person that provides an ownership or

financial interest.

Premium obligation: This policy is subject to the payment of premium as indicated in the policy schedule.

The premium is payable on or before the inception date or renewal date shown in the

policy schedule.

Failure to pay the premium by this date may result in your policy being cancelled and

any claim rejected.



How to institute a claim:

Inform your intermediary as soon as you become aware of a situation or event that may give rise to a claim under the policy; they will advise us, and tell you what procedure to follow.

Complaint process:

If you have a complaint about our service, staff or products please make use of the following contact information with full details of the problem:

Camargue Complaints
Telephone no. 011 778 9140

E-mail: complaints@camargueum.co.za

If you wish to lodge a complaint direct with insurers please contact:

Lloyd's South Africa (Pty) LtdTel: 011 505 0000 Fax: 011 505 0001

and/or

Compass Insurance Company Limited Tel: 011 745 8333 Fax: 011 745 8444

Postal address: PO Box 37226, Birnam Park, 2015

E-mail: info@compass.co.za

If you wish to learn more about their complaints policy and procedure, please

contact Adél Walker:

Tel: 011 745 8333 Fax: 011 745 8444 E-mail: adel.walker@compass.co.za

and/or

Bryte Insurance Company Limited

Claims: 086 037 2057 or General: 086 020 2008 Postal address: PO Box 61489, Marshalltown, 2107

E-mail: <u>claims.complaints@brytesa.com</u> or <u>nonclaimscomplaints@brytesa.com</u> If you wish to learn more about their complaints policy and procedure please

visit: http://brytesa.com/legal/complaints-management

 If your problem is not resolved to your satisfaction you may refer your complaint to the Ombud for Financial Service Providers at:

PO Box 74571, Lynwood Ridge, 0040 Telephone 0860 324766, Fax 012 348 3447

Website: www.faisombud.co.za e-mail: info@faisombud.co.za

Service of suit:

In the event of any litigation arising out of this insurance, Lloyd's South Africa (Pty) Ltd, 15th Floor, The Forum, 2 Maude Street, Sandton, South Africa is required in terms of the Short Term Insurance Act No. 53 of 1998 to accept service of suit against Underwriters at Lloyd's.