

Intermediaries Professional Indemnity

Policy Pack

Policy Holder:

Ivon B Cawood Id: 690427 5060 08 2

Ivon Barrett Cawood Id: 990309 5026 08 0

Juan-Pierre Le Roux Id: 841211 5024 08 4

For & On Behalf Of: Insuria Financial Services Cc - 2008/177753/23

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:	Ivon B Cawood Id: 690427 5060 08 2 Ivon Barrett Cawood Id: 990309 5026 08 0 Juan-Pierre Le Roux Id: 841211 5024 08 4
For & On Behalf Of:	Insuria Financial Services Cc - 2008/177753/23
Address:	203 PRETORIA ROAD, RYNFIELD, BENONI, 1514
FSP License Number:	37085
VAT Registration Number:	4330 249 832
Period of Insurance:	From: 01 July 2023 To: 30 June 2024 Both dates inclusive and any subsequent period for which the insurer accepts a premium
Renewal Date:	01 July 2024
Shared Limit of Indemnity (Excluding VAT):	R5 000 000.00 in the annual aggregate but including Costs and Expenses
Retroactive Date:	Ivon B Cawood 01 Oct 2009 - R4 000 000.00 Juan-Pierre Le Roux 01 Aug 2021 - R4 000 000.00 Ivon Barrett Cawood 01 Aug 2021 - R4 000 000.00
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:

Support Staff Extension

Directors and Officers – Limit: R1 000 000.00 – **Underwritten by Old Mutual Insure / Sintelum (Pty) Ltd**

Data Protection Extension – Limit: R1 000 000.00 – **Underwritten by ITOO Special Risks (Pty) Ltd / The Hollard**

Insurance Company Limited

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
- Cover only extends to include the named representatives as indicated on the policy schedule. Aon should be informed immediately should there be a change in representatives – representatives are not automatically covered. Any amendments may affect the premium.

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 from one action made up by various individual claimants and/or investors and/or investments.

Annual Premium	Net Premium	R16 085.43
	VAT @ 15 %	R2 412.81
	Gross Annual Premium	R18 498.24
Broker Fee:	R1 849.80 (Inclusive of VAT)	
Aon South Africa (Pty) Ltd Commission: (included in annual premium)	R3 699.65 (Inclusive of VAT)	
Total Annual Cost:	R20 348.04 (Inclusive of 15 % VAT)	
Monthly Debit Amount:	R1 695.67 (Inclusive of VAT)	
Territorial Limits:	Worldwide excluding USA / Canada	

Elmien Marx

SIGNED FOR AND ON BEHALF OF THE INSURER

Date: Thursday, 15 June 2023

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:

1. 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 ISS Compliance (Pty) Ltd	Wedgefield Office Park No 17 Muswell Road South Bryanston
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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

Algita Mills	Client Service Advisor	Direct Line: +27 11 944 7058
Sanele Mahlaba	Client Manager	Direct Line: +27 11 944 7937
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	Senior Client Manager	Direct Line: +27 11 944 7956
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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.



Professional Risk

Financial Services Providers

Confirmation of Cover

Cyber

Data Protection Extension

Cyber - Data Protection Extension Cover

Policy Number:	DPE - J/AIB/09/0390
The Insured:	Insuria Financial Services
Underwriters:	ITOO Special Risks (Pty) Ltd
Insurers:	The Hollard Insurance Company Limited
Period of Insurance:	01 July 2023 to 30 June 2024 both dates inclusive
Renewal Date:	01 July 2024
Limit of Indemnity:	ZAR 1 000 000.00 (Each and every loss and in the annual aggregate)
First Amount Payable:	ZAR 10,000.00 each and every Claim
Retroactive Date:	01 June 2016 – ZAR 1 000 000.00 Limit
Monthly Premium:	ZAR 92.47 (Inclusive of VAT - ZAR 12.06 and 20% Commission - ZAR 16.08)

Subject otherwise to the terms conditions and exclusions of the Cyber Data Protection Extension Policy wording.

Signed Elmien Marx Dated 15 June 2023

Elmien Marx | Senior Client Manager
Aon South Africa (Pty) Ltd | Professional Risk



Intermediaries Directors Liability Policy Schedule

Policy No.: J/AIB/09/0390

The Insured: Ivon B Cawood Id: 690427 5060 08 2

For & On Behalf Of: Insuria Financial Services Cc - 2008/177753/23

Address: 203 PRETORIA ROAD, RYNFIELD, BENONI, 1514

Policy Period: From: 01 July 2023
To: 30 June 2024
(12:01 a.m. Local Time at address stated)

Limit of Liability: R1 000 000.00 aggregate
(Including Costs and Expenses)

Limit of Liability excludes VAT

Monthly Premium: R0.00

Retroactive Date: Ivon B Cawood
01 Jul 2015 - R1 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: R0.00 (inclusive of 15 % VAT)

Elmien Marx

Signed for and on behalf of The Insurer

Date: Thursday, 15 June 2023

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



FSCA – Registered Business Activities Schedule

15 June 2023

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
Long-term Deposits		X		X
Short-term Deposits		X		X





Professional Indemnity Insurance For Insurance Intermediaries



INCLUDING:

- A. PROFESSIONAL INDEMNITY INSURANCE**
- B. DIRECTORS AND OFFICERS LIABILITY INSURANCE**
- C. EMPLOYMENT PRACTICES LIABILITY INSURANCE**
- D. FIDELITY GUARANTEE INSURANCE**

This is to certify that Sections A-D above

Underwritten by: Sintelum (Pty) Ltd. (Reg. No. 2009/0044225/07)
Insured by: Old Mutual Insure Limited. (Reg. No. 1970/006619/06)

Broker/Intermediary: Aon South Africa (Pty) Ltd (Reg. No.1978/004501/07) FSP Number 20555

and in consideration of, and conditional upon, the payment of the Premium before the inception or renewal date as the case may be 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 of this Policy. Insurers shall not be obliged to accept premium tendered after such date but may do so upon such terms as the Insurers, in their sole discretion, may determine.

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.

CYBER INSURANCE

In the event that coverage was quoted and accepted kindly refer to the additional policy document detailing the product provided by iTOO Special Risks (Pty) Ltd underwriting manager on behalf of Hollard Insurance Company Limited.

A. GENERAL POLICY CONDITIONS

1. This Policy and the 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 of the Schedule shall bear such specific meaning wherever it may appear unless such meaning is inapplicable to the context in which the word or expression appears.
2. Specific Conditions where appearing in Sections of the Policy will override these General Conditions.
3. This Policy will be governed by the laws of the Republic of South Africa, whose courts shall have jurisdiction in any dispute arising hereunder.
4. The descriptions in the headings and sub-headings of this Policy are inserted solely for convenience and do not constitute any part of the terms or conditions hereof.
5. Where the consent of the Insurers or the Insured is required pursuant to this Policy, such consent shall not be unreasonably withheld, delayed or denied.
6. The due observance and fulfilment of any of the provisions of this Policy that require anything to be done or complied with by the Insured and the truth of the answers and statements in the information supplied by or on behalf of the Insured are precedent to any liability of the Insurers in respect of any claim made by the Insured under this Policy.
7. If any claim under this Policy is in any respect fraudulent all benefit in respect of such claim shall be forfeited.
8. No admission, promise or payment shall be made or given by or on behalf of the Insured without the written consent of the Insurers who shall be entitled, but not obliged, 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 for their own benefit 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 reasonably require.
9. Neither this Policy nor any benefit, interest or right in this Policy or to any proceeds of the Policy may be ceded without the prior written consent of the Insurers.
10. This Policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure by or on behalf of the Insured in any particular which is material to this insurance.

B. LIMITS OF INDEMNITY

1. Limits of Indemnity are inclusive of all damages, claimants' costs, **Costs and Expenses** and **Defence Costs** incurred by or on behalf of the Insured and all other indemnity. The Limits of Indemnity are in excess of the Deductible.
2. Indemnity payable by the Insurers for each claim shall not exceed the Limit of Indemnity stated in the Schedule of Limits of Indemnity for each Section or Extension.
3. Indemnity payable by the Insurers is aggregated for all claims during the Period of Insurance and shall not exceed the Annually Aggregated Limit stated in the Schedule for each Section or Extension.
4. Should the Limit of Indemnity for any Section or Extension be altered during the Period of Insurance, the original Limit of Indemnity shall apply to any claim prior to the date of such alteration.
5. Regardless of the number of premiums paid for the renewal or replacement of this insurance, where more than one period of insurance applies to any claim the Limits of Indemnity shall not aggregate from one period of insurance to the next.

C. CLAIMS SERIES CLAUSE

For the purpose of this Policy Insurers will consider any one loss and/or series of losses to arise out of the same Event if any of the persons, transactions, conditions or circumstances concerned therein are (or are believed to be) either common or directly or indirectly related.

D. INTERLOCKING CLAUSE

1. If the Insured shall sustain any one loss and/or series of losses arising out of one or the same Event, for which coverage is afforded under more than one of the Sections of this Insurance, it is agreed that the total aggregate liability of the Insurers under all such Sections combined for such loss and/or series of losses shall not exceed an amount equal to the highest Limit of Indemnity available to the Insured under any one of the Sections, but subject to the highest deductible applicable to the relevant Sections of this Insurance.
2. Should a loss arise which falls within the terms and conditions of paragraph C above, the individual proportion of such loss (including the Deductible) that shall be allocated to each Section involved shall be mutually agreed between the Insured and Insurers and shall be taken into account in calculating the erosion of aggregate liability of Insurers in respect of each Section.
3. In any claim and in any action, suit or proceeding to enforce a claim under this Insurance for loss or damage the burden of proving that such loss or damage does not fall within the provisions of this Clause shall be upon the Insured.

For purposes of C and D above, Event shall mean an event, act, error or omission or a series of same or a continuous or repeated exposure to a similar set of conditions, any one or all of which have a specific and common originating cause or source and whether concurrently or in any sequence unexpectedly or unintentionally result in loss as insured in terms of any Section, shall be deemed to be one Event.

Where it is not otherwise possible to determine the date of Event, an Event, irrespective of its duration, is deemed to have occurred when loss as insured in terms of any Section of this Policy first manifested even if the specific and common originating cause or source was unknown at that time.

E. GENERAL POLICY EXCLUSIONS

The following General Exclusions apply to this **Policy** and all Clauses, Extensions and Endorsements:

1. **We** will not indemnify **You** for any liability, loss, damage, cost or expense of whatsoever nature which is or is alleged to be directly or indirectly caused by, contributed to, arising from or in any way, directly or indirectly related to:

1.1 Radioactive Contamination Nuclear Risks

Damage to any property whatsoever or any loss or expense whatsoever resulting from or arising therefrom or any consequential loss or liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from: -

- a) ionising radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel;
- b) the radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

1.2 War, Government Action and Terrorism

1.1 any loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from 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;

- 1.1.1 war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

1.1.2 any act of terrorism.

1.2 any loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No 85 of 1976) or any similar Act operative in any of the territories to which this Insurance applies;

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence, by any means whatsoever, including chemical and/or biochemical means, and/or the threat of such force or violence, by any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

This exclusion also excludes any loss, damage, cost or expense 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 1.1.1. and/or 1.1.2 above.

If **We** allege that by reason of this exclusion any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon **You**.

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

1.3. Total Asbestos

This **Policy** does not provide indemnity for any liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from or in any way involving the hazardous nature of asbestos in whatever form or quantity; or any claims of any kind whatsoever directly or indirectly relating to, arising out of or in consequence of:-

- a) the actual, alleged or threatened presence of or exposure to asbestos in any form whatsoever, or
- b) any obligation request, demand, order or statutory or regulatory requirement that **You** or others test for, monitor, clean up, remove, contain, treat, neutralize, protect against, indemnify for any costs or damages relating to or in any other way respond to the actual, alleged or threatened presence of asbestos in any form whatsoever.

1.4. Sanction Limitation and Exclusion

We shall not provide any indemnity and **We** shall not be liable to pay any **Claim** or provide any benefit hereunder where the indemnity, claim payment or provision of such benefit is contrary to the prohibitions or restrictions under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America irrespective of enactment in the jurisdiction where the indemnity or benefit is provided, or the payment made.

1.5. Investments Exclusion

This Exclusion applies to all lump sum investments made by **You** in excess of R500 000. When an investment mandate is received by **You**, the normal procedure would be for **You** to instruct the investment mechanism to allocate the investment that is paid over by **Your** client into the chosen investment funds. For all lump sum investments in excess of R500,000, regardless of whether the investment vehicle is based in South Africa or on a Global platform, the **Key Individual** must sign off that: -

- a) The instruction to invest the amount was given, in terms of the agreement between **You** and the Investment LISP (Linked Investment Service Provider) or MANCO; and
- b) **You** received confirmation that the funds were indeed received and invested as intended, by the end investment platform. This confirmation must be received within a reasonable period of time from the date of instruction.

Any **Claims** or circumstances arising from loss of income by clients will not be covered if **You** do not adhere to this procedural requirement.

1.6. Trading Losses

We shall not provide cover for claims arising out of or in connection with any trading losses, trading debt or trading liabilities incurred by any practice or business managed by or carried on by the Insured in respect of Trading Debt.

For the purpose of this Exclusion, Trading Debt, trading loss or liability shall mean a debt incurred as a result of the undertaking of the Insured's business or trade.

Trading Debts, trading losses and trading liabilities, are not compensatory in nature and this policy deals only with claims for compensation.

This exclusion includes, but is not limited to:-

- a) a refund of any fee or disbursement charged by the Insured to a client;
- b) damages or compensation or payment calculated by reference to any fee or disbursement charged by the Insured to a client;
- c) payment of costs relating to a dispute about fees or disbursements charged by the Insured to a client; and/or
- d) any labour dispute or act of an administrative nature in the Insured's practice.

1.7. LMA5399 – Communicable Disease Exclusion

Notwithstanding any provision to the contrary within this insurance policy, this insurance policy excludes all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount incurred by or accruing to **You**, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

1.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

1.3 the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress or damage to human health, human welfare or property damage.

If Insurer(s) allege that by reason of this exclusion any loss is not covered by this Insurance Policy, the burden of proving the contrary rests upon the Insured.

1.8. LMA5453 – Cyber Clause

1. Subject to the other terms, conditions and exclusions contained in this Insurance Policy, any claim that would otherwise be covered under this Insurance Policy caused by or arising out of a CYBER ACT or CYBER INCIDENT will be payable.

2. Notwithstanding any provision to the contrary within this Insurance Policy or any endorsement thereto, this Insurance Policy excludes any CYBER LOSS regardless of any other cause or event contributing concurrently or in any other sequence thereto.

However, any claim that would otherwise be covered under this Insurance Policy for third party losses (and mitigation costs and defence costs to the extent otherwise covered under this Insurance Policy) resulting from legal liability or civil liability or negligence, errors or omissions or wrongful acts arising from the provision of or failure to provide professional services by the insured and involving access to, processing of, use of or operation of any COMPUTER SYSTEM or DATA will be payable subject to the other terms, conditions and exclusions contained in this Insurance Policy.

3. For the avoidance of doubt, any loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any DATA, including any amount pertaining to the value of such DATA shall not be recoverable hereunder, nor be considered as physical loss or damage for the purposes of this exclusion clause or any other part of this Insurance Policy.
4. Any amounts recoverable from any other form of insurance or reinsurance, whether specific, general or which may overlap including deductibles, aggregate deductibles or self-insured retention which protects the Insured in respect of any CYBER LOSS (hereinafter "Other Recoveries") shall inure to the benefit of the Insurers in all cases and this Insurance Policy shall not respond until all Other Recoveries are exhausted. The liability of Insurers' in respect of loss or losses covered hereunder shall not be increased by any reason of the inability of the Insured to collect any amounts from Other Recoveries.
5. Definitions
 - 5.1 CYBER LOSS means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any CYBER ACT or CYBER INCIDENT including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any CYBER ACT or CYBER INCIDENT.
 - 5.2 CYBER ACT means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any COMPUTER SYSTEM.
 - 5.3 CYBER INCIDENT means:
 - 5.3.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any COMPUTER SYSTEM; or
 - 5.3.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any COMPUTER SYSTEM.
 - 5.4. COMPUTER SYSTEM means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.
 - 5.5 DATA means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a COMPUTER SYSTEM.

SECTION A – PROFESSIONAL INDEMNITY

WELCOME

This is **Your** Professional Indemnity **Policy** which has been prepared in accordance with the information **You** have provided.

Your Policy, Schedule and endorsements together with the **Statement of Fact** should be read together as if they were one document.

Please take time to read all these documents to make sure that the cover meets **Your** needs and that **You** understand the terms, exclusions and conditions.

If there is anything **You** do not understand or **You** need to change please contact **Your** insurance adviser immediately.

This is a legal document and should be kept in a safe place.

YOUR INSURANCE POLICY

This **Policy** is underwritten by Sintelum (Pty) Ltd and insured by Old Mutual Insure Limited.

We will insure **You** as stated in this **Policy** during the **Period of Insurance** for which **Your** premium has been accepted provided all the terms and conditions of the **Policy** are kept.

The **Policy**, Schedule and endorsements together with the **Statement of Fact** should be read together as if they were one document.

You have provided information to **Us** which includes but is not limited to the information detailed in the **Statement of Fact**. **You** agree that all the information provided to **Us** is true and forms the basis of the contract between **You** and **Us**.

LAW APPLICABLE

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. All disputes or differences concerning the construction or interpretation of the provisions of this **Policy**, whether arising before or after termination of this **Policy**, may be submitted for an independent opinion by a Senior Attorney and/or Senior Counsel to be mutually agreed by **You** and **Us**. Failing such agreement, then by such person as nominated by the Chair of the applicable Bar Council. The costs incurred in so submitting the matter shall be shared equally by **You** and **Us**.

DEFINITIONS

Each time **We** use one of the words or phrases listed below it will have the same meaning wherever it appears in **Your Policy** unless **We** state otherwise. A defined word or phrase will start with a capital letter each time it appears in the **Policy** and is printed in bold type e.g. **Alternate**, except for headings and titles.

Throughout this **Policy** words in the singular include the plural and vice versa. The male gender includes the female and neutral. References to legislation include such legislation as amended and to any statutory re-enactment thereof.

Alternate

Any individual practitioner partnership limited liability partnership or company who is acting in connection with the arrangements to cover the incapacity or death of a sole practitioner.

Binding Authority

Any written agreement between **You** and an underwriting or insurance company which delegates authority to **You** to bind business and/ or settle claims on behalf of the said underwriting or insurance company.

Claim

The demand by a **Claimant** (including their costs) for compensation or damages or the assertion of a right or rights against **You**.

Claimant

Any person or entity making a **Claim**.

Computer System

Any computer data processing equipment media or part thereof, or system of data storage and retrieval, or communications system, network, protocol or part thereof, or storage device, microchip, integrated circuit, real time clock system or similar device or any computer software (included but not limited to application software, operating systems, runtime environments or compilers), firmware or microcode.

Costs and Expenses

1. Reasonable costs and expenses of **Claimants** for which **You** are legally liable in respect of any **Claim** which is the subject of indemnity under this **Policy**.
2. Costs and expenses, other than **Defence Costs**, incurred with **Our** written consent in respect of any **Claim** which may be the subject of indemnity under this **Policy**.
3. Fees incurred with **Our** written consent for:-
 - a) defence in any Court of Summary Jurisdiction or on indictment in any higher court in respect of any proceedings brought against **You** in respect of breach or alleged breach of any statutory duty resulting in **Injury**;
 - b) representation at an Inquest Court or Fatal Accident Inquiry in respect of any death in connection with any event which is or may be the subject of indemnity under this **Policy**. **Costs and Expenses** do not include the costs of work done by **Your** own **Employees** nor any applicable taxes.

Damage

Loss, destruction or damage.

Defence Costs

Legal costs and expenses incurred by **You** or on **Your** behalf with **Our** prior written and continuing consent in the investigation defence and settlement of a **Claim**. **Defence Costs** do not include the costs of work carried out by **You** or **Your Employees** nor any applicable taxes.

Document

All forms of document of whatsoever nature which are either the property of or deposited with **You** in connection with the **Professional Business Activity** including **Computer System** records but excluding bearer bonds, coupons, bank notes, currency notes and negotiable instruments.

Employee

Any person while working for **You** in connection with the **Professional Business Activity** who is:

1. under a contract of service or apprenticeship with **You**,
2. a person who is hired, lent or borrowed by **You**,
3. a person engaged in connection with a work experience, training or similar scheme,
4. a self-employed person working on a labour only basis under **Your** control or supervision.
5. past employees

Deductible

The amount **You** must pay as the first part of each and every **Claim**.

Injury

Bodily injury, death, illness, disease or nervous shock.

Investment Business

Any investing of money or capital.

Key Individual

Any natural person responsible for managing or overseeing, either alone or together with other responsible persons, **Your** activities relating to the rendering of any financial service. The **Key Individual** must comply with the Fit and Proper requirements in terms of section 8 of the Financial Advisory and Intermediary Services Act.

Limit of Indemnity

Limit of Indemnity stated in the Schedule. This Limit is net of VAT and includes all costs.

Member

Any member of a limited liability partnership who carries on the **Professional Business Activity** for **You** or on **Your** behalf.

Our, Us, We

The Underwriters as set out in the section of the **Policy** headed **Your** Insurance.

Period of Insurance

The period shown in the Schedule and any other period for which **We** have accepted **Your** premium.

Policy

The **Policy** and Schedule and any endorsements attached or issued with it.

Products

1. Work which has been completed.
2. Goods or other material property manufactured, sold, supplied, processed, altered, treated, repaired, serviced, tested, installed, constructed, erected or transported by **You** or on **Your** behalf in the course of the **Professional Business Activity** and which is no longer in **Your** custody or control.

Professional Business Activity

The professional services specified in the **Statement of Fact** by **You** in connection with the **Professional Business Activity** and conducted under **Your** name in respect of those services and products as authorized by **Your** FSP FAIS License.

Retroactive Date shall mean the date stated in the Schedule.

Services

Any service performed whilst holding the appointment of Company Secretary, Registrar or Director as referred to in the definition of **Professional Business Activity** includes services performed or advice given by **You** in connection with tax matters, secretarial work, share registration, financial advice to management, book-keeping, management accounting, financial investigation and reports, financial claims - their negotiation and settlement, company formations, investment advice, insurance.

Statement of Fact

The proposal form or a statement of facts either in writing or provided electronically and any additional information supplied to **Us** by **You** or on **Your** behalf.

You Your Yours

The person, people, or company named in the Schedule and when requested by **You** the following persons each of whom is severally insured and each of whom agrees that **You** will act on their behalf for all purposes connected with this **Policy** including giving and receiving all notices and agreeing any cancellation or amendment: -

1. A **Member** and any other person who may during the **Period of Insurance** become a partner or director or **Member**.
2. A former partner or director or **Member** including any former partner or director or **Member** whilst acting as a consultant to **You**.
3. Anyone who is or has been under a contract of service with **You**.
4. Anyone who is or has been under a contract of service with a **Member** but only in respect of any **Claim** arising out of the **Professional Business Activity** carried out on **Your** behalf.
5. The estates and/or legal representatives of any person noted under 1,2,3 or 4 above in the event of death, incapacity, insolvency or bankruptcy.
6. Any person who is acting on **Your** behalf as an **Alternate**.

Mis-selling

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 an investment, to avail themselves of the service or to purchase the financial product.

POLICY CONDITIONS

The following Policy Conditions apply to this **Policy** unless otherwise stated.

If any term, condition, exclusion or endorsement or part thereof is found to be invalid or unenforceable the remainder will be in full force and effect.

Alteration of Risk

We will not indemnify **You** under this **Policy** if:-

1. there has been any material alteration in the **Professional Business Activity** or in the occupancy or duties of **You** or **Your Employees** which increases the risk of **Damage** or **Injury** or,
2. **Your** interest ceases unless this is brought about by will or operation of law or,
3. the **Professional Business Activity** is wound up or carried on by a liquidator or receiver or permanently discontinued unless agreed by **Us** in writing.

Cancellation

1. If **You** decide **You** do not want to accept the **Policy** within 14 days of the **Policy** start date in the first year of insurance **You** may cancel this **Policy** by giving notice in writing to **Your** insurance adviser at the address shown in their correspondence or to **Us** at the address shown in the **Policy** quoting **Your Policy** details.

In this instance **We** will refund **Your** premium in full provided that there have been no **Claims** made or any **Injury**, **Damage** or consequential loss which could give rise to a **Claim** or circumstance which is likely to give rise to a loss or **Claim** under this **Policy**.

This right does not apply to any renewal of this **Policy**.

2. **You** may cancel this **Policy** at any other time by giving notice in writing to **Your** insurance adviser at the address shown in their correspondence or to **Us** at the address shown in the Schedule quoting **Your Policy** details.

If **You** cancel this **Policy** **You** may be entitled to the return of a proportionate amount of the premium corresponding to the unexpired **Period of Insurance**. Provided that during the current **Period of Insurance** there have been no **Claims** made or any **Injury**, **Damage** or consequential loss which could give rise to a **Claim** or circumstance which is likely to give rise to a loss or **Claim** under this **Policy**.

3. **We** may cancel this **Policy** by sending **You** 30 days written notice to **You** at **Your** last known address.

In such event **You** will be entitled to the return of a proportionate amount of the premium corresponding to the unexpired **Period of Insurance**. Provided that during the current **Period of Insurance** there have been no **Claims** made or any **Injury, Damage** or consequential loss which could give rise to a **Claim** or circumstance which is likely to give rise to a loss or **Claim** under this **Policy**.

4. If the premium has not been paid or if there has been a default under a linked credit agreement this insurance will cease immediately.

In such event **You** may be entitled to the return of a proportionate amount of the premium corresponding to the unexpired **Period of Insurance**. Provided that during the current **Period of Insurance** there have been no **Claims** made under this **Policy** or any **Injury, Damage** or consequential loss which could give rise to a **Claim** or circumstance which is likely to give rise to a loss or **Claim** under this **Policy**.

FAIS Compliance

1. It is a condition precedent to this **Policy** that individuals rendering insurance/finance services are compliant with Financial Advisory Intermediary Services Act No. 37 of 2002 requirements.
2. It is a condition precedent to this **Policy** that **You** shall notify **Us** of any investigation or related inspection by the Financial Sector Conduct Authority into **Your** affairs as soon as reasonably possible. In the event that **Your** FAIS licence is withdrawn or suspended (for whatever reason), this **Policy** will no longer be valid and is deemed to be cancelled with effect from date of deregistration, withdrawal or suspension of the licence.

Failure to notify **Us** of such will invalidate this **Policy**.

FAIS Licence and authorities

Cover is restricted to **Your** Insurance broking activities as disclosed on the proposal form and as authorised by the Financial Sector Conduct Authority (FSCA) as per **Your** FAIS licence.

Non-Disclosure, Misrepresentation or Misdescription

This **Policy** will be voidable if **You** or anyone acting for **You** fails to disclose, misrepresents or misdescribes any material fact.

Observance of Conditions

Your due observance and fulfilment of the terms and conditions of this **Policy** will be conditions precedent to **Our** liability to make any payment under this **Policy**.

Premium Payment

You undertake that the **Premium** will be paid in full to **Us** within forty five days of inception of this **Policy** (or, in respect of instalment premiums, when due).

If the premium has not been paid to **Us** by midnight on the premium due date or if there is a default under a linked credit agreement this insurance will cease immediately.

Reasonable Precautions You must:

1. exercise care in the selection and supervision of **Alternate, Employees** or **Member**,
2. use due diligence and ensure that all reasonable and practicable steps are taken to avoid or diminish any liability,
3. comply with all relevant legal requirements, safety regulations and manufacturers recommendations and conduct the **Professional Business Activity** in a lawful manner.

Other Insurance

If any **Claim** covered under this **Policy** is also covered by any other policy (or would be but for the existence of this **Policy**) **We** will only indemnify **You** in respect of any excess beyond the amount which would be payable under such other insurance had this **Policy** not been effected.

Fraud

If **You** or anyone acting on **Your** behalf makes any false or fraudulent **Claim** or supports a **Claim** by false or fraudulent document device or statement this **Policy** will be void and **You** will forfeit all rights and benefits under this **Policy**. In such circumstances **We** retain the right to keep the premiums and to recover any sums paid by way of benefit under this **Policy**.

Subrogation

In the event of any payment under this **Policy** or the notification by **You** of any **Claim** or any **Injury, Damage** or consequential loss which would give rise to a **Claim** or circumstance which is likely to give rise to a loss or **Claim**, **We** will be subrogated to all **Your** rights of recovery and **You** will execute all papers required and will do everything necessary to secure and preserve those rights including the execution of documents necessary to enable **Us** to effectively bring proceedings in **Your** name.

We agree not to exercise such rights against any company standing in the relationship to subsidiary or of subsidiary to parent to **You** or any company which is a subsidiary to **Your** own parent company current at the time the **Injury, Damage** or consequential loss was incurred.

We agree not to exercise such rights against any principal partner director **Member, Employee** consultant, subcontractor or **Alternate** of **Yours** unless the **Claim** or loss is brought about or contributed to by the dishonest fraudulent criminal or malicious act or omission of that principal partner director **Member, Employee** consultant, subcontractor or **Alternate** of **Yours**.

Any claimant under this **Policy** will at **Our** request and expense take and permit to be taken all necessary steps for enforcing the rights against any other party in **Your** name before or after any payment is made by **Us**.

CLAIMS CONDITIONS

The following **Claims Conditions** apply to this **Policy**.

1. **You** must give written notice to **Us** as soon as reasonably practicable of:-
 - a) any **Claim** made against **You** (or of any specific event or circumstance which may give rise to a **Claim** being made against **You**)
 - b) the discovery that any **Document** has been destroyed, damaged, lost or mislaid

and which forms the subject of indemnity under this **Policy** and shall give all such additional information as **We** require. Every claim, writ, summons or process and all documents relating to the **Claim**, event or circumstance shall be forwarded to **Us** immediately when they are received by **You**.

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

This **Policy** will allow **You** the opportunity to notify **Us** of **Claims** made against **You** or events or circumstances that may give rise to **Claims** being made against **You** for up to 30 days after expiry of this insurance provided that **You** first became aware of the **Claim** or circumstance prior to expiry.

2. It is condition precedent to **Your** right to indemnity under this **Policy** that **You** shall notify **Us** immediately upon becoming aware of any **Claims** or circumstances that may give rise to a **Claim** (not having been disclosed to **Us**) during the period/s between: -
 - a) the date of the proposal; and
 - b) the inception and/or renewal hereof; or
 - c) the date **We** are placed on risk.
3. You will not: -
 - a) admit liability for or settle any **Claim** without **Our** written consent,

- b) incur any **Defence Costs and Costs and Expenses** in connection with any **Claim** or circumstances which may give rise to a **Claim** without **Our** written consent.

In the event that **You** wish to contest a **Claim** which **We** consider should be settled the maximum amount of **Our** liability for that **Claim** will be the amount for which it could be settled plus **Defence Costs** and **Costs and Expenses** down to the date when **We** consider the **Claim** should have been settled subject always to the **Limit of Indemnity**.

- 4. You will: -
 - a) use due diligence and ensure that all reasonable and practicable steps are taken to avoid or diminish any liability which may give rise to or has given rise to a **Claim** or loss.
 - b) disclose to **Us** all relevant information and in addition will provide assistance to **Us** to enable **Us** or **Our** agents to investigate and/or defend any **Claim** or loss under this **Policy** and/or enable **Us** to determine **Our** liability under this **Policy**.
- 5. **We** may at any time pay to the **You** 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 **We** shall relinquish the conduct and control of and be under no further liability in connection with such **Claim** or **Claims** notwithstanding the fact that **You** have been only partially reimbursed for their loss due to the amount of any **Deductible** payable in terms hereof.
- 6. **We** will be entitled at **Our** expense at any time to take over and conduct in **Your** name the defence investigation or settlement of any **Claim** and to conduct an investigation into circumstances which may give rise to a **Claim** and to receive at all times **Your** full co-operation for this purpose.

Allocation

In the event that both indemnity for a **Claim** or loss payable by this **Policy** and liability for a **Claim** or loss not payable by this **Policy** arises either because: -

- a) a **Claim** or a loss against **You** includes both payable and non-payable matters; or
- b) a **Claim** against **You** is made and others are party to the proceedings or demand to which the **Claim** relates;

then both **You** and **Us** will use their best efforts to agree the allocation of such amount between payable loss and non-payable loss based on a fair and proper assessment of the relative legal and financial exposures.

Any allocation of **Defence Costs** and **Costs and Expenses** on account of a **Claim** which is negotiated or determined in accordance with this condition will be applied retrospectively to all **Defence Costs and Costs and Expenses** on account of such **Claim**.

WHAT IS COVERED Insuring Clauses

We will indemnify You: -

- 1. **Legal Liability** against all sums that **You** become legally liable to pay as compensatory damages including **Claimants** costs for any **Claim** first made against **You** during the **Period of Insurance** as a result of any negligent act, negligent error, negligent omission or negligent breach of contract committed by **You** or by any consultant, sub-contractor or agent for whose acts or omissions **You** are liable in connection with the performance of any **Professional Business Activity**.
- 2. **Defence Costs**
for all **Defence Costs**.
- 3. **Loss of Documents**
For:

- a) any **Claim** first made against **You** and notified in writing to **Us** during the **Period of Insurance** in respect of third party liabilities as a consequence of any **Document** having been destroyed, damaged, lost or mislaid sub-limited to the **Limit of Indemnity** subject to a maximum of R5million in respect of any one **Claim** or series of **Claims** against **You** arising out of one event and in the aggregate in any one **Period of Insurance** which shall be part of and not in addition to the **Limit of Indemnity**.
- b) for reasonable and necessary costs incurred with **Our** prior written consent in the repair, replacement or reconstitution of any **Document** which during the **Period of Insurance** is discovered and notified in writing to **Us** to have been unintentionally destroyed, damaged, lost or mislaid (and which after diligent search cannot be found) sub-limited to R50,000 in respect of any one **Claim** or series of **Claims** against **You** arising out of one event and in the aggregate in any one **Period of Insurance** which shall be part of and not in addition to the **Limit of Indemnity**.

Excluding:

- a) any loss destruction or **Damage** to computer records caused by the presence of magnetic flux or due to loss of magnetism or defects in the computer records,
- b) any loss destruction or **Damage** to computer records unless there is physical loss of or **Damage** to the media on which such records were stored,
- c) any loss destruction or **Damage** of any **Documents** caused by wear tear vermin **Damage** or gradual deterioration.

Limit of Liability

Our aggregate liability under this **Policy** will not exceed the **Limit of Indemnity** inclusive of **Costs and Expenses** and **Defence Costs**.

If the **Limit of Indemnity** is increased during the **Period of Insurance**, **Our** liability in respect of claims made against **You** or for circumstances notified or which should have been notified to **Us** before such increase; shall not exceed the **Limit of Indemnity** prior to such increase.

Where **We** are liable to indemnify more than one person company or body the total amount of indemnity payable under this insurance will not exceed the **Limit of Indemnity**.

All **Claims** arising out of the same originating cause or source or the same act, error or omission, or series of acts, errors or omissions that are in any way related will be regarded as one **Claim** for the purposes of the **Limit of Indemnity**.

WHAT IS NOT COVERED We will not provide indemnity or make payment for:-

1. The amount of the **Deductible** shown in the Schedule,
2. Any liability, loss, damage, cost or expense of whatsoever nature: -
 - 2.1. arising out of based upon or attributable to any actual or alleged antitrust violation, restraint of trade or unfair competition;
 - 2.2. arising directly or indirectly from **Injury** sustained by any **Employee** or any **Member** arising out of or in the course of his or her employment or for any breach of duty owed to any such person or any person who has made an application for employment with **You** or any **Member**;
 - 2.3. arising directly or indirectly from **Damage** to property, except in respect of loss under Insuring Clause 3;
 - 2.4. for the **Injury** of any person (not being an **Employee** or a **Member**), but this will not apply to any loss or to any **Claim** for psychological injury, emotional distress or anguish or shock which arises from a breach of duty in the performance of (or failure to perform) the **Professional Business Activity**;

- 2.5. arising from any breach by **You** of a fiduciary duty owed solely in the capacity of a member, director, secretary or officer of a body corporate;
- 2.6. relating to any **Claim** made against **You** by any Underwriter or Insurance Company arising out of **Your** activities as their Insurance Agent unless the Underwriter or Insurance Company has obtained a judgment in any court against **You**;
- 2.7. for taxes, fines or penalties or any **Claim** deemed uninsurable by law;
- 2.8. arising out of or in any way involving any actual or alleged dishonest, fraudulent, criminal or malicious act or omission by **You** or anyone on **Your** behalf, except in respect of loss under Insuring Clause 3;
- 2.9. arising out of or relating to **Your** insolvency or bankruptcy other than:-
 - a) In respect of monies held on behalf of third parties and/or
 - b) For which **You** would otherwise be indemnified by this insurance but for **Your** insolvency or bankruptcy.
- 2.10. arising directly or indirectly from the ownership, possession or use by **You** of land, buildings, mobile or immobile goods or property or vehicles;
- 2.11. arising out of any circumstance or event which has been notified under any insurance which was in force prior to the **Period of Insurance** or which was known or should have been known to **You** prior to the **Period of Insurance** which might reasonably have been expected to produce a **Claim**;
- 2.12. arising out of or in connection with any trading losses or trading liabilities incurred by any business managed by or carried on by **You**;
- 2.13. brought in any court of the United States of America or Canada or anywhere in the world under the laws of the United States of America or Canada or to enforce a judgement first obtained in the courts of or under the laws of the United States of America or Canada or arising from Professional Business Activity carried out from any office or other premises in The United States of America or Canada;
- 2.14. arising out of, based upon or attributable to any allegations that You intentionally or negligently permitted, or aided or abetted others in using, were aware of others using, or were a participant or connected in any way in the use of an illegal or improper agreement or other arrangement between an insurance broker and an insurance carrier involving the payment of increased fees, commissions or other compensation based on the volume or type of business referred to the insurance carrier;
- 2.15. Failure or Interruption of Service Provided Clause
this **Policy** excludes any loss, damage, liability, claim, costs, expense, fines, penalties, mitigation costs or any other amount directly or indirectly caused by, directly or indirectly resulting from or directly or indirectly arising out of any failure or interruption of service provided:
 - a) to **You** or any other party acting on behalf of **You** by an internet service provider, telecommunications provider or cloud provider but not including the hosting of hardware and software owned by **You**;
 - b) by any utility provider, but only where such failure or interruption of service impacts a Computer System owned or controlled by **You** or any other party acting on **Your** behalf.
- 2.16. arising out of, based upon or attributable to, whether directly or indirectly, the insolvency, administration or receivership 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 6 of the Companies Act No 71 of 2008) of any insurance company, building society, bank, investment manager, stockbroker, investment intermediary, or any other business, firm, company, investment vehicle or investment scheme with whom **You** have arranged directly or indirectly any insurance, investment or deposits

- 2.17. arising out of or relating directly or indirectly to or in consequence of seepage, pollution or contamination of any kind, save that this exclusion will not apply to any loss or any **Claim** which arises from a breach of duty in the performance (or failure to perform) any **Professional Business Activity**;
- 2.18. arising out of any **Professional Business Activity** as managers of an insurance company, or underwriting agents;
- 2.19. arising from or contributed to by, irrespective of any other cause: -

- a) the depreciation, diminution (or failure to appreciate) in value of any investments, including securities, commodities, currencies, options and futures transactions, or;
- b) the failure to appreciate in value of any investments, including securities, commodities, currencies, options and futures transactions;
- c) the failure of any guarantee, warranty, or contractual undertaking given by the entity in which an investment is made;

It is agreed however that Exclusions (a), (b) and (c) above shall not apply to any loss due solely to negligent omission on **Your** part or on the part of any of **Your** representatives or **Employees** to effect a specific transaction in accordance with the specific prior instructions of a client of **Yours**;

- d) any alleged or actual representation, guarantee or warranty provided by or on behalf of **You** as to the performance of any investments;
 - e) arising from the realising of or failure to realise arbitrage opportunities.
- 2.20. arising out of or in connection to any work performed as:-
 - a) Actuarial consultants;
 - b) Trustees;
 - c) Pension Fund Administrators where more than 90% of the total revenue is derived from these activities.

2.21. arising out of or in connection with employee benefit consultants who consult to the trustees of a pension/retirement fund, "pension fund" and/or "registered fund" as defined by the Pension Funds Act, 1956 (Act No. 24 of 1956) inter alia regarding the rules and legal obligations of the fund. This does not exclude a pension fund broker rendering advice to employers, employee groups or an individual member of a fund;

- 2.22. a) known to **You** at the inception of this **Policy**;
- b) advised to the Insurers of any other policy attaching in a period prior to the **Period of Insurance**;
- c) that happened or is alleged to have happened prior to the **Retroactive Date** of the policy;
- d) arising from any specific event or circumstance notified to insurers of any other policy.

2.23. resulting from any third party claim arising directly or indirectly out of failure by **You** to meet the authorities and restrictions imposed on **You** in terms of **Your** FAIS license;

2.24. 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;

2.25. arising 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.

- 2.26. arising directly or indirectly out of or in connection with investment/s in: -
- a) unlisted real estate/property/investment companies engaged in renting, operating and managing of commercial properties for retail or office use;
 - b) the selling of shares in property development schemes, unless these investments are conducted via a Linked Investment Service Provider or MANCO which is licensed by the FSCA and regulated by local SA legislation;
 - c) any listed property investment not approved by the FCSA, unless these investments are conducted via a Linked Investment Service Provider or MANCO which is licensed by the FCSA and regulated by local SA legislation;
 - d) any approved property investment if **You** cannot prove that **You** have done a proper due diligence before investing **Your** client's funds.
- 2.27. arising out of payments made by **You** to third parties where **You** did not adhere to the verification requirements as provided for under the Financial Intelligence Centre Act, 38 of 2001, as amended from time to time and regulations promulgated under that Act;
- 2.28. involving in any way **Mis-selling** or allegation thereof
- 2.29. arising out of defamation

EXTENSIONS

Provided always that **Our** total liability is not increased beyond that, which would have applied in their absence, the following Extension, if stated in the Schedule to apply, shall unless specifically varied herein: -

- a) be subject to the relevant Indemnity Limits and Deductibles stated in the Schedule to apply to the Extensions;
- b) be subject otherwise to the terms, Exclusions, Conditions and Limits of this **Policy**.

1. **2x AUTOMATIC REINSTATEMENT**

In the event of the reduction in whole or in part of the **Limit of Indemnity**, 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 **Our** total liability under one Insuring Clause or of the summation of indemnity under all Insuring Clauses shall be limited to three times the respective amounts shown in the Schedule during the Period of Insurance.

If **You** have in effect any Insurance or Insurances providing excess coverage for limits of indemnity beyond the amounts available under this Insurance, the reinstatement herein provided for shall become effective only AFTER the total exhaustion of the limits of indemnity of all such excess coverage by reason of payments thereunder.

2. **LIABILITY FOLLOWING EMPLOYEE DISHONESTY** (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

We will indemnify **You** against all sums which **You** shall become legally liable to pay as a result of any **Claim** made against **You** during the **Period of Insurance** brought about or contributed out of any dishonest, fraudulent or malicious act or omission of any **Employee** (not being a director, partner, member or principal) of **YOURS**, provided always that:-

- 2.1 **We** shall not be liable to indemnify **YOU** 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 Extension;
- 2.2 any claim under this Extension arising out of the collusion of two or more **Employees** shall be deemed to be one claim

2.3 no indemnity shall be granted in respect of claims which are insured or insurable under any Fidelity Guarantee Policy of Insurance;

2.4 No cover will be provided in respect of premiums due to **Us**;

2.5 No indemnity shall be provided in respect of any Mis-selling.

3. **LOSS OF CLIENT COVER**

If following a claim paid by **Us** under this **Policy**, **You** lose the business of the client involved in the claim, then **We** will indemnify **You** subject to the following: -

1. **You** prove to **Us** to **Our** satisfaction that the loss of that client's business is as a direct consequence of the claim paid by **Us** and for no other reason and **We** will indemnify **You** for the loss of commission or fees on that client's business as follows: -

- Short Term Insurance Client's: One year's commission income with a maximum amount of R20 000.
- Life Insurance Products: One year's recurring commission with a maximum limit of R20 000.
- Fees generated through investments (any type): One year's fees with a maximum of R20 000.

2. **We** will not pay more than the commission or fees that **You** received in relation to that client in the 12 month period prior to the date of notification of the claim to **Us**; and

3. **You** provide to **Us** at **Your** own expense such evidence as is necessary to unequivocally support the commission or fees that you have lost for period being claimed for.

The **Limit of Liability** applying to this Extension shall be R100 000 in the aggregate for the **Period of Insurance**.

4. **You** are only covered for the loss of business that claimed against your FSP and whose claim was paid under this **Policy**.

5. This Extension will not cover **You** for the loss of any other clients due to any reputational damage following the payment of a claim in terms of this Extension.

4. **DEFAMATION OR SLANDER** (only applicable If included on the Schedule)

Notwithstanding Exclusion 2.29 negligent act, error or omission" is extended to include defamation, including injurious falsehood.

5. **CLAIMS PREPARATION COSTS** (only applicable if included on the Schedule)

The indemnity granted by this Section extends to include costs and expenses reasonably incurred by **You** in producing and certifying any particulars or details required by **Us** in order to substantiate the amount of any **Claim**.

6. **INTERNAL COMPLIANCE OFFICER**

The cover provided by this Section extends to include **Your** Compliance Officer and for the purpose of this extension, the Compliance Officer is an Employee of **Your's**, provided that the legal liability in respect of which indemnity is provided arises out of the performance of the Compliance Officer's Professional Duties

"Compliance Officer's 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 **Your** compliance with the Financial Intelligence Centre Act 2001 (as amended) and any other legislation relative to compliance matters.

7. **36 MONTHS RUN-OFF COVER**

In the event of and with effect from **Your** retirement or **Us** ceasing to conduct the Business, or in the event of **Your** death, **Your** Executor on behalf of the deceased's Insureds Estate. this **Policy** will extend to indemnify **You** for any **Claim** made against **You** arising from negligent acts, errors or omissions by **You** prior to **Your** retirement or death or the cessation of the business for a period of 36 months from the expiry date of this **Policy** stated in the Schedule (Run-Off Cover)

7.1 You 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**;

7.2 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 **Us** prior to the commencement date of the Run-Off Cover;
- iii. Shall, notwithstanding the stated thirty six (36) months period, terminate immediately at the commencement date thereof should Professional Indemnity insurance be obtained by **You** with another insurer

7.3 Our 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;

7.4 No Run-Off Cover will be allowed should **You** elect not to renew this insurance and place such insurance with another insurer providing Professional Indemnity cover;

7.5 This Extension to cover shall not be provided UNLESS written notice of such election is given by **You** to **Us** prior to the date of expiry of this **Policy**. Any **Claim** made or Circumstances reported during the Run-Off Cover shall be deemed to have been made during the last **Period of Insurance**.

8. **MITIGATION COSTS**

We shall indemnify **You** for Mitigation Costs, provided **You** can establish:

- (a) that the act, error, omission or event which resulted in the incurring of Mitigation Costs would have resulted in a **Claim**; and
- (b) that legal liability to pay Damages would have resulted from such **Claim**; and
- (c) that such legal liability would have been covered by this **Policy**.

Specific Exclusions

- (a) **We** shall have no liability for Mitigation Costs incurred in relation to acts, errors, omissions or events where a Responsible Person:
 - (i) had knowledge (before inception of the **Period of Insurance**) of such acts, errors, omissions or events, and
 - (ii) had formed a reasonable opinion (before inception of the **Period of Insurance**) that such acts, errors, omissions or events might result in a **Claim** (of the type covered by this **Policy**) being made against **You**.
- (b) **We** shall have no liability for that part of any payment made by, or on behalf of **You** in respect of which **You** would not have had a legal liability covered under this **Policy**.

SECTION B - DIRECTORS AND OFFICERS LIABILITY (only applicable if stated on the certificate)

1. OPERATIVE CLAUSE

The Insured having applied to the Insurers for the insurance and in consideration of the payment of the premium by the Insured or on the Insured's behalf and having agreed that any Proposal or other information supplied by the Insured or on the Insured's behalf shall be the basis of this Policy of insurance (this Policy), the Insurers agree, where permitted by law, to indemnify the Insured subject to the terms, Exclusions, Conditions and where applicable, Extensions, of this Policy.

The indemnity, which includes defence costs, applies in accordance with the law and procedure applicable anywhere in the world, but not in respect of any judgement, award or settlement obtained either in whole or in part within North America or 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 whether by way of reciprocal agreements or conventions or otherwise, to, where permitted by law:

- 1.1 claims first made against the Insured jointly or severally during the Period of Insurance for which the Insured shall become legally liable to pay compensation;
- 1.2 reimbursement of such compensation paid to the Insured by the Company in respect of those claims first made against the Insured during the Period of Insurance for which the Insured is legally liable;
- 1.3 claimants' costs and expenses and costs, charges and expenses incurred by the Insured with the Insurers written consent in the defence of any claim which is the subject of indemnity under Clause 1.1 and 1.2 above;
- 1.4. the Insurers will pay the Loss of The Company arising from a Securities Claim first made during the Period of Insurance

following upon an Occurrence of a Wrongful Act.

- 1.5 advance costs, charges and expenses incurred by the Insured with the Insurers written consent for defence of allegations of a Wrongful Act, which are first made during the Period of Insurance.

2. POLICY INTERPRETATION

For purposes of determining the indemnity granted by this Policy, any word or phrase within the Policy requiring and being capable of legal interpretation shall be interpreted in accordance with the laws of the Republic of South Africa.

3. DEFINITIONS

- 3.1 **2008 Companies Act** means the Companies Act, Act No.71 of 2008 or any other similar legislation in any other jurisdiction
- 3.2 **The Company** shall mean any company comprising the company named in the Schedule and any Subsidiary of the named Company.
- 3.3 **Directors** shall mean any of the following who is, was or during the period of insurance become/s: -
 - 3.3.1 board members of the Company, including former Directors, alternate directors and the Company secretary
 - 3.3.2 a prescribed officer as defined in the 2008 Companies Act or any similar position in any other jurisdiction.
 - 3.3.3 a person who is a member of a committee of the board of the Company, including the audit committee.
 - 3.3.4 employees of the Company to the extent that such employees are acting in a managerial or supervisory capacity within the Company or are construed so to be within the meaning of any applicable law or regulation governing such matters.
 - 3.3.5 a non executive director who serves on the Company's board but who is not an Employee;

- 3.4 **Employment Related Wrongful Act** shall mean any actual or alleged breach of any employment related legislation.
- 3.5 **Environmental Impairment** shall mean the emission, discharge, release, dispersal, disposal, seepage or escape of solid, liquid, gaseous or thermal contaminants or irritants, including vapours, smells, odours, humidity, fumes; smoke, soot or other airborne particulates; acids, alkalis, chemicals and waste; electromagnetic waves; noise, vibrations; or 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; the breach of any legislation relating to the foregoing.
- 3.6 **The Insured** either in the singular or plural shall mean natural persons who are Directors of the Company acting in such capacity.
- 3.7 **North America** means the United States of America (being the 50 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 aforementioned territories.
- 3.8 **Occurrence of a Wrongful Act** shall mean an instance of a Wrongful Act or continuous or repeated and related Wrongful Acts done or wrongly attempted by the Insured which unexpectedly or unintentionally, result in liability as insured by this Policy.

When the Occurrence of Wrongful Act cannot be fixed or attributed to a particular date, for the purposes of this Policy, the Wrongful Act will be deemed to have occurred when the Insured first had any knowledge thereof.

- 3.9 **Prosecution Costs** means the legal and other professional fees, costs and expenses, incurred by an Insured with the prior written consent of the Insurers (which shall not be unreasonably withheld) to bring legal proceedings to obtain a discharge or revocation of: -
- 3.9.1 an order disqualifying an Insured from holding office as a company Director in terms of section 69 of the 2008 Companies Act or similar provision in any other jurisdiction.
- 3.9.2 an interim or interlocutory order: -
- 3.9.2.1 confiscating, controlling, suspending or freezing rights of ownership of real property or personal property or personal assets of such Insured; or
 - 3.9.2.2 a charge over real property or personal assets of the Insured; or
- 3.9.3 an order of court imposing a restriction of the Insured's liberty; or
- 3.9.4 the deportation of an Insured following revocation of otherwise proper, current and valid immigration status for any reason other than the Insured's conviction of a crime.
- 3.10 **Reckless Trading** means the carrying on of business in a reckless manner, with gross negligence, with the intent to defraud any person, for any fraudulent purpose or trading under insolvent circumstances as described in the 2008 Companies Act or any similar provision in any other jurisdiction.
- 3.11 **Securities Claim** means any claim which in whole or in part is: -
- 3.11.1 brought by one or more Securities holders of the Company, in their capacity as such, or
 - 3.11.2 based upon, arising out of or attributable to the purchase or sale of, or offer to purchase or sell, any equity or debt Securities issued by the Company, whether such purchase, sale or offer involves a transaction with the Company or occurs in the open market (including without limitation any such claim brought by a governmental regulatory body or any other claimant)

- 3.12 **Securities** mean any shares in the capital of a company and includes stock and debentures convertible into shares and any rights or interests in a company or in respect of any such shares, stock or debentures
- 3.13 **Subsidiary** means any company which the Company or a Subsidiary controls through
- 3.13.1 holding a majority of the voting rights; or
 - 3.13.2 the right to appoint or remove a majority of its board of directors; or
 - 3.13.3 controlling alone, or pursuant to a written agreement with other shareholders or members, a majority of the voting rights therein.
- 3.14 **Wrongful Act** shall mean any actual or alleged wrongful breach of duty, breach of trust, act, error, omission, misstatement, misleading statement by the Insured in their capacity as Directors, including an **Employment Related Wrongful Act**

For the purposes of insuring clause 1.4, a **Wrongful Act** is further extended to include allegations of:-

- 3.14.1 any criminal act, willful misconduct, willful breach of trust, Reckless Trading or breach of authority;
- 3.14.2 the Insured having gained personal profit, reward or advantage or received remuneration to which they were not legally entitled;
- 3.14.3 the Insured having improperly benefited from securities transactions by making use of information that was not available to other sellers or purchasers of such securities; whilst acting in their capacity as Directors

4. **LIMIT OF INDEMNITY**

The Insurers total liability to pay the indemnity granted under this Policy shall not exceed the Limit of Indemnity stated in the Schedule in the aggregate during the Period of Insurance.

Should any Limit of Indemnity be altered during the Period of Insurance, the previous Limit of Indemnity shall apply to all claims made against the Insured or circumstances notified to the Insurers prior to the date of such alteration.

Unless otherwise stated in the Schedule, the Retroactive Date for a new Limit of Indemnity after alteration of the Limit of Indemnity shall be the effective date of such alteration.

Renewal of this Policy from year to year will not have the effect of increasing the Limit of Indemnity applicable to each year or of accumulating the Limit of Indemnity from year to year.

5. **EXCLUSIONS**

Headings under this section should not be read in isolation. This Policy does not provide indemnity or advancement of defence costs, against any claim or allegation: -

5.1 **Illegal / Contrary to Public Policy** which, other than costs as provided for under Operative Clause 1.4, is based upon or which arises directly or indirectly: -

- 5.1.1 from any criminal act, willful misconduct, willful breach of trust, Reckless Trading or breach of authority;
- 5.1.2 or is attributable to any of the Insured gaining any personal profit, reward or advantage or receiving any remuneration to which they were not legally entitled;
- 5.1.3 or results from or is in consequence of or in any way involves any allegation that the Directors improperly benefited from securities transactions by making use of information that was not available to other sellers or purchasers of such securities;
- 5.1.4 or is in consequence of or in any way involves any actual or alleged dealings of any nature whatsoever by which it is sought to affect the price of or marketing of any shares and/or debentures of the Company

or of any foodstuff or raw material or commodity or currency or of any negotiable instrument other than dealings carried out in accordance with all laws, rules and regulations applicable to such dealings;

5.1.5 is based upon payments, commissions, gratuities, benefits or any other favour to or for the benefit of any: political group or party, government or armed services official or director, officer, employee, or any person having a proprietary interest in any customer of the Company;

5.1.6 is deemed to be uninsurable under any law applicable to this Policy.

All costs, charges and expenses advanced in terms of the above shall be repaid to the Insurers immediately should the defence, or reasonable appeals as agreed with Insurers, be unsuccessful.

5.2 Trustees

arising directly or indirectly, resulting from, or in any way involving the Insured in a capacity as trustee, fiduciary under law or administrator of any employee benefit fund (which shall include any pension, provident, medical aid, retirement, group life or welfare plan) or any profit sharing, share option, share incentive scheme or trust.

5.3 **Fines and Penalties** for the payment of any fine or penalty or any amount which is deemed uninsurable or contrary to public policy.

5.4 Insurance

made by any third party based upon or alleging or originating from breach of any professional duty owed to such third party, this exclusion shall not apply to allegations of failure to supervise.

5.5 **Insured versus Insured** made, and instigated by any Director against any other Director in the **North America**. However this exclusion shall not apply to:-

5.5.1 any claim brought or maintained by a Director for contribution or indemnity, if the claim directly results from another claim otherwise covered under this Policy;

5.5.2 any shareholder action brought or maintained on behalf of the Company without the solicitation, assistance or participation of any Director or the Company;

5.5.3 any claim brought or maintained by a curator, liquidator, receiver or administrative receiver either directly or derivatively on behalf of the Company without the solicitation, assistance or participation of any Director or the Company;

5.5.4 any claim brought or maintained by any former Director of the Company;

5.5.5 any Employment Related Wrongful Act;

5.5.6 costs and expenses only, in respect of any action instituted by any other Director.

5.6 **Bodily Injury** arising directly out of any actual or alleged bodily injury, sickness, disease, mental anguish, emotional distress or any actual or alleged invasion of privacy or death of any person or any actual or alleged damage to or destruction of any tangible property. Provided that the above shall not apply to emotional distress and/or injury to feelings resulting from an Employment Related Wrongful Act.

5.7 Listings and Flotations

5.7.1 relating to a listing of the Company's securities/stock on a North American securities exchange and/or participation in an American Depository Receipts (ADR's) programme.

5.7.2 Based upon or attributable to the actual or intended initial private placement or initial public offering of any Securities of the Company.

5.8 **Investment Performance** arising solely out of any acquisition or new investment failing to perform as represented or as expected to perform in the absence of a Wrongful Act.

5.9 Environmental Impairment

directly or indirectly arising from or in any way involving or being connected to, Environmental Impairment provided that this exclusion shall not apply to

- 5.9.1 any claim brought by or at the direction of any liquidator, provisional liquidator, administrator or receiver of the Company;
- 5.9.2 any claim made against any former director or officer by the Company after there has been a change in the majority of the board of directors;
- 5.9.3 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;
- 5.9.4 any claim brought as a shareholder derivative action of the Company without the involvement, procurement or instigation of any director or officer;
- 5.9.5 costs and expenses.

5.10 **Prior or Pending Claims** involving claims made, or incidences reported, against the Insured and notified to the insurers of any other policy attaching in a period prior to the Period of Insurance; or for Occurrences of Wrongful Acts known to the Insured at the inception of this Policy which could reasonably have been foreseen to give rise to a claim against the Insured for Occurrences of Wrongful Acts advised to the insurers of any other policy attaching in a period prior to the Period of Insurance; nor for Occurrences of Wrongful Acts prior to the applicable Retroactive Date (if any) stated in the Schedule

6. CONDITIONS

- 6.1 This Policy and the 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 the Policy or of the Schedule shall bear such specific meaning wherever it may appear.
- 6.2 Premium is payable before the inception date or renewal date as the case may be. The Insurers shall not be obliged to accept premium tendered after such date but may do so upon such terms as the Insurers, in their sole discretion, may determine.
- 6.3 The Insured shall notify the Insurers in writing as soon as possible, but in any event no later than 30 days: -
- 6.3.1 after receiving a written demand, service of suit or institution of legal proceedings, arbitration or other alternate dispute resolution alleging Occurrence of Wrongful Act or becomes aware of the intention of any person to take any such action against the Insured.
 - 6.3.2 after receiving notice of any criminal prosecution of any of the Insured in their capacities as Directors of the Company.
 - 6.3.3 after receiving notice requiring attendance at any official investigation, examination, inquiry or other proceedings ordered or commissioned by any regulatory authority empowered to investigate the affairs of the Company
 - 6.3.4 after becoming aware of any fact, circumstance or event which in the reasoned opinion of the Insured could give rise to such demand or action as contemplated by 6.3.1 to 6.3.3 at any future time.
- 6.4 The Insured shall forward every letter, claim, writ, summons or process immediately it is received to the Insurers or their duly appointed representatives and provide such information, assistance and signed statements as the Insurers may require and assist in the defence of any claim without charge to the Insurers.
- 6.5 In the event of the Insured giving notice in accordance with Condition 6.3 of this Policy during the Period of Insurance then for the purpose of the Operative Clause of this Policy any claim arising out of any such reported circumstance matter or thing shall be deemed to have been made during the Period of Insurance
- 6.6 The Insurers shall be entitled if they so desire 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 for their own benefit any claim for indemnity or damages or otherwise. The Insurers shall have full discretion in the conduct of any proceedings and in the settlement of any claim.
- 6.7 The Insurers may at any time pay to the Insured in connection with any claim or series of claims under this Policy to which a limit of indemnity is applicable, the amount of such Limit (after deduction of any sum or sums already paid) or any lesser amount for which such claim or claims can be settled. Upon such payment being

made the Insurers shall relinquish the control and conduct of such claim or claims and be under no further liability in connection therewith.

- 6.8 The Insurers shall not settle any claim without the consent of the Insured. If, however, the Insured shall refuse to consent to any settlement and shall elect to contest or continue any legal proceedings in connection with such claim, then the Insurers liability for the claim shall not exceed the amount for which the claim could have been settled, plus the costs and expenses incurred with their consent up to the date of such refusal.
- 6.9 The Insured shall take all reasonable precautions to prevent claims and shall give notice as soon as possible of any fact or event which materially affects the risks covered by this Policy.
- 6.10 The Insured shall not admit liability for, nor settle any claim, nor incur any costs or expenses in connection therewith without the written consent of the Insurers.
- 6.11 If any claim under this Policy is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf to obtain any benefit under this Policy, all benefits, to the Insured's so acting in collusion, under this Policy shall be forfeited.
- 6.12 Any misrepresentation or non-disclosure due to the dishonesty of any signatory to the Proposal Form provided by the Insured, committed whilst acting in the capacity of a Director prior to the signing of such Proposal Form, shall not be imputed to any other Insured.
- 6.13 Where the Insured's breach of or non-compliance with any condition of this Policy, other than late notification, has resulted in prejudice to the handling or settlement of any claim under this Policy such claim (including defence costs) shall be reduced to such sum as in Insurers reasonable opinion would have been payable by them in the absence of such prejudice.
- 6.14 It is a condition precedent to the Insured's right to indemnity under this Policy that the Insured shall notify the Insurers immediately upon becoming aware of any claims or circumstances that may give rise to a claim (not having been disclosed to Insurers) during the period/s between: -
 - a) the date of the Proposal; and
 - b) the inception and/or renewal hereof; or
 - c) the date the Insurers are placed on risk
- 6.15 This Policy will not be drawn into contribution with any other insurance indemnity effected by the Insured except in respect of any excess beyond the amount payable under such other insurance.
- 6.16 In the event of the Insurers being entitled to void the Policy ab initio, the Insurers may at their election instead give notice in writing to the Insured and the Company that they regard the Policy as of full force and effect, save that there shall be excluded from the indemnity afforded hereunder any loss which has arisen or which may arise and which is related to the circumstances which entitle the Insurers to void the Policy.
- 6.17 In the event of the takeover or merger of the Company or the sale of its assets by or with any other organisation, the indemnity provided hereunder is amended to apply only to claims following Wrongful Acts committed by the Insured prior to the date of such takeover or merger or sale of these assets, and the Insurers reserve the right thereafter to discontinue cover or renegotiate terms should the need arise.
- 6.18 In respect of the sale, termination, dissolution, disposal or similar transaction involving any Subsidiary, the indemnity provided hereunder is amended to apply only to claims following Wrongful Acts committed by the Insured prior to the effective date of such transactions.

6.19 Whenever this Policy provides for 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: Wanooka Place, St Andrews Road, Parktown, Johannesburg, 2193

email: alan.taylor@sintelum.com

6.20 Anti Cession Clause

Neither this Policy nor any benefit, interest or right in this Policy or to any proceeds of the Policy may be ceded without the prior written consent of the Insurers.

7. AUTOMATIC EXTENSIONS

7.1 The Estates, Heirs, Legal Representatives or Assignees

Indemnity for the Insured will also apply to the following, but only in respect of any Wrongful Act committed or alleged to have been committed by the Insured while serving in their capacity as directors, officers or employees of the Company:-

7.1.1 the estates, heirs, legal representatives or assignees (and any other legal entity not excluded by local statute from fulfilling similar functions) of such Directors in the event of their death, incapacity, bankruptcy or insolvency.

7.1.2 the lawful spouses of such Directors but only for claims brought against such spouses solely by reason of their status as lawful spouses of such Directors, and such spouse's ownership or interest in property which the claimant seeks as recovery for an alleged Wrongful Act of the Insured.

All sums which such spouse becomes legally liable to pay on account of such claim shall be treated as a loss which the Insured would have become liable to pay had the claim been made against the Insured.

7.2 Defamation

In consideration of the premium charged it is confirmed and agreed that the definition of Wrongful Act is amended to include libel, slander and defamation of character attempted by any Directors in their respective capacities as a Director of the Company.

7.3 New Subsidiaries

In the case of any new Subsidiary created or acquired during the Period of Insurance cover is extended as follows: -

7.3.1 if the newly created or acquired Subsidiary's gross consolidated assets declared in the latest audited report and accounts exceed 25% of the Total Consolidated Asset Value of the Company named in the Schedule, or has previous claims history, or is domiciled in North America the Company shall give such information as the Insurers may require and shall pay any reasonable premium required by Insurers within forty five (45) days of such creation or acquisition. Coverage only applies for Wrongful Acts committed or alleged to have been committed after such creation or acquisition;

7.3.2 if the newly created or acquired Subsidiary's gross consolidated assets declared in the latest audited report and accounts do not exceed 25% of the Total Consolidated Asset Value of the Company, and does not have previous claims history, and is not domiciled in North America, the cover applies automatically without payment of an additional premium. Coverage only applies for Wrongful Acts committed or alleged to have been committed after such creation or acquisition

7.4 Investigation and Inquiry costs

Indemnity is automatically extended to include costs, charges and expenses incurred by the Insured during the Period of Insurance with the Insurers written consent for legal representation arising out of attendance at any official investigation, examination, inquiry or other proceedings ordered or commissioned by any regulatory authority empowered to investigate the affairs of the Company.

7.5 **Bail Bond Costs**

The Policy is extended to include Bail Bond Costs.

Bail Bond Costs means the reasonable premium (excluding any required collateral) for a bond or other financial instrument to guarantee an Insured's contingent obligation for bail required by a court following upon the Occurrence of a Wrongful Act.

7.6 **Bodily Injury and Property Damage Defence Costs**

The Insurers will pay the defence costs of each Insured Person for any claim in respect of bodily injury and/or property damage.

It is however agreed that in the event of the Insured being found guilty, of any issue included above, all such costs are to be refunded to the Insurers immediately.

7.7 **Crisis Communication Costs**

The Policy is extended to include Crisis Communication Costs.

Crisis Communication Costs mean any reasonable professional fees, costs or expenses of any accredited strategic communication consultant, retained by an Insured with the Insurers prior written consent (which shall not be unreasonably withheld or delayed), following upon the Occurrence of a Wrongful Act.

7.8 **Deprivation of Assets Expenses**

This Policy extends to include Deprivation of Assets Expenses arising from a claim or investigation first made during the Period of Insurance.

Deprivation of Assets Expenses shall mean the payment of the following services directly to the provider of such services in the event of an interim or interlocutory order confiscating, controlling suspending or freezing rights of ownership of real property or personal assets of an Insured during the Period of Insurance: -

- schooling
- housing
- utilities
- personal insurances

such expenses will only be payable provided that a personal allowance has been directed by the court to meet such payments and such personal allowance has been exhausted. Such expenses will be payable after 30 days following the event described above for a period of up to 12 months.

7.9 **Emergency Defence Costs and Legal Representation Expenses**

If it is not possible for the Insured to obtain the Insurers consent prior to incurring of defence costs and legal representation expenses the Insurers will give retrospective consent provided the costs would ordinarily have been paid for a Wrongful Act under the Policy. The Sub-Limit for all payments under this extension is 10% of the Limit of Indemnity.

7.10 **Extradition Proceedings**

The Policy is extended to include defence costs; Bail Bond Costs and Crisis Communication Costs in relation to Extradition Proceedings.

"Extradition Proceedings" shall mean: -

- a request for extradition of an Insured
- any associated appeals, and the pursuit of judicial review proceedings against the decision to extradite

7.11 **Prosecution Costs**

The Policy is extended to include Prosecution Costs following an Occurrence of a Wrongful Act first made during the Period of Insurance.

7.12 **Public and Investor Relations Expenses**

The Policy is extended to cover the reasonable fees and related expenses of an accredited public and investor relations firm, which the Insured may, in the reasonable exercise of its discretion, engage with the written consent of the Insurers, such consent not to be unreasonably withheld, in order to prevent or limit adverse effects or negative publicity which it is anticipated may arise following upon the Occurrence of a Wrongful Act.

7.13 **Retired Directors**

If the Insured cannot renew or replace this Policy with any other policy affording directors liability or similar liability cover, a Bilateral Discovery period of 72 months after the date of such non-renewal will be provided under this Policy during which time written notice may be given to the Insurers of any claim first made against any Director of the Company who retired before the date of non-renewal and which claim is otherwise covered by this Policy. This extension is not available in the event of a takeover, merger, or change of control.

7.14 **Outside Directorships**

The Insurers agree that the indemnity afforded by this Policy is extended to any Insured in respect of any Wrongful Act committed by such Insured whilst serving in the capacity of Director of any other company, which for the avoidance of doubt shall include trusts and other similar special purpose vehicles created or managed by the Company in the conduct of its business, subject to the following:

7.14.1 such position is held at the specific request of the Company;

7.14.2 such indemnity shall not be construed to extend to any Wrongful Act committed or alleged to have been committed by any of the other Directors of such aforementioned entities in which the position is held;

7.14.3 such indemnity shall be reduced by the amount payable or paid under any other indemnity or insurance available to such Director by reason of serving in such position;

7.14.4 such indemnity shall only apply to positions advised to and agreed to in writing by the Insurers;

7.14.5 If the outside entity's Directors insurance is provided by the Insurers, then the total aggregate Limit of Indemnity for all claims covered by virtue of this extension shall be reduced by the amount paid.

7.15 **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 be sub-limited to R250,000.

7.16 **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, an additional limit of indemnity equal to 10% of the limit of indemnity noted on the schedule shall apply in respect of the covered costs and expenses payable.

7.17 **Discovery period**

In the event this insurance is not renewed the Company shall have the right to the discovery period of 12 months subject 100%50 of the annual premium 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

7.17.1 the Company 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;

7.17.2 this right to an extended discovery period is not exercisable on or after the takeover or merger of the Company 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;

7.17.3 the limit of indemnity stated in the schedule shall not in any way be increased by virtue of the discovery period;

7.17.4 the premium specified in the schedule has been paid the discovery period shall not be cancellable.

7.18 Avoidance waiver

The Insurers waive 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.

7.19 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 Company 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.

7.20 Manslaughter

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

SECTION C – EMPLOYMENT PRACTICES LIABILITY (only applicable if stated on the certificate)

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of and conditional upon the prior payment of the premium by or on behalf of the Insured, the Insurers agree to indemnify the Insured up to the limit of indemnity stated in the schedule in respect of claims first made during the period of insurance for unfair labour practices occurring on or after the retroactive date stated in the Schedule.

1. DEFINITIONS 1. Claim means:

1. any legal, administrative or regulatory proceeding, including the issue of a writ or summons or cross-claim or counter-claim issued or initiated against or served upon the Insured for any unfair labour practice; or
2. any written allegation of an unfair labour practice communicated to the Insured and evidencing an intention to hold the Insured responsible for an unfair labour practice.

More than one claim arising out of the same unfair labour practice shall be deemed to constitute a single claim first made at the time that the earliest such claim was first reported.

2. Costs and Expenses means:

Costs and expenses that are reasonably and necessarily incurred with the prior written consent of the Insurers in the investigation, negotiation, defense or appeal of any claim.

Costs and expenses shall not include:-

- a) the regular or overtime wages, salaries, commissions, expenses or other benefits paid to any employee of the Insured involved in the preparation of any claim;
- b) the cost of conducting disciplinary hearings;
- c) the cost of conducting pre-dismissal arbitrations unless the Insurers give their prior written consent to such arbitration taking place.

3. Employee means:

any person, including directors and officers, whose labour or service is engaged by and directed by the Insured.

This includes but is not limited to a part-time, seasonal, volunteer, temporary and leased employee as well as any individual employed in a supervisory, managerial or confidential position.

Independent contractors who claim to be an employee of the Insured will be an employee but only with respect to the conduct of the Insured's business. An independent contractor who is an employee shall not be covered for overtime pay, holiday pay or any employee benefits.

4. Independent Contractor means:

any natural person who is not an employee of the Insured but who renders service to the Insured subject to a contract for specified services.

5. Insured means: the company or other organization named in the schedule.

6. Loss means:

1. damages, judgments and costs awarded against the Insured by a bargaining council, the Commission for Conciliation Mediation and Arbitration (CCMA), the Labour Court or the Labour Appeal Court;
2. settlements entered into with the Insurers' prior written consent, which will not be withheld unreasonably;
3. costs and expenses as defined above.

Loss shall not include

- a) taxes, levies, fines or penalties;
- b) punitive, exemplary, aggravated or multiplied damages other than if awarded by the CCMA or Labour Court in connection with a claim for unfair dismissal or arising from a claim for defamation;

- c) any obligation arising from any law or regulation in any jurisdiction in respect of workers' compensation, disability benefits, termination for operational reasons, unemployment benefits or compensation, unemployment insurance, retirement benefits, social security benefits or compensation, or any similar law or regulation;
- d) any employment related benefits, allowances, stock options, deferred compensation, changing of company policy, affirmative action, education/sensitivity training or any other type of compensation other than salaries, bonuses and wages;
- e) any liability or costs incurred by the Insured to modify any building or property in order to make such building or property more accessible or accommodating to any disabled persons.

7. Period of insurance means:

the period stated in the schedule; except that in the event of the take-over or merger of the Insured, the period of insurance shall mean the period stated in the schedule plus 180 days thereafter.

The limit of indemnity stated in the schedule shall not be increased by any provision of this policy relating to the period of insurance or extended reporting period.

8. Subsidiary Company means:

1. any branch, division or other internal structure of the Insured except any pension fund or scheme established for the Insured's own directors, officers or employees;
2. any company in respect of which the Insured (either directly or indirectly through one or more of its subsidiary companies)
 - a) controls the composition of the board of directors; or
 - b) controls more than 50% of the voting power; or
 - c) holds more than 50% of the issued share capital;
3. any company other than those referred to in (1) and (2) above in respect of which the Insurers have given prior written consent to its coverage as a subsidiary company under this policy.

In the event of the creation or acquisition of a subsidiary company after the inception date of this policy:-

- a) if, on the date created or acquired the total number of employees of the subsidiary company do not exceed 10% of the number of employees of the Insured, the subsidiary company is automatically covered by the policy and the Insurers waive any reporting requirements;
- b) if, on the date created or acquired, the total number of employees of the subsidiary company is greater than 10% of the number of employees of the Insured, the subsidiary shall be deemed a subsidiary hereunder upon written notice thereof being given to the Insurers within 90 days thereafter and the Insurers agreeing to extend coverage, subject to receipt of such information as the Insurers may request and payment of any additional premium required.

Provided that automatic coverage in terms of (a) and (b) above shall apply only in respect of any unfair labour practice committed or alleged to have been committed subsequent to the date of such acquisition or creation.

9. Takeover or Merger means:

Any transaction whereby another company acquires control over the assets or management of the Insured or whereby the assets of the Insured become vested in or under the control of another company including a transfer of whole or any part of a business, trade or undertaking that is transferred as a going concern.

10. Unfair Labour Practice means: Any actual or alleged:-

1. unfair discrimination against any employee in any employment policy or practice on any one or more grounds of race, gender, sex, pregnancy, ethnic or social origin, colour, sexual orientation, age, disability, religion, HIV status, conscience, belief, political opinion, culture, language, marital status or family responsibility;

2. sexual harassment including unwelcome sexual advances, requests for sexual favours and any unwelcome verbal, visual or physical contact of a sexual nature which: -
 - a) is explicitly or implicitly made a condition or term of employment; or
 - b) when rejected or opposed by a person becomes a basis for decisions regarding the person's employment;
3. defamation which relates to a person's job skills, job performance, qualifications for employment, professional reputation, disciplinary history or termination of employment;
4. unfair dismissal, discharge or termination of employment or refusal to hire;
5. adverse change in the terms and conditions of a person's employment in retaliation for that person's exercise of his or her rights under law, or support of the rights of another.

Related, continuous, repeated or causally connected unfair labour practices shall for the purpose of this policy constitute a single unfair labour practice.

2. EXCEPTIONS

The Insurers shall not pay any loss: -

1. for actual or alleged bodily injury, sickness, disease or death of any person or actual or alleged damage to or destruction of tangible property, including loss of use thereof;
2. arising from or in any way involving any actual dishonest, willful, fraudulent or malicious act of the Insured;
3. for any employee gaining actual profit or advantage or receiving any remuneration to which they were not legally entitled;
4. for any actual or alleged breach of any professional services or duty by an employee in the course of the Insured's activities;
5. brought about by, or contributed to by, or consequent upon, any litigation instigated against the Insured which was in existence prior to or pending at the inception of the policy;
6. for any actual or alleged entitlement to insurance or other benefits under any workers compensation, unemployment compensation, disability, retirement or social security laws, rules and regulations;
7. arising out of industrial disputes or negotiations, trade union activities or trade union membership except for costs and expenses incurred in obtaining an interdict in the case of an unprotected strike action;
8. which constitutes the cost of compliance with any obligation to adapt premises or working methods to the needs of a person with a disability or to meet statutory health and safety standards or similar provisions of any statutory, civil or common law, other than costs and expenses
9. for breach of minimum wage regulations, statutory or procedural duty or requirement in a termination for operational reasons, non-payment of statutory maternity or sick pay or similar provision;
10. which constitutes compensation in respect of a notice period, or is determined to be owing under an express written contract of employment or pursuant to an express written obligation to make payments in the event of termination of employment;
11. relating to a retrenchment or termination for operational reasons or a breach of the terms of Section 189 of the Labour Relations Act 1995.

For the purpose of determining the applicability of the above exclusions the conduct of the Insured or any employee shall not be imputed to any other employee.

3. CONDITIONS, PROVISIONS AND LIMITATIONS

1. Limit of Indemnity

The Insurers' total aggregate liability for loss arising out of claims first made against the Insured during the period of insurance shall not exceed the limit of indemnity stated in the schedule.

Costs and expenses are included in the limit of indemnity and are not additional thereto.

2. First Amount Payable

The amount payable under this policy for each and every claim shall be reduced by the first amount payable stated in the schedule.

3. Insured's Duty Before Disciplinary Action or Dismissal

- a) The Insured shall, prior to dismissing or taking any other disciplinary action against an employee, contact the Insurers.
- b) The Insured shall follow any advice or instruction offered by the Insurers in respect of such proposed dismissal or disciplinary action, and failure to do so may result in any subsequent claim being rejected by the Insurers.

4. Claims

- a) The Insured shall notify the Insurers as soon as reasonably possible, but within 30 days of becoming aware of a claim being made, of any claim made against them.
- b) If, during the period of insurance the Insured shall become aware of any circumstances which may reasonably be expected to give rise to a claim and shall give written notice to the Insurers of the circumstances and the reasons for anticipating such a claim, then any subsequent claim arising out of, based upon or attributable to the noticed circumstances, shall be deemed to have been made at the time of such notice to the Insurers.
- c) The Insured shall give the Insurers all such information and cooperation, including access to documentation and witnesses, as the Insurers may reasonably require and shall not disclose to anyone the existence of this policy without the Insurers' written consent, unless as a consequence of the requirements of the law.
- d) The Insured shall not admit liability for or attempt to settle any claim or incur any costs and expenses without the written consent of the Insurers who shall be entitled at any time to take over and conduct in the name of the Insured the defense or settlement of any claim or to prosecute in the name of the Insured for their own benefit any claim for payment, indemnity or damages or otherwise against any third party. In any event no action shall be taken which might prejudice the Insurers.
- e) The Insured shall not be required to contest any legal proceedings unless Counsel (to be mutually agreed upon) shall advise that such proceedings ought to be contested having regard to the prospect of success and other relevant circumstances.
- f) The Insurers shall not settle any claim without the consent of the Insured. If, however, the Insured shall refuse to consent to any settlement recommended by the Insurers and shall elect to contest or continue any legal proceedings in connection with such claim, then the Insurers' liability for the claim shall not exceed the amount by which the claim could have been so settled inclusive of costs and expenses incurred with their consent up to the date of such refusal, and then only up to the limit of indemnity stated in the schedule.
- g) The Insurers shall be entitled to nominate an attorney and, if appropriate an advocate of their choice, to represent the Insured.

5. Takeover and Merger

In the event of a takeover or merger any coverage hereunder with respect to loss arising from a claim shall apply only to any loss by reason of an unfair labour practice committed by the Insured prior to the date of such takeover or merger.

6. Fraud

If any claim under this policy is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit under this policy or if any event is occasioned by the willful act or with the connivance of the Insured, the benefit afforded under this policy in respect of any such claim shall be forfeited.

7. Misrepresentation, Misdescription and Non-Disclosure

Misrepresentation, misdescription or non-disclosure in any material particular shall render the policy voidable at the discretion of the Insurers.

8. Territory

This policy covers unfair labour practices taking place or claims made anywhere in the world excluding the United States of America and Canada.

9. Cancellation This policy may be cancelled at any time by the Insurers giving 30 days' notice in writing to the Insured, or by the Insured giving immediate notice. The Insured shall be entitled to a refund of premium for the unexpired period of insurance.

10. Subrogation

The Insured shall, at the expense of the Insurers, do and permit to be done all such things as may be necessary or reasonably required by the Insurers for the purpose of enforcing any rights to which the Insurers shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.

11. Other Insurance

If at the time of any claim under this policy an insurance exists with any other insurer covering the Insured against loss as defined, the Insurers shall be liable to make good only a rateable proportion of the amount payable by or to the Insured in respect of such loss. If any such other insurance is subject to any condition of average, this policy shall be subject to average in like manner.

12. Alteration Assignment and Title Limitation

No change in, modification of, or assignment of interest under this policy shall be effective except when made by written endorsement signed by an authorized representative of the Insurers.

The titles and headings to the various paragraphs and sections in this policy, including endorsements attached, are included solely for ease of reference and do not in any way limit, expand or otherwise affect the provisions of such paragraphs and sections to which they relate.

13. No Rights to Other Persons

Unless otherwise provided, nothing in this policy shall give any rights to any person other than the Insured. Any extension providing indemnity to any person other than the Insured shall not give any rights of claim to such person, the intention being that the Insured shall claim on behalf of such person. The receipt of the Insured shall in every case be a full discharge to the Insurers.

14. Jurisdiction

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

15. Extended Reporting Period

At the option of the Insured and subject to payment of an additional premium as specified below the Insurers agree to extend the period during which the Insured may report a claim for a period to be agreed but in no circumstances exceeding 12 months (hereinafter referred to as the extended reporting period).

Provided that

- a. this option may only be exercised in the event of the Insurers cancelling or refusing to renew the policy;
- b. this option must be exercised by the Insured in writing within 30 days of cancellation or non-renewal;
- c. once exercised the option cannot be cancelled by either the Insured or the Insurers;
- d. the Insured has not obtained insurance equal in scope and cover to this policy as expiring;
- e. the Insurers shall only be liable for an unfair labour practice which occurred after the retroactive date but prior to the date of cancellation or non-renewal;
- f. claims first made against the Insured or any circumstances which may reasonably be expected to give rise to a claim reported by the Insured shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal;
- g. the total amount payable by the Insurers for claims made or reported circumstances during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal;

Extended reporting period	Additional premium
90 Days	25% of the annual premium
180 Days	50% of the annual premium
1 Year	100% of the annual premium

SECTION D – FIDELITY GUARANTEE (only applicable if stated on the certificate)

PREAMBLE

The Insured having submitted a written Proposal Form, which it is agreed shall form the basis of this Insurance, indemnity is provided up to the Limit of Indemnity as hereinafter provided for Direct Financial Loss, in excess of the Deductible and as noted in the Insuring Clause, sustained by the Insured subsequent to the Retroactive Date and prior to termination of the Policy and Discovered by the Insured during the Period of Insurance: -

1. INSURING CLAUSE

A) Employee Dishonesty

By reason of and directly caused by one or more dishonest and fraudulent acts of any of the Employees of the Insured, whether committed alone or in collusion with others, including loss of property through any such acts of any such Employees;

Notwithstanding the foregoing, it is agreed that concerning Loans or Trading, this Insuring Clause covers only those dishonest or fraudulent acts of any of the Employees of the Insured committed for improper personal financial gain. Salaries, fees, commissions and other emoluments earned during the normal course of business shall not constitute an improper personal financial gain.

Provided that: -

- a) the liability of the Insurers for all losses resulting from fraud or dishonesty of any one Employee or any number of Employees acting in collusion shall not exceed the Limit of Indemnity stated in the Schedule;
- b) all acts committed by any one person or in which such person is involved or implicated will be considered one **Single Loss**;
- c) the Insurers shall not be liable for losses arising from Employee Dishonesty Discovered later than three hundred and sixty five days (365) after the termination of the employment of an Employee;.

B) Fund Crime Insurance

The **Insurers** will indemnify the insured entity or the **Fund** for its direct financial **Loss** discovered during the **Policy** period of insurance resulting from any dishonest or fraudulent act committed by an **Employee** either acting alone or in collusion with others or from Third Party Computer Crime and Impersonation Fraud.

The **Limit of Indemnity** shall form part of the **Limit of Indemnity** in respect of Insured Event A.

C) Third Party Computer Crime and Impersonation Fraud

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:
 - 1.1 Computer Crime (committed by any person other than an identifiable Employee) acting alone or in collusion with others; or
 - 1.2 Computer Virus Damage.
2. “**Computer Crime**” means:
 - 2.1 the unauthorised introduction of:

2. DEFINITIONS

2.1. Computer Crime means:

2.1 the unauthorised introduction of:

2.1.1 Electronic Data; or

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;

2.2 the unauthorised modification, corruption or deletion of:

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

2.2.2 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;

2.3 the unauthorised introduction, modification, corruption or deletion of dematerialised communications, or
instructions within:

2.3.1 any Computer System; or

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.

2.2. 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.

2.3. Deductible means the first amount stated numerically in the Schedule for which Insurers are not liable to
indemnify the Insured in respect of each and every **Single Loss**.

2.4. Employee means: -

- a) any person while employed under a contract of service with or without an apprenticeship to the Insured;
- b) any person while hired or seconded from any other party into the service of the Insured;

whom the Insured has the right at all times to govern, control and direct in the performance of work in the
course of the business of the Insured.

For the sake of clarity, employees directors or officers of any third party service provider, independent
contractor or any similar person, whether natural or juristic, shall not be included in the above definition.

2.5. Financial Institution means: -

- a) a banking, savings or thrift institution;
- b) a stockbroker, mutual fund, liquid assets fund or similar investment institution at which the Insured
maintains a Transfer Account.

2.6. Impersonation Fraud is a scheme that involves an imposter requesting a fraudulent payment. A perpetrator usually pretends to have authority to request a payment to another party (e.g., directors, executives and even vendors). The scam may begin as a phone call, email, fax, text or other form of communication. The request is usually for a wire transfer in order to secure immediate transfer of funds.

This includes Business Email Compromise claims. These are a form of impersonation fraud, where the email is intercepted between the insured and the third party, and important information such as bank details are changed and sent on as if it is the original email.

2.7. Loans or Trading means: -

- a) any loan transaction in the nature of or amounting to a loan or a lease or extension of credit, made by or obtained by or from the Insured;
- b) payments made or withdrawals from any customers account involving items, which are not finally paid for any reason; or
- c) any note, account, agreement or other evidence of debt, assigned or sold by or to, or discounted or otherwise acquired by the Insured.

2.8. Theft means the intentional and unlawful taking of property to the deprivation of the Insured;

2.9. Trading means trading or other dealings in securities, commodities, futures, options, foreign or federal funds, currencies, foreign exchange and the like;

2.10 Insured means the entity named as such in the Schedule and: -

- a) any Subsidiary Company existing on or before the inception date of this Policy;
- b) shall automatically cover, with effect from the date of acquisition or incorporation, without additional premium or additional information being required in respect thereof, any new Subsidiary Company of the Insured coming under the management or control of the Insured subject to such company:-
 - i) employing no more than 10% of the total number of the Insured's Employees declared to the Insurers at inception of this Policy;
 - ii) having a Turnover no more than 10% of the Insured's gross annual turnover declared to the Insurers at inception of this Policy;
 - iii) having sustained no loss in the last 3 years, which would have been covered hereunder;
 - iv) being located outside North America.
- c) any Subsidiary Company sold or wound up during the period of this Policy and which was previously insured under this Policy but only in respect of any act committed prior to the date of winding up or sale and Discovered subsequent to such date.

Subsidiary Company means any company which the Insured controls directly or, via any Subsidiary, indirectly, through the composition of its board of directors or by having more than half of the voting power or by owning more than half the issued share capital, but shall not include Joint Ventures unless specifically agreed and endorsed hereto, and managed by the Insured company named in the Schedule, and then only to the extent of the Insured's interests therein, and shall specifically exclude the Joint Venture partner's interests howsoever the claim is formulated and for the sake of clarity will specifically exclude the Joint Venture partner as a third party as noted in the Insuring Clause.

2.11 Direct Financial Loss means that primary pecuniary loss suffered directly by the Insured to the exclusion of: -

- a) any associated loss consequently arising from the primary loss; or
- b) any primary pecuniary loss suffered in the first instance by any party other than the Insured.

2.12 Discovered/Discovery means the date on which the Insured first becomes aware of facts which would cause a reasonable person to believe that a **Direct Financial Loss** of the kind covered by this Policy has been or will be incurred, regardless of when the acts, transactions or events causing or contributing to such **Direct Financial Loss** occurred, and regardless of whether the Insured's knowledge is sufficient at such time to prove that such **Direct Financial Loss** meets the terms and conditions of this **Policy**, and even though the final amount or details of **Direct Financial Loss** may not then be known;

2.13 Single Loss means a loss or series of losses directly attributable to a specific and common originating cause or source resulting in **Direct Financial Loss**;

3. EXCLUSIONS

The Insurers shall not be liable for loss, damage, cost or expense resulting from or in consequence of or contributed to by: -

3.1 any fraud or dishonesty committed by any Director of the Insured unless such Director is also an Employee and is acting in that capacity;

3.2 any fraud or dishonesty committed by any partner, or shareholder, in or of the Insured to the extent that such partner, or shareholder, would benefit by indemnity granted under this Policy;

3.3 any fraud or dishonesty committed by an Employee after the Insured shall have become aware that such Employee has committed any fraud or dishonesty;

3.4 any fraud or dishonesty Discovered by the Insured prior to the inception of the Policy which was either: -

3.4.1 not disclosed to the Insurers prior to inception of this Policy; or

3.4.2 notified to the insurers on any other policy of insurance effected prior to the inception of this Policy;

3.5 fraud or dishonesty Discovered by the Insured prior to the inception hereof and not disclosed to the Insurers at inception of this Policy;

3.6 loss of computer time or use;

3.7 unintentional errors or omissions by the Insured;

3.8 the voluntary giving or surrendering of property or funds in a purchase, exchange or transfer whether legitimate or fraudulent;

3.9 loss of proprietary information, trade secrets, confidential processing methods or other confidential information of any kind;

3.10 loss resulting directly or indirectly from trading or other dealings including but not limited to transactions involving the purchase, sale or exchange of securities, commodities, currencies, foreign exchange, foreign funds, futures, options and the like, whether conducted or effected by any dishonest or fraudulent act or otherwise, with or without the knowledge of the Insured, in the name of the Insured or otherwise, whether or not represented by any indebtedness or balance shown to be due by the Insured on any customer's account, actual or fictitious and notwithstanding any act or omission on the part of any Employee in connection with any account relating to such trading, indebtedness or balance, except when covered under Insuring Clause (A);

3.11 arising out of any employment related wrongful acts;

3.12 any pension, profit sharing or employee benefit or welfare programme or share option, share incentive scheme or trust established in whole or in part for the benefit of any directors, officers or employees of the Insured;

- 3.13 including but not limited to any loss of dividends, income or profit not realised by the Insured or any other individual or organisation because of a loss covered under this Policy;
- 3.14 or arising out of any circumstance, occurrence or act in respect of any Subsidiary Company, committed before such company was a Subsidiary Company of the Insured or, if a Retroactive date is stated in the Schedule to apply to such Subsidiary before such date;

4. CONDITIONS

- 4.1 In the case of recovery on account of any loss covered under this Policy the amount recovered, after deducting the actual cost of obtaining or making such recovery but excluding the Insured's own labour and/or establishment costs, shall be applied in the following order: -
 - 4.1.1 to reimburse the Insured in full for the part, if any, of such loss which exceeds the amount of indemnity provided by this Policy (disregarding the amount of any first amount payable or Deductible applicable);
 - 4.1.2 the balance, if any, or the entire net recovery if no part of such loss exceeds the amount of indemnity provided by this Policy, to reduction of that part of the indemnity provided by this Policy, or if payment thereof shall have been made, to the reimbursement of the Insurers;
 - 4.1.3 finally, to the part of such loss sustained by the Insured by reason of any Deductible as specified in the Schedule and to that part of such loss covered by any policy(ies) of Insurance of which this Policy is in excess.
- 4.2 Misrepresentation, misdescription or non-disclosure in any material particular shall render this Policy voidable, insofar as this Policy may be affected by such misrepresentation, misdescription or nondisclosure.
- 4.3 If other valid and collectable insurance with any other Insurer is available to the Insured covering a loss also covered by this Policy, other than insurance that is specifically stated to be in excess of this Policy: -
 - 4.3.1 the insurance afforded by this Policy shall be in excess of, and shall not contribute with, such other insurance;
 - 4.3.2 nothing herein shall be construed to make this Policy subject to the terms, conditions and limitations of such other insurance;
 - 4.3.3 if the amount recoverable in terms of such other insurance be: -
 - 4.3.3.1 less than the Deductible applicable to this insurance, the Insured shall bear the balance of such Deductible;
 - 4.3.3.2 equal to or greater than such Deductible, the Insurers' liability shall be limited to the difference between the Limit of Indemnity herein and such amount.
- 4.4 Upon Discovery of any event, which may result in a loss under this Policy, the Insured shall, at their own expense: -
 - 4.4.1 give notice thereof to the Insurers as soon as reasonably possible during the Period of Insurance, and in any event within thirty (30) days after Discovery, and provide particulars of any other insurance covering such events as are hereby insured;
 - 4.4.2 as soon as practicable after the event, inform the police and take all practicable steps to discover the guilty party and to recover the stolen or lost property;
 - 4.4.3 as soon as practicable after the event, submit to the Insurers full details in writing of any claim;

- 4.4.4 give the Insurers such proofs, information and sworn declarations as the Insurers may require and forward to the Insurers immediately any notice of claims or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
- 4.5 If the premium for this Policy has been calculated on any estimated figures, the Insured shall, after the expiry of the Period of Insurance, furnish the Insurers with such particulars and information as the Insurers may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the Insured as the case may be.
- 4.6 The Insured shall, at the expense of the Insurers, do and permit to be done all such things as may be necessary or reasonably required by the Insurers for the purpose of enforcing any rights to which the Insurers shall be or would become subrogated upon indemnification of the Insured, whether such things shall be required before or after such indemnification.
- 4.7 If any claim under this Policy is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit under this Policy or if any event is occasioned by the wilful act or with the connivance of the Insured, the benefit afforded under this Policy in respect of any such claim shall be forfeited.
- 4.8 Unless otherwise provided, nothing in this Policy shall give any rights to any person other than the Insured. Any extension providing indemnity to any person other than the Insured shall not give any rights of claim to such person, the intention being that the Insured shall claim on behalf of such person. The receipt of the Insured shall in every case be a full discharge to the Insurers.
- 4.9 This Policy may be cancelled at any time by the Insurers giving thirty (30) days' notice in writing (or such other period as may be mutually agreed) or by the Insured giving immediate notice. From date of cancellation the Insured shall be entitled to refund premium pro rata to the unexpired Period of Insurance, subject to Condition 4.5 specified herein. Should there however be any active notifications or claims against the Policy no premium shall be refunded and shall be deemed fully earned.
- 4.10 For purposes of determining the indemnity granted by this Policy, any word or phrase within the Policy requiring and being capable of legal interpretation shall be interpreted in accordance with the laws of the Republic of South Africa.
- 4.11 Neither this Policy nor any benefit, interest or right in this Policy or to any proceeds of the Policy may be ceded without the prior written consent of the Insurer.
- 4.12 Whenever this Policy provides for 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: Wanooka Place, St Andrews Road, Parktown, Johannesburg, 2193

email: alan.taylor@sintelum.com

- 4.13 Limit of Indemnity
- 4.13.1 Regardless of the total number or amount of losses Discovered, the total liability of the Insurers including costs and expenses incurred by the Insurers or by the Insured with the Insurers' consent shall not exceed the Total Limit of Indemnity stated in the Schedule, in the aggregate, for all losses Discovered during the Period of Insurance.
- 4.13.2 Should any Limit of Indemnity be altered during the Period of Insurance, the previous Limit of Indemnity shall apply to all losses Discovered and notified to the Insurers prior to the date of such alteration.
- 4.13.2 Unless otherwise stated in the Schedule, the Retroactive Date for an increased or new Limit of Indemnity after alteration of the Limit of Indemnity, shall be the effective date of such alteration and

any loss Discovered by the Insured thereafter shall be sub-limited to these specific Retroactive Dates stated in the Schedule.

4.13.3 Renewal of this Policy from year to year will not have the effect of increasing the Limit of Indemnity applicable to each year or of accumulating the Limit of Indemnity from year to year.

4.14 For the purposes of coverage, and the application of the Retroactive date, the 1st instance of fraud or dishonesty, shall be deemed the date of loss of a **Single Loss**.

5. EXTENSIONS:

1. Accounts Clause

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Insurers under this Section for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's auditors or professional accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.

2. Additional Discovery Period

The Insured is granted an additional period of twelve (12) months to either discover a loss or to identify circumstances that may give rise to a claim for indemnity in terms of this Section and to comply with Specific Condition 4.4 provided that the additional period of twelve (12) months stated above: -

- a) applies only in the event of the Insurers (and not the Insured) cancelling or refusing to renew this Section. The quotation by Insurers of different premiums, terms, limitations, exclusions or Limits of Indemnity at renewal does not constitute a refusal to renew.
- b) shall continue to exist after termination of this Section and is subject otherwise to all the terms, Exclusions and Conditions of this Section.
- c) shall, notwithstanding the period of twelve months stated, terminate immediately as of the expiry date or cancellation date of this Section should insurance replacing in whole or in part the insurance afforded by this Section be obtained by the Insured regardless of whether such replacing insurance provides for loss sustained or circumstances occurring prior to its effective date.

3. Unidentifiable Employees Clause

If a loss is alleged to have been caused by the fraud or dishonesty of any of the Employees and the Insured shall be unable to designate the specific Employee or Employees causing the loss, the Insured's claim in respect of such loss shall not be invalidated by their inability so to do, provided the Insured is able to furnish evidence to prove to the reasonable satisfaction of the Insurers that the loss was in fact due to the fraud or dishonesty of an Employee acting alone or in collusion with others.

4. Extortion

Notwithstanding anything contained herein to the contrary, it is hereby understood and agreed that this Section is extended to include loss of Property surrendered away from the Insured as a result of a threat to do bodily harm to: -

- a) an Employee;
- b) a relative of an Employee who is, or allegedly is, being held captive, provided that, prior to the surrender of such Property: -
 - i. the person receiving the threat has made a reasonable effort to report the extortionist's demand to an associate; and

- ii. a reasonable effort has been made to report the extortionist's demand to local law enforcement authorities.

5. Cost of Recovery

If the Insured shall sustain any loss to which this Section applies which exceeds the sum insured hereunder, the Insurers will, in addition to the Limit of Liability, pay to the Insured costs and expenses necessarily incurred with the consent of the Insurers (which consent shall not be unreasonably withheld) for the recovery or attempted recovery thereof. All amounts recovered by the Insured in excess of the above part of the loss shall be allocated in accordance with Specific Condition 4.1, provided that the liability of the Insurers shall not exceed R 250,000.

6. Expenses Incurred in Reinstating Office Records

This Section is extended to include costs, charges and expenses incurred by the Insured in replacing and/or restoring any computer files, data media documents, manuscripts, business books, plans, design specifications or programs destroyed, damaged or lost as a result of loss insured by this Section,

7. Memoranda

- a) in the event of the discovery by the Insured of any loss involving theft, the Insured may, notwithstanding anything to the contrary contained in Specific Condition 4.4, refrain from reporting the matter to the police, but shall do so immediately should the insurers require such action to be taken.
- b) it is understood and agreed that knowledge in respect of any fraud or dishonesty which may have been committed by the person signing any proposal form or giving renewal or other instructions shall not prejudice any claim under this Section.

8. Claims preparation costs

The Insurance by this Section is extended to include costs and expenses reasonably incurred by the Insured with the Insurers' prior written consent in producing and certifying any particulars or details required by the Insurers in terms of Specific Condition 4 or to substantiate the amount of any claim, provided that the liability of the Insurers for such costs in respect of any one claim or claims any one period of insurance, shall not exceed the amount of R 1,000,000.00 after taking into consideration a R 50,000 Deductible.

The cover provided is included and not in addition to the Limit of Liability and does not include any claims expense.

Insured Event – Section PL – Public Liability

PL.1 Indemnity

The Insurers will indemnify the Insured under this Section for all sums that the Insured shall be legally liable to pay 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) in respect of Claims arising out of:

- a) accidental Injury;
- b) accidental Damage

occurring within the Territorial Limits and in the course of the Business.

PL.2 Specific Exclusions

This Section does not cover liability arising out of:

1. The ownership, possession or use by or on behalf of the Insured of any motorised vehicle or trailer for which compulsory insurance is required by legislation, other than liability:
 - 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) caused by the loading or unloading of any motor Vehicle or trailer beyond the limits of any road, carriageway or thoroughfare;
 - c) arising out of any motor vehicle or trailer temporarily in the Insured's custody or control for the purpose of parking;
2. The ownership, possession or use by or on behalf of the Insured of any aerial vehicle, watercraft or hovercraft;
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).

PL.3 Specific Provisions

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
- b) the officers, committee and members of the Insured's canteen, social, sports, medical, firefighting and welfare organisations in their respective capacities as such;
- c) 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. Cross Liabilities

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

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.



In association with **Hollard.**

POLICY WORDING

Cyber

Data Protection Extension

Hollard.

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THIS IS A CLAIMS MADE POLICY. EXCEPT AS OTHERWISE PROVIDED, THIS POLICY COVERS ONLY CLAIMS FIRST MADE AND REPORTED TO THE INSURER DURING THE POLICY PERIOD OR ANY EXTENDED REPORTING PERIOD. TERMS THAT APPEAR IN BOLD FACE TYPE HAVE SPECIAL MEANINGS. SEE THE DEFINITIONS FOR MORE INFORMATION.

PLEASE READ THIS POLICY CAREFULLY.

NOTE

In granting cover to the **Insured**, the **Insurer** has relied upon the material statements and particulars in the proposal form together with its attachments and such other information supplied by the **Insured** prior to or at inception or renewal or during the **Policy Period**, or if exercised, during the **Extended Reporting Period**. The proposal form and the information supplied is the basis of cover and shall be considered incorporated into and constitutes part of this policy. If the **Insurer** becomes entitled to avoid this policy from inception, at renewal or from the time of any variation in cover, the **Insurer** may in its discretion maintain this policy in full force but exclude the consequences of any **Claim** relating to any matter which ought to have been disclosed prior to or at inception, renewal or any variation in cover.

PREAMBLE

In consideration of the **Insured** having paid the premium, the **Insurer** agrees to provide insurance subject to the terms, Conditions and Exclusions of this policy, on the basis of and subject to the Aggregate Limit of Indemnity set out in the Schedule of Insurance during the **Policy Period**, or if exercised, during the **Extended Reporting Period**.

This policy and its Schedule of Insurance and Endorsements shall be read together as one contract and any word or expression to which a specific meaning or Definition has been given shall have such specific meaning wherever it may appear. In consideration of this and subject to all the provisions of this policy (*including but not limited to the minimum security requirements as per clause 19*), the **Insurer** agrees as follows:

1. INSURING AGREEMENTS

A. Cyber Liability

The **Insurer** shall pay on behalf of the **Insured** those amounts which the **Insured** is legally obligated to pay as **Loss** resulting directly from a **Claim** first made against any **Insured** and notified to the **Insurer** in accordance with the provisions of this policy during the **Policy Period**, or if exercised, during the **Extended Reporting Period**, as a result of a **Wrongful Act**.

B. Crisis Management Expenses and Notification Expenses

The **Insurer** shall pay **Crisis Management Expenses** and **Notification Expenses** incurred by the **Insured** resulting directly from a **Claim** first made and notified to the **Insurer** in accordance with the provisions of this policy during the **Policy Period**, or if exercised, during the **Extended Reporting Period** as a result of a **Wrongful Act**.

2. DEFENCE AND SETTLEMENT

The **Insurer** shall have the right (but not the duty) to defend any covered **Claim**, even if such **Claim** is groundless, false, or fraudulent. The **Insured** shall have the right, but not the duty, to appoint counsel to defend the **Claim**, subject to the prior written consent of the **Insurer**, which shall not be unreasonably withheld. **Expenses** incurred by the **Insurer**, or by the **Insured** with the written consent of the **Insurer**, are part of and not in addition to the Aggregate Limit of Indemnity set forth in the Schedule of Insurance and any applicable Insuring Agreement Limit of Indemnity set forth in the Schedule of Insurance. Payment by the **Insurer** of **Expenses** reduces and may completely exhaust such applicable Limit of Indemnity.

The **Insured** shall not admit liability, make any payment, assume any obligations, incur any expense, enter into any settlement, consent to any judgment or award, or dispose of any **Claim** without the **Insurer's** prior written consent, which shall not be unreasonably withheld.

With respect to Insuring Agreement B the **Insured** may only incur **Notification Expenses** and **Crisis Management Expenses** arising from a **Claim** subject to the **Insurer's** prior written consent, which shall not be unreasonably withheld.

If the **Insured** refuses to consent to a settlement recommended by the **Insurer** and acceptable to the claimant, and elects to contest the **Claim**, the **Insurer** shall be entitled to pay over to the **Insured** the amount at which the **Claim** can be settled and upon such payment the **Insurer** shall have no further liability for the **Claim** and all its obligations shall be fully and finally discharged. This clause shall not apply to any settlement where the total incurred **Loss** does not exceed all applicable **Deductibles**.

3. ALLOCATION

If **Loss** covered by this policy and loss not covered by this policy are incurred, either because a **Claim** includes both covered and uncovered matters or because a **Claim** is made against both an **Insured** and others, the **Insured** and the **Insurer** shall use their best efforts to agree upon a fair and proper allocation based upon their relative legal exposure to such covered **Loss** and such uncovered loss.

If the **Insured** and the **Insurer** agree on an allocation of **Expenses**, the **Insurer** shall advance on a current basis **Expenses** allocated to the covered **Loss**. If the **Insured** and the **Insurer** cannot agree on an allocation:

- 3.1 no presumption as to allocation shall exist in any arbitration, litigation or other proceeding;
- 3.2 the **Insurer** shall advance on a current basis **Expenses** which the **Insurer** believes to be covered under this policy until a different allocation is negotiated, arbitrated or judicially determined; and
- 3.3 if the dispute remains unresolved after mediation, the **Insurer**, if requested by the **Insured**, shall submit the dispute to binding arbitration in terms of the South African Arbitration Act No. 42 of 1965 or any subsisting statutory modification thereof. The Arbitration will be held at a place which is mutually agreed and in accordance with the Rules of the Arbitration Foundation of South Africa by an arbitrator or arbitrators appointed by the Foundation subject to The **Insurer** and **Insured** rights of appeal and review. The **Insurer** and **Insured** will be responsible for their own costs and expenses incurred by the Arbitration; and
- 3.4 any negotiated, arbitrated or judicially determined allocation of **Expenses** on account of a **Claim** shall be applied retroactively to all **Expenses** on account of such **Claim**, notwithstanding any prior advancement to the contrary. Any allocation or advancement of **Expenses** on account of a **Claim** shall not apply to or create any presumption with respect to the allocation of other **Loss** on account of such **Claim**.

4. ASSISTANCE, COOPERATION AND SUBROGATION

The **Insured** agrees to provide the **Insurer** with all information, assistance and cooperation which the **Insurer** may reasonably require or request in the investigation, defence and settlement of any **Claim** including where appropriate informing or allowing the **Insurer** (or the **Insurer's** nominated representatives) to inform the appropriate regulatory or law enforcement authorities of a **Cyber Extortion Threat**, and in enforcing any right of subrogation, contribution or indemnity. The **Insured** agrees that they will do nothing that may or will prejudice the **Insurer's** position or its potential or actual rights of recovery. In the event of any payment under this policy, the **Insurer** shall be subrogated the **Insured's** rights of recovery against any person or entity. The **Insured** shall execute all documents required and shall do everything that may be necessary to secure and preserve such rights and to enable the **Insurer** to effectively bring suit in its name, and shall provide all other assistance and cooperation which the **Insurer** may reasonably require.

5. INSPECTION AND AUDIT

The **Insurer** shall be permitted at any time, upon reasonable notice being given to the **Insured**, to inspect any of the latter's property, operations, or records to ensure compliance with the provisions of this policy.

6. EXCLUSIONS

The **Insurer** shall not be liable for any payment in connection with any **Claim**:

6.1 Prior Circumstances and Litigation

based upon, arising out of, or resulting from:

- 6.1.1 any circumstance which occurred or is alleged to have occurred prior to the **Retroactive Date**;
- 6.1.2 any circumstance which occurred or is alleged to have occurred prior to the inception of this policy, if the **Insured** knew or should have reasonably foreseen that such circumstance could potentially result in a **Claim**;
- 6.1.3 any circumstance which has been the subject of any written notice given and accepted under any policy of which this policy is a renewal or replacement; or
- 6.1.4 any demand, suit or other proceeding pending, or order, decree or judgment entered against any **Insured** on or prior to the **Pending or Prior Litigation Date**, or the same or substantially the same facts underlying or alleged therein.

6.2 Individual Conduct

made against any **Insured Person**:

- 6.2.1 based upon, arising out of or related to any deliberately fraudulent, criminal, dishonest or malicious act, error or omission, or any intentional or knowing violation of any law, by any such **Insured Person**, however this exclusion shall not apply in circumstances where the **Insured Person's** intentional or knowing violation of any law is required by or imposed on the **Insured Person** by operation of law, whether the law be legislative, or by court order, judgment or decree; or
- 6.2.2 based upon, arising out of or related to such **Insured Person** having gained any profit, remuneration or other advantage to which such **Insured Person** was not legally entitled.

If a final judgment, final adjudication, binding arbitration decision, guilty plea or written admission under oath by such **Insured Person** in any proceeding establishes such conduct by the **Insured Person**. At such time, the **Insured Person** shall reimburse the **Insurer** for all **Expenses** incurred on behalf of such **Insured Person** and the **Insurer** shall have no further liability for any payments in connection with such **Insured Person**.

6.3 Company Conduct

made against any **Insured Organisation** or **Subsidiary**:

- 6.3.1 based upon, arising out of or related to any deliberately fraudulent, criminal, dishonest or malicious act, error or omission, or any intentional or knowing violation of any law by any **Insured Person** if any of the principals, partners or directors, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, Chief Privacy Officer, or Chief Information Officer (or any equivalent positions), participated in or were in collusion with such **Insured Person's** conduct; or
- 6.3.2 based upon, arising out of or related to any **Insured Person** having gained any profit, remuneration or other advantage to which such **Insured Person** was not legally entitled if any of the principals, partners or directors, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Privacy Officer, Chief Technology Officer, Chief Information Officer (or any equivalent positions) participated in or were in collusion with such **Insured Person**.

If a final judgment, final adjudication, binding arbitration decision, guilty plea or written admission under oath by such principal, partner or director, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, Chief Privacy Officer, or Chief Information Officer (or any equivalent positions) who participated in or were in collusion with such **Insured Person**, in any proceeding, establishes such conduct. At such time, the **Insured** shall reimburse the **Insurer** for all **Expenses** incurred on behalf of the **Insured** and the **Insurer** shall have no further liability for any payments in connection with the **Insured**. However this exclusion shall not apply in circumstances where the **Insured Person's** intentional or knowing violation of any law is required by or imposed on the **Insured Person** by operation of law, whether the law be legislative, or by court order, judgment or decree.

6.4 Insured versus Insured

brought or maintained by or on behalf of any **Insured**, except:

- 6.4.1 for **Wrongful Acts** resulting in an actual or potential **Privacy Breach** covered under Insuring Agreement A; or
- 6.4.2 a **Claim** brought or maintained by an **Insured** for contribution or indemnity which is part of and results directly from a **Claim** otherwise covered under this policy.

6.5 Insolvency

based upon, arising out of, or related to the **Insured's** insolvency or bankruptcy.

6.6 Bodily Injury and Property Damage

based upon, arising out of, or related to physical injury, mental injury, mental anguish, emotional distress, sickness, disease or death of any person, or physical damage to, impairment, corruption or destruction of any tangible property including loss of use thereof. **Data** is not considered tangible property.

6.7 Employment Practices

based upon, arising out of or related to the **Insured's** employment practices, including but not limited to wrongful termination, sexual harassment, employment-related libel, slander or defamation, or discrimination of any kind.

6.8 **Service Interruptions, Professional Services, Product Liability**

based upon, arising out of or related to:

- 6.8.1 interruption of satellite service or failure of satellites;
- 6.8.2 electrical or mechanical failures or interruptions, including but not limited to electrical disturbance, spike, brownout or blackout;
- 6.8.3 outages of or interruption to supply of fuels, water, telephone, cable, telecommunications or other infrastructure or services, unless such infrastructure or services are under the **Insured's** operational control or the **Claim** arises from a **Network Security Breach**;
- 6.8.4 failure, gradual deterioration or theft of overhead transmission, distribution lines or subterranean insulation or cabling;
- 6.8.5 the rendering or failure of an **Insured** to render professional services, including any negligence in the performance of an **Insured's** professional services and/or work performed by an **Insured** to correct, re-perform or complete those professional services;
- 6.8.6 the failure, breakdown, or injury resulting from any actual or alleged defects, wear and tear, drop in performance, of goods or products which an **Insured** commercially manufactures, supplies, sells, distributes or markets, including work performed by an **Insured** to repair, alter, maintain or install goods or products for commercial purpose in the course of its business; or
- 6.8.7 costs associated with expiration, cancellation, alteration, withdrawal or recall of products or services and/or loss of use thereof.

6.9 **Fees**

for any fees, commissions, expenses or costs paid to or charged by the **Insured**.

6.10 **Contractual Breach**

for breach of any express, implied, actual or constructive contract, warranty, guarantee or promise, unless such liability would have attached to the **Insured** even in the absence of such contract, warranty, guarantee or promise. However, this exclusion shall not apply to a breach of:

- 6.10.1 the **Insured's** own privacy statement;
- 6.10.2 any agreement, warranty, guarantee or promise, by the **Insured** to keep personal information private, or to hold harmless or indemnify any person for breach of same.

6.11 **Pollution**

arising out of, based upon, attributable to, in consequence of or in any way involving:

- 6.11.1 the presence of pollutants or contamination of any kind;
- 6.11.2 actual, alleged or threatened discharge, dispersal, release, or escape of pollutants or contamination of any kind;
- 6.11.3 direction or request to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize pollutants or in any way respond to or assess the effects of pollutants or contamination of any kind;
- 6.11.4 manufacturing, mining, use, sale, installation, removal, distribution of or exposure to asbestos, asbestos-containing products or materials, asbestos fibres or asbestos dust;
- 6.11.5 ionizing radiation or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of nuclear fuel;
- 6.11.6 actual, potential or alleged presence of mould, mildew or fungi of any kind whatsoever;
- 6.11.7 radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof; or
- 6.11.8 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.

For the purposes of this exclusion contamination shall not include **Malicious Code**.

6.12 **Securities, Fiduciary, Intellectual Property**

based upon, arising out of or related to any of the following:

- 6.12.1 purchase, sale, offer of or solicitation of an offer to purchase or sell securities, or violation of any securities law;
- 6.12.2 actual or alleged loss of value of any securities;
- 6.12.3 racketeering or money laundering;
- 6.12.4 anti-trust violations, restraint of trade or unfair competition;
- 6.12.5 violation of the responsibilities, obligations or duties related to employee benefit, pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts; or
- 6.12.6 the validity, invalidity, infringement of, violation or misappropriation of or assertion of any right to or interest in any intellectual property rights, licensing statutes or regulations including but not limited to patent, trade secrets, copyright, and trademark. For the purposes of this exclusion, this shall not apply to **Loss** arising out of a **Claim** by a **Third Party** against an **Insured** for a **Wrongful Act** resulting in the unauthorised disclosure or transmission of **Third Party** documents subject to legal privilege or information not available to the general public for which the **Insured** is responsible.

6.13 **Acts of God**

based upon, arising out of or related to fire, smoke, explosion, lightning, wind, water, flood, storm, earthquake, volcanic eruption, tidal wave, landslide, hail, an act of God or any other physical event outside of the **Insured's** control however caused.

6.14 **War, Riot, Terrorism and Confiscation**

based upon, arising out of or related to any riot, strike, lockout or similar labour action, war, invasion, act of foreign enemy, hostilities or warlike operation (whether declared or not), cyberwar, civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, insurrection, rebellion, revolution, military or usurped power or confiscation/nationalisation/requisition/destruction of or damage to property by or under the order of any government or public or local authority, terrorism, cyberterrorism or any act of any person or persons acting on behalf of or in connection with any organisation the objects of which are to include overthrowing or influencing of any de jure or de facto government by terrorism, cyberterrorism or by any violent means.

6.15 **Trading Losses and Monetary Transactions**

based upon, arising out of or related to any of the following:

- 6.15.1 trading losses, trading liabilities or change in value of accounts;
- 6.15.2 any loss, transfer of, theft of monies, securities or tangible property of others in the care, custody or control of the **Insured Organisation**;
- 6.15.3 monetary value of any electronic fund transfers or transactions by or on behalf of the **Insured** which are lost, diminished, or damaged during transfer from, into or between accounts; or
- 6.15.4 the face value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount.

6.16 **Sanctions**

based upon, arising out of or related to the violation of 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 irrespective of enactment in the jurisdiction where indemnity or benefit is provided or payment made.

6.17 **Legal Action**

where any action, proceeding or arbitration is brought in a court of law outside South Africa, or where action is brought in a court of law within South Africa to enforce a foreign judgment whether by way of Reciprocal Agreement or otherwise.

6.18 **USA/Canada**

arising out of, based upon or attributable to, directly or indirectly resulting from or in consequence of, or in any way involving any matter or **Claim** where relief is sought or legal action or litigation is threatened or pursued in a court of law or other authority, constituted in the **United States and/or Canada**, or arising out of any activities carried on in the **United States and/or Canada**.

6.19 **Software**

arising out of the use of pirated software, software that has not yet been released from its development stage or that has not passed all test runs and proven successful in daily operations.

6.20 **Hardware, Computer Systems**

based upon, arising out of or related to the wear and tear, drop in performance, progressive or gradual deterioration, or ageing of electronic equipment and/or hardware used by the **Insured** or the **Insured's** failure to maintain any computer, **Computer System**, software or other equipment.

6.21 **Rectifying Weaknesses**

based upon, arising out of or related to the failure to rectify or improve weaknesses or defects in the **Insured's Computer System** or processes, where these have come to the attention of a principal, partner or director, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Privacy Officer, Chief Technology Officer, Chief Information Officer (or any equivalent positions) of the Insured, with sufficient time to rectify the weakness or defect so as to avoid, reduce or mitigate the impact of a resulting **Claim**.

6.22 **Extortion Threat**

based upon, arising out of or related to any **Cyber Extortion Threat** made by any government entity or public authority.

6.23 **Unauthorised Collection**

based upon, arising out of or related to the unauthorised or unlawful collection of **Third Party** proprietary corporate or personal, private and confidential information, whether in paper or electronic format by the **Insured**.

7. **SEVERABILITY OF EXCLUSIONS AND NOTICE REQUIREMENT**

With respect to all of the Exclusions, no act, error or omission pertaining to or knowledge possessed by any **Insured** shall be imputed to any other **Insured**, unless otherwise provided under Exclusion 6.3 to determine if coverage is available.

With respect to the notice requirements of this policy, no act, error or omission pertaining to or knowledge possessed by any **Insured Person** shall be imputed to any other **Insured Person**. However, with respect to the failure to give notice to the **Insurer** as required under this policy, any **Insured Person** entitled to the benefit of this severability section shall provide notice to the **Insurer** in compliance with such notice condition promptly after obtaining knowledge of the failure by any other **Insured** to comply therewith, and the reporting of any such **Claim** must be made during the **Policy Period** or the **Extended Reporting Period**, if applicable.

8. **LIMIT OF INDEMNITY AND DEDUCTIBLE**

- 8.1 The **Insurer** shall only be liable to pay that part of each **Loss, Crisis Management Expenses, Notification Expenses** or **Claim Expenses** as covered under Insuring Agreements A and B which is in excess of the amount of the applicable **Deductible** set out in the Schedule of Insurance, and such **Deductible** shall be borne by the **Insured** uninsured and at the **Insured's** own risk. The applicable **Deductible** as set out in the Schedule of Insurance shall be applicable to each and every **Claim**.
- 8.2 The Aggregate Limit of Indemnity shown in the Schedule of Insurance shall be the maximum aggregate limit of indemnity of the **Insurer** under the policy in the aggregate for all payments on account of all **Claims** first made during the **Policy Period**, regardless of the number of Insuring Agreements that may apply.
- 8.3 The **Insurer's** maximum liability for all payments on account of each **Claim** made during the **Policy Period**, including all **Expenses**, shall be the applicable Insuring Agreement Limit of Indemnity set forth in the Schedule

of Insurance or the unpaid portion of the Aggregate Limit of Indemnity set forth in the Schedule of Insurance for each **Policy Period**, whichever is less.

- 8.4 More than one **Claim** involving the same **Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to constitute a single **Claim** and shall be deemed to have originated at the earliest date at which a **Claim** is first made against any **Insured** alleging any such **Wrongful Act** or **Interrelated Wrongful Acts**.
- 8.5 In the event that more than one of the Insuring Agreements are applicable to a **Claim**, the highest of the applicable **Deductibles** set forth in the Schedule of Insurance shall be the sole **Deductible** applied to all payments under this policy. Any applicable time deductible would apply in addition notwithstanding the aforementioned.
- 8.6 All payments by the **Insurer** under this policy shall reduce the available Limits of Indemnity.
- 8.7 The exercise of the Basic or Optional **Extended Reporting Period** shall not in any way increase the limit of indemnity of the **Insurer**.
- 8.8 Upon exhaustion of the Aggregate Limit of Indemnity for the **Policy Period** set forth in the Schedule of Insurance:
 - 8.8.1 the **Insurer** shall have no further liability for any payments under the policy regardless of when a **Claim** is made; and
 - 8.8.2 the **Insurer** shall have no obligation to continue the defence of any **Insured** and the **Insured** shall assume all responsibility for their defence at their own cost.

9. EXTENDED REPORTING PERIOD

- 9.1 **Basic Extended Reporting Period:** In the event of cancellation or non-renewal of this policy by the **Insured** or by the **Insurer**, other than for non-payment of premium or misrepresentation, an **Extended Reporting Period** of thirty (30) days following such cancellation or non-renewal shall be automatically granted hereunder at no additional premium. Such **Extended Reporting Period** shall cover **Claims** first made during this thirty (30) day **Extended Reporting Period** but only in respect of any **Wrongful Act** committed prior to the date of cancellation or non-renewal. No **Claim** shall be accepted by the **Insurer** in this thirty (30) day **Extended Reporting Period** if the **Insured** is entitled to indemnity under any other insurance or would have been entitled to indemnity under such insurance but for the exhaustion thereof.
- 9.2 **Optional Extended Reporting Period:** If this policy is cancelled or not renewed by the **Insured** or if this policy is not renewed by the **Insurer** then the **Insured** shall have the right, upon payment in full of 100% of the annual premium shown in the Schedule of Insurance, within thirty (30) days from non-renewal or cancellation, to an extension of the coverage granted by this policy for a period of twelve (12) months from the cancellation or non-renewal date, for any **Claim** first made after the date of cancellation or non-renewal, but only in respect of any **Wrongful Act** committed prior to the date of cancellation or non-renewal. At the commencement of the optional **Extended Reporting Period**, the entire premium shall be deemed fully earned, and in the event the **Insured** terminates the optional **Extended Reporting Period** for whatever reason prior to its natural expiration, the **Insurer** will not be liable to return any premium paid for the optional **Extended Reporting Period**. The offer of different renewal terms and conditions or premiums shall not constitute non-renewal. All notices and premium payments with respect to the **Extended Reporting Period** shall be directed to the **Insurer** through the entity named in the Schedule of Insurance.

10. REPORTING AND NOTICE

- 10.1 The **Insured** shall, as a condition precedent to exercising its rights under this policy, give to the **Insurer** written notice (following notice given via the **Emergency Incident Response Hotline** where applicable) as soon as practicable, but within thirty (30) days, upon any of the **Insured's** Risk Manager, General Counsel, principals, partners, directors, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, Chief Privacy Officer, or Chief Information Officer (or any equivalent positions) becoming aware of any **Claim** made against any **Insured** for a **Wrongful Act** or any circumstance which reasonably could give rise to a **Claim**.
- 10.2 Written notice to the **Insurer** should include (but is not limited to) a description of the **Wrongful Act** or circumstance in question, potential consequences and damages, names of potential claimants and involved **Insureds**, details of how the **Insured** first became aware of the situation and the **Computer System** security and event logs, which provide evidence of the alleged incident.
- 10.3 If during the **Policy Period** the **Insured** first becomes aware of circumstances which might reasonably be expected to give rise to a **Claim** and gives written notice of such to the **Insurer** then any **Claim** subsequently arising from such circumstances or request shall be deemed to have been made during the **Policy Period** in which the circumstances or request were first reported to the **Insurer**.

11. OTHER INSURANCE

To the extent any **Loss, Crisis Management Expenses** or **Notification Expenses** arising from any **Claim** is insured under any other valid and collectible policy, whether such other insurance is stated to be primary, contributory, excess, contingent or otherwise, then this policy shall cover such loss only to the extent such loss is in excess of the amount of any applicable retention or excess and the limit of indemnity of such other policy, unless such other policy is written only as specific excess insurance over the limits of indemnity of this policy.

12. ACTION AGAINST THE INSURER, ASSIGNMENT AND BANKRUPTCY

No action shall lie against the **Insurer** unless, as a condition precedent thereto, the **Insureds** shall have fully complied with all of the terms of this policy, and the amount of the **Insured's** obligation to pay shall have been fully and finally determined either by judgment against them or by written agreement between them, the claimant and the **Insurer**.

Nothing contained herein shall give any person or organisation any right to join the **Insurer** as a party to any **Claim** against the **Insureds** to determine their liability, nor shall the **Insurer** be included as a third party by the **Insureds** or their legal representative in any **Claim**. Assignment of interest under this policy shall not bind the **Insurer** unless its consent is endorsed hereon. Bankruptcy or insolvency of an **Insured** or its estate shall not relieve the **Insurer** of its obligations nor deprive the **Insured** of its rights hereunder.

13. CORPORATE ACQUISITIONS, MERGERS, AMALGAMATIONS, AND TAKEOVERS

This policy is issued and the premium computed on the basis of the information submitted to the **Insurer** as part of the **Application**.

13.1 If the **Insured Organisation**:

- 13.1.1 acquires, gains control of, or creates a **Subsidiary**, after the inception date of this policy; or
- 13.1.2 merges with or amalgamates into another entity, unless such merger or amalgamation constitutes a **Corporate Takeover**;

(collectively, Transaction)

coverage hereunder shall be afforded for a period of 30 days from such Transaction for any **Claim** arising out of **Wrongful Acts** committed or allegedly committed subsequent to such Transaction so long as such **Wrongful Acts** are otherwise covered under this policy and involve the assets, liabilities, directors, officers, trustees or employees of the entity acquired, newly controlled, created, merged with or amalgamated into, or such **Subsidiary**.

13.2 Coverage beyond such thirty (30) day period shall only be available if:

- 13.2.1 written notice of such Transaction is given to the **Insurer** by the **Insured Organisation**;
- 13.2.2 the **Insured Organisation** provides the **Insurer** with such information in connection therewith as the **Insurer** may deem necessary;
- 13.2.3 the **Insured** accepts any special terms, conditions, exclusions or additional premium charge as may be required by the **Insurer**; and
- 13.2.4 the **Insurer**, at its sole discretion, agrees to provide such coverage and determine any additional reasonable premium charge.

Notwithstanding the foregoing, if the **Insured Organisation** acquires, gains control of or creates during the **Policy Period** a **Subsidiary**, the acquisition or formation of which does not increase the **Insured Organisation's** gross annual turnover by more than 15% (the Threshold) or materially change the business or business activities of the **Insured Organisation**, the new **Subsidiary** will automatically be included within the definition of **Insured Organisation** without the necessity to meet the requirements of (13.2.1) through (13.2.4) above, but only with respect to any **Wrongful Act** committed or allegedly committed after the effective date of the acquisition, gaining of control or creation. This exception will not apply where the **Insured Organisation** acquires, gains control of or creates an acquisition company whose gross annual turnover and/or number of employees is below the Threshold with the intent and purpose of such acquisition company then acquiring the assets of a **Subsidiary** which exceeds the Threshold.

13.3 If any entity ceases to be a **Subsidiary** as defined herein after the inception date of this policy or of any prior policy of which this policy is a renewal or replacement, this policy shall continue to apply to the **Insured Person**

and **Subsidiary** which were covered under this policy or any prior policy, but only with respect to any **Wrongful Act** committed or allegedly committed prior to the time such entity ceased to be a **Subsidiary**.

13.4 In the event of a **Corporate Takeover** after the inception date of this policy or of any prior policy issued by the **Insurer** of which this policy is a renewal or replacement, this policy shall continue to apply to the **Insured** but only with respect to any **Wrongful Act** committed or allegedly committed prior to the effective date of the **Corporate Takeover**.

14. AUTHORISATION

By acceptance of this policy the **Insured Organisation** agrees to act on behalf of all **Insureds** with respect to the giving of notice of a **Claim**, the giving or receiving of notice of cancellation or non-renewal, the payment of premiums, the receiving of any premiums that may become due under this policy, the negotiation of endorsements, consenting to any settlement, exercising the right to the **Extended Reporting Period**, and the giving or receiving of any other notice provided for in this policy, and all **Insureds** agree that the **Insured Organisation** shall so act on their behalf.

15. CANCELLATION AND FORFEITURE

15.1 This policy may be cancelled by the **Insured**, by giving notice to the **Insurer** stating when thereafter such cancellation shall be effective. The effective date of cancellation stated in the notice shall become the end of the **Policy Period**. The **Insurer** shall retain the pro-rata proportion due for time on risk of the premium hereon, as determined by the **Insurer**. No premium will be refunded where any **Claims** or circumstances have been notified under this policy.

15.2 This policy may be cancelled by the **Insurer** delivering to the **Insured Organisation** by registered mail or other reasonable delivery method including but not limited to email, at the address of the **Insured Organisation** set forth in the Schedule of Insurance, written notice stating when, not less than thirty (30) days thereafter (ten (10) days in the event of cancellation for non-payment of premium), the cancellation shall be effective. Proof of mailing or delivery of such notice shall be sufficient proof of notice and this policy shall be deemed cancelled as to all **Insureds** at the date and hour specified in such notice. In such case, the **Insurer** shall be entitled to a pro-rata proportion of the premium. Payment or tender of any unearned premium by the **Insurer** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

15.3 Action or failure to act by the **Insured** with the intent to defraud the **Insurer**; or material misrepresentation or non-disclosure by or on behalf of the **Insured** of any material fact or circumstance or alteration in the risk, prior to inception of the policy, at renewal and/or during the currency of the policy, shall entitle the **Insurer** to reject any **Claim** and/or to render the policy voidable without prejudice to such other rights as may be available to the **Insured** at law.

16. VALUATION AND CURRENCY

All amounts under this policy are expressed and payable in ZAR. If judgement is rendered, settlement denominated, **Claims Expenses** paid or another amount under this policy is stated in a currency other than ZAR, payment under this policy shall be made in ZAR at the rate of exchange published by Reuters on the date the judgement becomes final, the settlement agreement is signed or the invoice date of **Claims Expenses**.

17. TERRITORY, JURISDICTION AND GOVERNING LAW

This policy applies to **Claims** made as a result of acts committed or alleged to have been committed anywhere in the world.

This policy shall be construed in accordance with the laws of the Republic of South Africa. Except as otherwise specifically provided or agreed by the **Insurer** and the **Insured Organisation** in writing, any dispute arising out of or in connection with the policy, including its existence, validity, and interpretation which cannot be resolved by agreement within thirty (30) days, shall be referred to binding arbitration by either party, upon giving 14 (fourteen) days' notice to the other in terms of the South African Arbitration Act No. 42 of 1965 or any substituting statutory modification thereof. The Arbitration will be held at a place which is mutually agreed in accordance with the Rules of the Arbitration Foundation of South Africa by an arbitrator or arbitrators appointed by the Foundation subject to the **Insurer** and **Insured Organisation** rights of appeal and review. The **Insurer** and **Insured Organisation** will be responsible for their own costs and expenses incurred by the Arbitration.

18. DEFINITIONS

Application	<i>means</i>	the application for this policy and any policy of which this policy is a renewal or replacement; it comprises the proposal form and/or any other information submitted in connection with the application, or at any later date.
Claim	<i>means</i>	<ol style="list-style-type: none">a written demand for monetary or non-monetary damages or injunctive relief against an Insured;a civil, criminal or penal judicial, administrative, investigative or regulatory proceeding, or arbitration commenced against an Insured by the service of a statement of claim or similar pleading, the receipt or filing of a notice of charges, hearing or proceeding, the return of an indictment or laying of information, or a notice of intent to arbitrate or similar document;a proceeding commenced by the receipt by the Insured of a complaint made to or by the Information Regulator or a similar governmental regulatory body;with respect to Insuring Agreement B, a written report (following notice given via the Emergency Incident Response Hotline where applicable) by the Insured to the Insurer of an actual or potential Privacy Breach or Network Security Breach
Claim Expenses	<i>means</i>	reasonable and necessary costs, charges, fees (including but not limited to legal fees and experts' fees) and expenses (other than regular or overtime wages, salaries, fees of directors, officers or employees or overheads of the Insured Organisation or any Subsidiary) incurred in defending or investigating Claims or circumstances which might reasonably lead to a Claim , if incurred by the Insurer or by the Insured with the prior written consent of the Insurer .
Computer System	<i>means</i>	interconnected electronic, wireless, web, or similar systems (including all hardware, software and physical components thereof and the data stored thereon) used to process data or information in analogue, digital, electronic or wireless format, including but not limited to associated input and output devices, mobile devices, networking equipment and electronic backup facilities.
Corporate Takeover	<i>means</i>	<ol style="list-style-type: none">the acquisition by any person or entity of more than 50% of the outstanding securities of the Insured Organisation representing the present right to vote for the election of the directors or trustees; orthe merger or amalgamation of the Insured Organisation with or into another entity or entities such that the shareholders of the Insured Organisation, immediately after the merger or amalgamation, hold or control 50% or less of the outstanding securities of the merged or amalgamated entity representing the present right to vote for the election of the directors or trustees.
Crisis Management Expenses	<i>means</i>	those reasonable and necessary expenses incurred by the Insured and approved by the Insurer within one (1) year of the Insured notifying the Insurer of the Wrongful Act , for retaining the services of a public relations consultant and for related advertising or communication expenses at the direction of said consultant, solely for the purpose of averting or mitigating any material damage to the Insured's brand or reputation as a result of an actual or potential Privacy Breach or Network Security Breach .
Cyber Extortion Threat	<i>means</i>	a credible threat or series of related threats, including a demand for funds or property, directed at the Insured to intentionally damage, destroy or corrupt, introduce Malicious Code to, carry out a Denial of Service Attack against, or commit a Theft of Data from the Insured's Computer System .

Data	<i>means</i>	the Insured's 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.
Deductible	<i>means</i>	the first amount for which the Insured is responsible to pay, as set out in the Schedule of Insurance.
Denial of Service Attack	<i>means</i>	unauthorised or unexpected interference or deliberate attack on the Insured's Computer System which restricts or prevents access to the Insured's Computer System by persons authorised to access same.
Downstream Attack	<i>means</i>	<ol style="list-style-type: none"> a. The Unauthorised Use of or Unauthorised Access to the Computer System of a Third Party provided such is attained through the Insured's Computer System; b. The participation by the Insured's Computer System in a Denial of Service Attack directed against the Computer System of a Third Party; or c. The transmission of Malicious Code from the Insured's Computer System to the Computer System of a Third Party.
Emergency Incident Response Hotline	<i>means</i>	the phone number provided to the Insured to report an actual or potential Claim or circumstance.
Expenses	<i>means</i>	all Claim Expenses, Crisis Management Expenses and Notification Expenses .
Extended Reporting Period	<i>means</i>	the period of time after the end of the Policy Period for reporting Claims as provided in Section 9 of this policy.
Insured Person	<i>means</i>	<ol style="list-style-type: none"> a. any past or present director, officer, trustee, employee, including temporary, part-time or leased employees, general or managing partner, or principal of the Insured Organisation or a Subsidiary, but only while acting on behalf of or in the interest of the Insured Organisation or a Subsidiary; b. independent contractors of the Insured Organisation or of a Subsidiary who are natural persons, but only with respect to Wrongful Acts within the scope of such person's duties performed on behalf of the Insured Organisation or of a Subsidiary; and c. any entity required by contract to be named an Insured under this policy and to whom the Insurer consents in writing, but only for acts of any entity, as detailed under the relevant Insuring Agreement.
Insured, either in singular or plural,	<i>means</i>	<ol style="list-style-type: none"> a. the Insured Organisation; b. Subsidiaries of the Insured Organisation; and c. Insured Person.
Insured Organisation	<i>means</i>	those organisations designated in the Schedule of Insurance.
Insurer	<i>means</i>	the entity specified as such in the Schedule of Insurance.
Internet	<i>means</i>	the worldwide public network of computer networks which enables the transmission of electronic data between different users, including a private communications network existing within a shared or public network platform.
Interrelated Wrongful Acts	<i>means</i>	all directly related Wrongful Acts .
Loss	<i>means</i>	<ol style="list-style-type: none"> a. Claim Expenses resulting directly from a Claim;

- b. Amounts which the **Insured** is legally obligated to pay resulting directly from a **Claim** in respect of:
 - i. judgments or awards rendered against the **Insured**;
 - ii. regulatory fines, penalties or punitive damages imposed by a governmental regulatory body, to the extent payable and insurable under the law governing this policy; or
 - iii. settlements which have been approved or negotiated by the **Insurer**

Loss does not include:

- a. profits, restitution, or disgorgement of profits by any **Insured**;
- b. the cost to comply with orders granting injunctive or non-monetary relief, including specific performance, or any agreement to provide such relief;
- c. return or offset of fees, charges, royalties or commissions for goods or services already provided or contracted to be provided;
- d. non-compensatory damages (except to the extent covered at (b.ii) above), multiple or liquidated damages;
- e. fines or penalties (except to the extent covered at (b.ii) above);
- f. any damages, fines, penalties or awards which are the result of an industry-wide, non-firm specific regulatory inquiry or action;
- g. any amount which the **Insured** is not financially or legally obligated to pay;
- h. loss of any remuneration or financial advantage to which the **Insured** was not legally entitled;
- i. any matters which may be deemed uninsurable under the law governing this policy or the jurisdiction in which a **Claim** is brought; and
- j. matters relating to any laws other than the ones pursuant to which this policy may be construed.

Malicious Code *means* software designed to infiltrate or damage the **Computer System** without the **Insured's** consent by a variety of forms, including but not limited to computer viruses, spyware, Trojan Horses, worms, and logic bombs.

Network Security Breach *means* failure by the **Insured** to protect against a **Downstream attack**, or **Unauthorised Access** to, **Unauthorised Use** of, **Theft of Data** from, **Denial of Service Attack** directed against or transmission of **Malicious Code** to the **Insured's Computer System**, including physical theft of the **Insured's Computer System**, or any part thereof.

Notification Expenses *means* those reasonable and necessary expenses incurred by the **Insured** and approved by the **Insurer** within one (1) year of the **Insured** notifying the **Insurer** of the **Wrongful Act**, to comply with governmental privacy legislation or Guidelines mandating, or recommending as best practice, notification in the event of a **Privacy Breach** or **Network Security Breach**, including but not limited to reasonable and necessary legal expenses, communication expenses through mail, call center (for a period of up to 90 days unless otherwise required by applicable law, regulation or agreed to by the **Insurer**) and website, and customer support expenses including credit monitoring and identity theft education and assistance.

Pending or Prior

Litigation Date *means* the date specified in the Schedule of Insurance.

Policy Period *means* the period of time from the effective date to the expiration date specified in the Schedule of Insurance, or any earlier cancellation date.

Privacy Breach	<i>means</i>	a statutory, regulatory or common law breach of confidentiality, infringement, or violation of any right to privacy, which results in harm to employees of the Insured or third parties, including but not limited to unauthorised access to or collection, use, or disclosure of a person's personal information, breach of the Insured's privacy policy, breach of a persons' right of publicity, false light or intrusion upon a person's seclusion.
Retroactive Date	<i>means</i>	the date as specified in the Schedule of Insurance. If not specified the Retroactive Date shall be the date of first inception of this policy.
Sensitive Systems	<i>means</i>	all systems (including all hardware, software and physical components thereof and the data stored thereon) visible to external networks and/or used to store/process Sensitive Information .
Sensitive Information	<i>means</i>	<ul style="list-style-type: none"> a. any confidential or proprietary non-public information of the Insured or Third Party, including but not limited to trade secrets, know how, intellectual property including but not limited to patents, copyrights and trademarks, computer programmes or customer information; or b. any confidential non-public information relating to a natural person, including but not limited to payment card, banking, financial, contact and medical information.
Subsidiary	<i>means</i>	<p>any organisation, including but not limited to any corporation, partnership, limited liability corporation, unlimited liability corporation, association, trust or other entity in which the Insured Organisation either directly or indirectly:</p> <ul style="list-style-type: none"> a. holds or controls the majority of voting rights; b. has the right to appoint or remove or otherwise controls a majority of the board of directors, or board of trustees, or the functional equivalent; or c. holds more than half of the issued share or equity capital.
Theft of data	<i>means</i>	the unauthorised taking, misuse, modification, deletion, corruption, destruction or disclosure of Data or information including but not limited to charge, debit, and credit information, banking, financial and investment services account information, proprietary corporate information, and personal, private and confidential information, whether in paper or electronic format.
Third Party	<i>means</i>	<p>any entity or natural person; provided, however, Third Party does not mean:</p> <ul style="list-style-type: none"> a. any Insured; or b. any other entity or natural person having a financial interest or executive role in the operation of the Insured Organisation or any Subsidiary.
Unauthorised Access	<i>means</i>	the actual gaining of access to a Computer System by an unauthorised person or persons or an authorised person in an unauthorised manner.
Unauthorised Use	<i>means</i>	the use of a Computer System by an unauthorised person or persons or an authorised person in an unauthorised manner, including false communications or social engineering techniques designed to trick the user into surrendering personal information (such as phishing or pharming).
United States and/or Canada	<i>means</i>	the United States of America and/or Canada and/or their respective possessions or protectorates and/or any country which operate under the laws of the United States of America or Canada.
Wrongful Act	<i>means</i>	any error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed, attempted or allegedly committed or attempted by

an **Insured**, with respect to its duties as such, or others acting on behalf of the **Insured** for whom the **Insured** is legally responsible, resulting in an actual or potential **Privacy Breach** or **Network Security Breach**, provided the acts were committed, attempted, or allegedly committed or attempted on or after the **Retroactive Date**

19. MINIMUM SECURITY REQUIREMENTS

The **Insured** shall take all reasonable steps to maintain its data and information security procedures to a standard no less than those standards and security measures disclosed and set out in the **Application** which forms the basis of this policy.

In addition the **Insured** undertakes to comply fully with the Insurer's minimum IT security requirements as specified hereunder on commencement of and throughout the duration of this policy:

- 19.1 Firewalls implemented to restrict access to digitally stored **Sensitive Information**.
- 19.2 Anti-virus and/or anti-malware software implemented on all desktops, laptops and **Sensitive Systems** (where applicable and in accordance with best practice recommendations) and kept up to date as per the software providers' recommendations.
- 19.3 Security related patches and updates applied on **Sensitive Systems** within 3 (three) months of release by the provider.
- 19.4 Password controls implemented on **Sensitive Systems**. These controls must include:
 - 19.4.1 Password length of at least 8 (eight) characters
 - 19.4.2 User account passwords changed at least every 120 (one hundred and twenty) days
 - 19.4.3 Passwords configured which are not common dictionary words and cannot within reason be deemed widely used or easily guessable e.g. Password 1 or date of birth
 - 19.4.4 User accounts configured to lockout as a result of at most 20 (twenty) failed authentication attempts
 - 19.4.5 All default installation and administration accounts secured via changing the account password and where possible disabling, deleting or renaming the account.
- 19.5 Administrative and remote access interfaces such as Remote Desktop Protocol (RDP) are not accessible via the open internet. Where such interfaces are required these are accessible exclusively over secured channels such as Virtual Private Network (VPN) connections.
- 19.6 Controls implemented to restrict wireless network access to **Sensitive Systems** and **Sensitive Information** to authorised users. Controls to include:
 - 19.6.1 enabling encryption of wireless network traffic;
 - 19.6.2 changing default access passwords to complex passwords comprising lowercase letters, uppercase letters, numbers, and symbols;
 - 19.6.3 implementing authentication to access the wireless network; and
 - 19.6.4 where possible restricting wireless network access to known devices.
- 19.7 Controls implemented to restrict physical access to offices, server rooms/sensitive processing facilities and if applicable remote locations including disaster recovery sites to authorised users.
- 19.8 The system and/or activity logs for all **Sensitive Systems** stored for a minimum period of 6 (six) months.
- 19.9 User privileges for users with access to **Sensitive Systems** and **Sensitive Information** must be revoked within thirty (30) days of termination of employment at the **Insured** and where notified for termination of employment at a service provider.

Annexure A: Service Provider Agreements and Insured Obligations

SERVICE PROVIDER AGREEMENTS

The Insurer has entered into service level agreements with various service providers for the provision of services as covered under the Insuring Agreements of the policy. The terms of the service level agreements are applicable to the **Insured** as if the **Insured** had signed these service level agreements and are available from the Insurer on request to cyber@itoo.co.za

Key terms of the service level agreement, include but are not limited to:

1. Dispute Resolution – Mediation and arbitration

- 1.1 Should any dispute, disagreement or claim arise between the **Parties** (called hereafter the dispute) concerning this agreement, the **Parties** shall try to resolve the dispute by negotiation. This entails that the one party invites the other in writing to a meeting and to attempt to resolve the dispute within 7 (seven) days from date of the written invitation.
- 1.2 If the dispute has not been resolved by such negotiation, the **Parties** shall submit the dispute for private mediation in terms of the Arbitration Act 42 of 1965.
- 1.3 Failing such a resolution, the dispute, if arbitral in law, shall be referred for Arbitration in terms of the Arbitration Act 42 of 1965. The Arbitration will be conducted in English and held within the Republic of South Africa at a place which is mutually agreed to between the **Parties**.

2. Ethical Standards

- 2.1 The Parties undertake to operate in an open, honest and transparent manner and to adhere to the highest ethical standards of business practice.
- 2.2 The Insurer expects the Parties to exercise prudent judgement so that nobody benefits personally from the terms of the Agreement. It is essential that all goods and or services supplied be judged according to overall service and cost efficacy. Should anything be offered that can in any way be construed as a conflict of interest or a bribe, e.g. cash or loans, the Insurer must immediately be advised in writing.
- 2.3 The Service Provider is not an agent, employee or partner of the Insurer and it is specifically recorded that if and when instructions are given to the Service Provider by the Insurer, that it shall in no way be construed as constituting a contract of agency, employment or partnership between the Parties
- 2.4 The signing of the **Agreement** does not give the **Service Provider** the liberty to:
 - 2.4.1 conduct work on behalf of the Insurer unless specifically instructed to do so by means of the official method of authorisation, which will be issued in writing and that will clearly state the Claims Division responsible for the claim; and/or
 - 2.4.2 accept any instructions for **Services** from the **Insured** that will deviate from the official method of authorisation received from the Insurer. Any such requests must be agreed to in writing by the responsible **Claims Division**.

3. Service provider obligations

- 3.1 The Service Provider is hereby appointed as a selected supplier of the Insurer and agrees and undertakes, subject to the terms and conditions contained in the Agreement, to effect the Services as stipulated in the Agreement as covered under the Insuring Agreements of the policy, Operational Service Levels, to the satisfaction of the Insurer, at the costs agreed to between the Service Provider and the Insurer in respect of each instruction referred to it by the Insurer.
- 3.2 The Service Provider undertakes to carry out such services in a professional manner, to the highest possible standards, and in the most cost effective manner in order to satisfy the Insurer's obligations to the Insured.
- 3.3 The Service Provider may not subcontract all or any of the work, unless specifically agreed to in writing by the other Parties.
- 3.4 Should the Service Provider be unable to fulfil his obligations to perform the services as agreed this must be immediately reported to the Insurer or its authorised representative.
- 3.5 The primary medium of communication between the Parties will be by electronic mail.
- 3.6 The Service Provider shall ensure that all personnel in its employment are suitably qualified to fulfil the Service Provider's obligation to the Insurer and that the said personnel comply with the required level of competency as required by legislated industry standards and/or any other relevant competency levels
- 3.7 The Insurer requires the Service Provider to keep all records, whether in electronic format or otherwise, relating to the provision of the services for a period of 5 (five) years from the date the record was generated.
- 3.8 The Service Provider undertakes to adhere to an open book policy in all aspects, allowing the Insurer's designated personnel to conduct audits on the Service Provider, from time to time in order to monitor compliance with the **Agreement**.

4. Defective services

- 4.1 The Insurer shall notify the Service Provider of defective services coming to the attention of either the Insured or the Insurer.
- 4.2 If the Service Provider is found to have provided defective services to the Insurer and/or the Insured, as the case may be, and which defective services fail to comply with the relevant authorisation; and/or are found to be defective and not in accordance with the levels and standards of quality envisaged in the Agreement and in the event that the Service Provider has been given the opportunity to rectify same as envisaged in the Agreement and the Service Provider has failed to rectify the defective services in the appropriate manner, the Insurer shall be entitled to terminate the Agreement and remove the Service Provider as an approved supplier to the Insurer after consultation with the **Service Provider**.

5. Insurances

The **Service Provider** warrants that it shall effect and keep current a minimum of R10 million professional indemnity and public liability insurance (including work-away insurance) policies to cover the **Service Provider** for any claim, action, demand which may be made by the other **Parties** against the **Service Provider**.

6. Liability and indemnities

- 6.1 The Insurer, its employees and/or its agents shall not be liable for any loss, damage, expense and/or liability incurred by the **Service Provider**, where such loss or damage arose from the negligence, gross negligence or willful act of the **Service Provider**, its employees, subcontractors and /or its agents, or where such loss or damage arose from and in connection with the rendering of the **Services** by the **Service Provider**.
- 6.2 In the event of the Insurer being held liable or in the event of any legal action being commenced against the Insurer, its employees and/or agents as a result of loss or damage, injury sustained by a third party or an **Insured** as a result of the negligent, grossly negligent or willful action of the **Service Provider**, its personnel, or agents, the **Service Provider** agrees to indemnify and hold harmless the Insurer, its employees and/or agents against any loss or damage the Insurer may sustain as a result of such actions.

7. Confidential information

- 7.1 All **Confidential Information** shall be kept confidential by the **Parties**, their personnel, agents and/or contractor(s).
- 7.2 The **Parties** acknowledge that the **Confidential Information** of the other **Party** is a valuable asset, proprietary to the disclosing **Party** and that disclosure does not confer any rights in the **Confidential Information** to the **Party** disclosed to and that the unauthorised disclosure or use of the **Confidential Information** would result in financial or other harm which may be irreparable.
- 7.3 The **Parties** agree that they will not use, exploit, sell, copy, reproduce or apply the **Confidential Information** (in whole or in part) of the other **Party** in any manner other than the purpose for which it was disclosed, without the prior written consent of the disclosing **Party** and the **Party** disclosed to agrees to take all necessary precautions to prevent unauthorised access to or copying of the **Confidential Information** by any other person.
- 7.4 7.1.4 In the event of the termination of the **Agreement**, the **Parties** will return the **Confidential Information** of the other **Party** within 7 (seven) days after being requested in writing to do so and provide a written statement, if required, that all the **Confidential Information** has been returned or destroyed.
- 7.5 The **Service Provider** warrants that any material produced by it for the purposes of providing services as covered under the Insuring Agreements of the policy will not infringe on the intellectual property rights or other rights of any third party

INSURED OBLIGATIONS

1. The **Insured**, as a condition of cover agrees that it will comply with the following:
2. The **Insured** is responsible for ensuring that any affected and interested third parties have given their consent before the commencement of the **Services**.
3. The **Insured** will promptly and timeously provide all information and access to systems that the **Service Provider** may reasonably require in order to render the **Services**.
4. The **Insured** will make reasonable efforts to accommodate the **Service Provider** teams onsite, providing office equipment, telecommunications equipment and information technology as may be reasonably required. Any office equipment, telecommunications equipment and information technology supplied by the **Insured** shall at all times remain the property of the **Insured** and the **Service Provider** shall return all such equipment and technology in its possession to the **Insured** as well as delete all such computer software from its computers on the day on which the contractual relationship with the **Insured** terminates, for whatever reason.
5. The **Insured** will be responsible for restoring any aspects of its hardware, firmware and software that required a change before the **Service** could commence to the state that it was before or to an improved state, where applicable. The **Service Provider** will provide all such information as may reasonably be required by the **Insured** in this regard.
6. The **Insured** will assign a primary contact to the **Service Provider** with the authority to arrange access, schedule testing and manage any issues that may arise. The **Insured** primary contact will be available to the **Service Provider** during the entire incident response process as reasonably required.
7. The **Insured** undertakes, on a need-to-know basis, that all appropriate personnel within their organisation are informed of the nature and timing of the **Services** to be provided by the **Service Provider** to avoid undesirable disruptions or delays.
8. The **Insured** primary contact will inform the **Service Provider** in writing of any security and access standards or requirements that must be adhered to.
9. The **Insured** warrants that the material and access provided to the **Service Provider** for purposes of providing the **Services** will not infringe on any intellectual property rights or other rights of any third parties.

DEFINITIONS

Agreement	means	the service level agreements signed between the Service Provider and the Insurer for the provision of the Services as covered under the Insuring Agreements of the policy.
Claims Division	means	a division of the Insurer specifically authorised to deal with claims submitted by the Insured .
Confidential Information	means	any information or any other data of whatsoever nature or kind disclosed between the Parties , relevant to the Parties' business and/or the performance of the Parties' functions and obligations in terms of this policy, pertaining in any way to the Parties' business affairs, whether written, graphic or oral.
Parties	means	the Insured , the Insurer and service providers deployed by the policy to render services to the Insured .
Service Provider	means	the company with which the Insurer has signed a service level agreement for the provision of the Services as covered under the Insuring Agreements of the policy.
Services	means	services as covered under the Insuring Agreements of the policy.



In association with **Hollard.**

Cyber Insurance Endorsement

Hollard.

Underwritten by The Hollard Insurance Company Limited
(Reg No. 1952/003004/08), a Licensed Non-Life Insurer and
an authorised Financial Service Provider

www.itoo.co.za

ITOO is an authorised Financial Service Provider, FSP number 47230

THE PRIVACY OF YOUR PERSONAL INFORMATION

We care about the privacy, security and online safety of your personal information and we take our responsibility to protect this information very seriously. Below is a summary of how we deal with your personal information. For a more detailed explanation, please read our official Privacy Notice on our website.

- **Processing of your personal information:** We have to collect and process some of your personal information in order to provide you with our products and services, and also as required by insurance, tax and other legislation.
- **Sharing your personal information:** We will share your personal information with other insurers, industry bodies, credit agencies and service providers. This includes information about your insurance, claims and premium payments. We do this to assess claims, prevent fraud and to conduct surveys.
- **Accessing your medical information:** We may ask you to undergo any necessary medical testing, blood testing and examinations. We may also ask you to send us any medical information we need to accurately assess our risk or your claims.
- **Protecting your personal information:** We take every reasonable precaution to protect your personal information (including information about your activities) from theft, unauthorised access and disruption of services.
- **Receiving marketing from us:** Please contact us if you want to change your marketing preferences. Remember that even if you choose not to receive marketing from us, we will still send you communications about this product

ITOO Cyber Insurance Endorsement

Notwithstanding anything contained to the contrary in this Policy in consideration of the **Insured** having paid the premium, agreed that any proposal or other information supplied by the **Insured** or on the **Insured's** behalf shall be the basis of this Endorsement, the **Insurer** agrees to indemnify the Insured as described herein subject to the terms, conditions and exclusions of this Endorsement (**including but not limited to the minimum security requirements as per clause 4.12**) and otherwise to the terms, conditions and exclusions of this Policy but in the event of conflicts between this Policy and this Endorsement, the specific terms, conditions and exclusions of this Endorsement shall to the extent necessary apply and take preference.

1. INSURING AGREEMENTS

A. Cyber Liability

The **Insurer** shall indemnify the **Insured** for those amounts which the **Insured** is legally liable to pay as **Loss** resulting directly from a **Claim** first made against the **Insured** and notified to the **Insurer** in accordance with the provisions of this Endorsement during the **Policy Period** as a result of a **Wrongful Act**.

B. Crisis Management Expenses and Notification Expenses

The **Insurer** shall pay **Crisis Management Expenses** and **Notification Expenses** incurred by the **Insured** resulting directly from a **Claim** first made and notified to the **Insurer** in accordance with the provisions of this Endorsement during the **Policy Period** as a result of a **Wrongful Act**

PROVIDED THAT:

1. The **Insurer's** maximum liability for all payments on **Claim's** made during the **Policy Period**, including all **Expenses**, shall be the lesser of the applicable Insuring Agreement Limit of Indemnity or the unpaid portion of the applicable Aggregate Limit of Indemnity in the Schedule for this Endorsement for each **Policy Period**, regardless of the number of Claims or applicable Insuring Agreements.
2. **Claims** involving the same or directly related **Wrongful Acts** constitute a single **Claim**, originating at the earliest date a **Claim** is first made alleging such **Wrongful Act**.
3. The **Insurer** is only liable to pay that part of each **Loss** or **Expenses** that exceeds the applicable **Deductible**. The **Deductible** is applicable to each and every **Claim**.
4. Should more than one of the Insuring Agreements be applicable to a **Claim**, the highest of the applicable **Deductibles** stated in the Schedule shall be the sole **Deductible** applied. Any applicable time deductible would apply in addition notwithstanding the aforementioned.

2. DEFINITIONS

Claim means

- a. a written demand for damages or injunctive relief against an **Insured**;
- b. a civil, criminal or penal judicial, administrative, investigative or regulatory proceeding, or arbitration commenced against an **Insured** by the service of a statement of claim or similar pleading, the receipt or filing of a notice of

charges, hearing or proceeding, the return of an indictment or laying of information request, or a notice of intent to arbitrate or similar document;

- c. a proceeding commenced by the **Insured's** receipt of a complaint made to or by the Information Regulator or a similar governmental regulatory body; or
- d. for Insuring Agreement B, notification by the **Insured** to the **Insurer** of an actual or potential **Privacy Breach** or **Network Security Breach**

Claim Expenses *means* reasonable and necessary costs, charges, fees and expenses (other than regular or overtime wages, salaries, fees or overheads of the **Insured** or any **Subsidiary**) incurred by the Insurer or the Insured with the prior written consent of the Insurer, in defending **Claims** or investigating circumstances which may, in the Insured's reasoned opinion, lead to a **Claim**.

Computer System *means* interconnected electronic, wireless, web, or similar systems (including all hardware, software and physical components thereof and the data stored thereon) used to process data or information in analogue, digital, electronic or wireless format.

Crisis Management Expenses *means* reasonable and necessary expenses approved by the **Insurer** within one (1) year of the **Insured** notifying the **Insurer** of the **Wrongful Act**, for a public relations consultant and related advertising or communication expenses at the direction of said consultant.

Data *means* the **Insured's** machine-readable information.

Deductible *means* the first amount payable by the **Insured**.

Denial of Service Attack *means* deliberate attack on the **Insured's Computer System** which restricts or prevents access by persons authorised to access same.

Downstream Attack *means* the use of the **Insured's Computer System** to attain **Unauthorised Use** or **Unauthorised Access** to, participate in a **Denial of Service Attack** against or transmit **Malicious Code** to a foreign **Computer System**.

Expenses *means* all **Claim Expenses**, **Crisis Management Expenses** and **Notification Expenses**.

Insured Person *means*

- a. any past or present director, officer, trustee, employee (whether temporary or part-time), partner, or principal of the **Insured Organisation** or a **Subsidiary**, but only while acting on behalf of or in the interest of the **Insured Organisation** or a **Subsidiary**;
- b. independent contractors of the **Insured Organisation** or of a **Subsidiary** who are natural persons, but only with respect to **Wrongful Acts** within the scope of such person's duties performed on behalf of the **Insured Organisation** or of a **Subsidiary**; and
- c. any entity required by contract to be named an Insured under this Endorsement and consented to in writing by the **Insurer**, but only for acts as detailed under the relevant Insuring Agreement.

Insured *means* those organisations designated in the Schedule as insured, **Subsidiaries** thereof and **Insured Persons**.

Loss *means*

- a. **Claim Expenses** resulting directly from a **Claim**;
- b. Amounts the **Insured** is legally obligated to pay resulting directly from a **Claim** in respect of:
 - i. judgments or awards rendered against the **Insured**;
 - ii. regulatory fines, penalties or punitive damages imposed by a governmental regulatory body, to the extent payable and insurable under the law governing the **Insured's** operations; or
 - iii. settlements which have been approved or negotiated by the **Insurer**

Loss does not include:

- a. profits, restitution, or disgorgement of profits by any **Insured**;
- a. costs to comply with orders granting injunctive or non-monetary relief;
- b. return or offset of fees, charges, royalties or commissions for goods or services;
- c. non-compensatory (except to the extent covered at (b.ii)), constitutional, multiple or liquidated damages;
- d. fines or penalties (except to the extent covered at (b.ii));
- e. damages, fines, penalties or awards from industry-wide, non-firm specific regulatory inquiry or action;
- f. any amount which the **Insured** is not legally liable to pay;
- g. loss of any remuneration or financial advantage to which the **Insured** was not legally entitled;
- h. matters deemed uninsurable under the jurisdiction in which a **Claim** is brought; and
- i. matters relating to laws not pursuant to which this Endorsement may be construed.

Malicious Code	<i>means</i>	software designed to infiltrate or damage the Computer System without the Insured's consent.
Network Security Breach	<i>means</i>	a Downstream attack, Unauthorised Access to, Unauthorised Use of, Theft of Data from, Denial of Service Attack against or transmission of Malicious Code to the Insured's Computer System , including physical theft of any part thereof.
Notification Expenses	<i>means</i>	reasonable and necessary expenses approved by the Insurer within one (1) year of the Insured notifying the Insurer of the Wrongful Act , to comply with governmental privacy legislation or Guidelines recommending as best practice, notification in the event of a Privacy Breach or Network Security Breach .
Policy Period	<i>means</i>	the period of time from the effective date to the expiration date specified in the Schedule, or any earlier cancellation date.
Privacy Breach	<i>means</i>	a statutory, regulatory or common law breach of confidentiality, infringement, or violation of any right to privacy, resulting in harm to employees of the Insured or third parties.
Retroactive Date	<i>means</i>	the date as specified in the Schedule. If not specified, the Retroactive Date shall be the date of first inception of this Endorsement.
Sensitive Systems	<i>means</i>	all systems (including all hardware, software, physical components thereof and data stored thereon) visible to external networks and/or used to store/process Sensitive Information .
Sensitive Information	<i>means</i>	any confidential or proprietary non-public information of the Insured or Third Party ; or any confidential non-public information relating to a natural person.
Subsidiary	<i>means</i>	any entity in which the Insured Organisation directly or indirectly holds or controls the majority of voting rights; has the right to appoint, remove, or controls a majority of the board of directors, or board of trustees, or the functional equivalent; or holds more than half of the issued share or equity capital.
Theft of data	<i>means</i>	the unauthorised taking, misuse, modification, deletion, corruption, destruction or disclosure of Data or information, whether in paper or electronic format.
Third Party	<i>means</i>	any entity or natural person. Third Party does not mean: any Insured ; or any other entity or natural person having a financial interest or executive role in the operation of the Insured Organisation the Insured or any Subsidiary .
Unauthorised Access	<i>means</i>	the actual gaining of access to a Computer System by an unauthorised person or persons or an authorised person in an unauthorised manner.
Unauthorised Use	<i>means</i>	the use of a Computer System by an unauthorised person or persons or an authorised person in an unauthorised manner.

- USA and/or Canada** means the United States of America and/or Canada and/or their respective possessions or protectorates and/or any country operating under the laws of the United States of America or Canada.
- Wrongful Act** means the following acts committed, attempted or alleged on or after the **Retroactive Date**, any error, misstatement, misleading statement, act, omission, neglect, or breach of duty committed, attempted or allegedly committed or attempted by an **Insured**, with respect to its duties as such, or others acting on behalf of the **Insured** for whom the **Insured** is legally responsible, resulting in an actual or potential **Privacy Breach** or **Network Security Breach**.

3. EXCLUSIONS

The **Insurer** shall not be liable for any payment in connection with any **Claim** based upon, arising out of, or resulting from:

3.1 Prior Circumstances and Litigation:

- 3.1.1 any circumstance which occurred or allegedly occurred prior to the **Retroactive Date**;
- 3.1.2 any circumstance where any written notice was given or accepted under any policy to which this Endorsement is attached, is a renewal or a replacement.

3.2 **Individual Conduct:** any deliberately fraudulent, criminal, illegal, dishonest or malicious act, error or omission by any **Insured Person** for **Claims** made against such **Insured Person**. If final judgment, adjudication, binding arbitration, guilty plea or written admission under oath establishes such conduct, the **Insured Person** shall reimburse the **Insurer** for all **Expenses** incurred on behalf of such **Insured Person**.

3.3 **Insured Conduct:** any deliberately fraudulent, criminal, illegal, dishonest or malicious act, error or omission by any **Insured Person**, for **Claims** made against any **Insured** or **Subsidiary** if any of the principals, partners, officers or directors (or equivalent positions), participated in or were in collusion with such **Insured Person**. If final judgment, adjudication, binding arbitration, guilty plea or written admission under oath establishes such conduct, the **Insured** shall reimburse the **Insurer** for all **Expenses** incurred on behalf of the **Insured**.

3.4 **Insolvency:** the **Insured's** insolvency or bankruptcy.

3.5 **Bodily Injury and Property Damage:** any bodily, mental or emotional injury, anguish or distress, sickness, disease or death, or physical damage to, impairment, corruption or destruction of any tangible property including loss of use thereof. **Data** is not considered tangible property.

3.6 **Employment Practices:** the **Insured's** employment practices.

3.7 Service Interruptions, Professional Services, Product Liability:

- 3.7.1 interruption of satellite service or failure of satellites;
- 3.7.2 electrical or mechanical failures or interruptions;
- 3.7.3 outages of or interruption to the supply of infrastructure or services unless under the **Insured's** operational control or the **Claim** arises from a **Network Security Breach**;
- 3.7.4 failure, gradual deterioration or theft of overhead transmission, distribution lines or subterranean insulation or cabling;
- 3.7.5 the rendering, negligence in or failure of an **Insured** to render professional services;
- 3.7.6 the actual or alleged failure, breakdown, or injury resulting from goods or products an **Insured** manufactures, supplies, sells, distributes or markets, including work to repair, alter, maintain or install such goods or products;
- 3.7.7 expiration, cancellation, alteration, withdrawal or recall of products or services and/or loss of use thereof.

3.8 **Fees:** for any fees, commissions, expenses or costs paid to or charged by the **Insured**.

3.9 **Contractual Breach:** liability assumed by the **Insured** under any contract or agreement unless such liability would have existed in the absence of such contract or agreement.

3.10 **Pollution:** in consequence of or in any way involving:

- 3.10.1 the presence of, actual, alleged or threatened discharge, dispersal, release, or escape of pollutants or contamination of any kind;
- 3.10.2 direction or request to in any way respond to or assess the effects of pollutants or contamination of any kind;

- 3.10.3 asbestos, asbestos-containing products or materials, asbestos fibres/dust;
- 3.10.4 ionizing radiation or contamination by radioactivity from any nuclear fuel or any nuclear waste from the combustion of nuclear fuel;
- 3.10.5 hazardous properties of any explosive nuclear assembly or component thereof; or
- 3.10.6 the existence, emission or discharge of any electromagnetic field/radiation or electromagnetism that affects any person, the environment or property.

For the purposes of this exclusion contamination shall not include **Malicious Code**.

- 3.11 **Securities, Fiduciary, Intellectual Property:** or related to any of the following:
 - 3.11.1 the purchase, sale, offer or solicitation of an offer to purchase or sell securities, violation of any securities law or any actual or alleged loss of value of any securities;
 - 3.11.2 racketeering, money laundering, anti-trust violations, restraint of trade or unfair competition;
 - 3.11.3 violations related to employee benefit, pension, healthcare, welfare, profit sharing, mutual or investment plans, funds or trusts;
 - 3.11.4 the validity, invalidity, infringement, violation or misappropriation of or assertion of any right to or interest in intellectual property rights, licensing statutes or regulations.
- 3.12 **Acts of God:** any physical or natural event outside of the **Insured's** control.
- 3.13 **War, Riot, Terrorism and Confiscation:** any riot, strike, lockout or similar labour action, war, invasion, act of foreign enemy, hostilities or warlike operation (whether declared or not), cyberwar, civil war, mutiny, riot, civil commotion assuming the proportions of or amounting to a popular rising, insurrection, rebellion, revolution, military or usurped power or confiscation/nationalisation/requisition/destruction of or damage to property by or under the order of any government or public or local authority, terrorism, cyberterrorism or any act of any person or persons acting on behalf of or in connection with any organisation the objects of which are to include overthrowing or influencing of any de jure or de facto government by terrorism, cyberterrorism or by any violent means.
- 3.14 **Trading Losses and Monetary Transactions:** any trading losses, trading liabilities or change in value of accounts; any loss, transfer of, theft of monies, securities or tangible property of others in the care, custody or control of the **Insured Organisation**; monetary value of any electronic fund transfers or transactions lost, diminished, or damaged during transfer, or the face value of coupons, price discounts, prizes, awards, or any other valuable consideration in excess of the total contracted or expected amount.
- 3.15 **Sanctions:** the violation of 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 irrespective of enactment in the jurisdiction where indemnity or benefit is provided or payment made.
- 3.16 **Legal Action:** any action, proceeding or arbitration brought in a court of law outside South Africa, or brought in a court of law within South Africa to enforce a foreign judgment by Reciprocal Agreement or otherwise.
- 3.17 **USA/Canada:** in consequence of, or in any way involving any matter or **Claim** where relief is sought or legal action or litigation is threatened or pursued in a court of law or other authority, constituted in the **USA and/or Canada**, or arising out of any activities carried on in the **USA and/or Canada**.
- 3.18 **Software:** the use of pirated software, software not yet released from its development stage or that has not passed all test runs and proven successful in daily operations.
- 3.19 **Hardware, Computer Systems:** the wear and tear, drop in performance, progressive or gradual deterioration, or ageing of electronic equipment and/or hardware or the **Insured's** failure to maintain any **Computer System**, software or other equipment.
- 3.20 **Rectifying Weaknesses:** the failure to rectify or improve weaknesses or defects in the **Insured's Computer System** or processes, where these have come to the attention of the **Insured's** principal, partner or director (or any equivalent positions), with sufficient time to rectify the weakness or defect to avoid, reduce or mitigate the impact of a resulting **Claim**.
- 3.21 **Unauthorised Collection:** the unauthorised or unlawful collection of **Third Party** proprietary corporate or personal, private and confidential information.
- 3.22 **Insured vs Insured:** any **Claim** by the Insured against any other person or entity who is also an Insured under this Policy.
- 3.23 **Betterment:** any costs or expenses incurred by the **Insured** to:

- 3.23.1 identify or remediate any software errors or vulnerabilities;
 - 3.23.2 update, replace, upgrade, recreate or enhance any part of the **Insured's Computer System** to a level beyond that which existed prior to the **Wrongful Act**; or
 - 3.23.3 research or develop any **Data**, including but not limited to trade secrets or other proprietary information; or
 - 3.23.4 establish, implement, maintain, improve or remediate security or privacy practices, procedures or policies.
- 3.24 **State Capture:** based upon or attributable to any claim or loss or costs or expenses made against or incurred by the **Insured** arising out of, based upon, or attributable to any allegation of alleged or actual involvement in any act, omission, wrongdoing or breach of any kind arising from, attributable to or based upon any involvement in "State Capture" referred to in the Public Protector's Report dated 14 October 2014 or any subsequent report, investigation, judicial proceedings, judicial inquiry or commission or other inquiry by any official body in relation to any act of favouritism, bribery, corruption, gaining of profit or advantage of any kind to which the **Insured** is not legally entitled to at any entity or organ of state. Official body shall mean: any regulator, government body, government agency, parliamentary commission, official trade body, or any similar body having legal authority to investigate the affairs of the **Insured** or a client of the **Insured**, or the equivalent body in any other applicable jurisdiction.

4. CONDITIONS

4.1 Defence and settlement:

- 4.1.1 The **Insured** shall not admit liability, assume any obligations, incur any expense, enter into any settlement, consent to any judgment or award, or dispose of any **Claim** without the **Insurer's** prior written consent
- 4.1.2 If the **Insured** refuses to consent to a settlement recommended by the **Insurer** and acceptable to the claimant, the **Insurer** shall be entitled to pay the **Insured** the amount the **Claim** can be settled for and upon such payment shall have no further liability for the **Claim** and all its obligations shall be fully and finally discharged.

4.2 **Allocation:** If **Loss** covered by this Endorsement and loss not covered by this Endorsement is simultaneously incurred, the **Insured** and the **Insurer** shall use their best efforts to agree upon a fair and proper allocation based upon their relative legal exposure.

4.3 **Assistance, cooperation and subrogation:** The **Insured** shall provide information, assistance and cooperation in the defence of any **Claim** including informing appropriate regulatory or law enforcement authorities of a **Cyber Extortion Threat**, and in enforcing any right of subrogation, contribution or indemnity. The **Insured** will do nothing to prejudice the **Insurer's** position or rights of recovery. In the event of any payment, the **Insurer** shall be subrogated the **Insured's** rights of recovery against any person or entity.

4.4 **Reporting and notice:** The **Insured** shall notify the **Insurer** as soon as practicable, but within thirty (30) days, upon the **Insured's** becoming aware of any **Claim** or circumstance which could reasonably give rise to a **Claim**. For any **Cyber Extortion Threat** made, the **Insured** shall immediately notify the **Insurer**.

4.5 **Assignment:** Nothing contained herein shall give any person or organisation any right to join the **Insurer** as a party to any **Claim** against the **Insureds** to determine their liability, nor shall the **Insurer** be included as a third party by the **Insureds** or their legal representative in any **Claim**. Assignment of interest under this Endorsement shall not bind the **Insurer** unless its consent is endorsed hereon.

4.6 **Corporate acquisitions, mergers, amalgamations and takeovers:** This Endorsement does not cover any company or other legal entity acquired during the **Policy Period** unless notified to and endorsed by the **Insurer**.

4.7 **Territory, jurisdiction and governing law:** This Endorsement applies to **Claims** resulting from acts alleged or committed anywhere in the world and shall be construed in accordance with the laws of the Republic of South Africa.

4.8 **Cancellation:** The **Insured** may cancel the Endorsement at any time by providing the **Insurer** with written notice stating when thereafter cancellation is to take effect. If there has been no **Claim**, the **Insurer** will refund premium on a pro rata basis. The **Insurer** can cancel the Endorsement by delivering the **Insured** written notice stating when, not less than thirty (30) days thereafter (ten (10) days for non-payment of premium), the cancellation shall be effective. Proof of emailing shall be sufficient proof of notice and this Endorsement shall be deemed cancelled at the date and hour specified in such notice. The **Insurer** shall be entitled to a pro-rata proportion of the premium. Payment or tender of any unearned premium by the **Insurer** shall not be a condition precedent to the effectiveness of cancellation, but such payment shall be made as soon as practicable.

- 4.9 **Service level agreements:** The **Insurer** has entered into service level agreements with service providers for the provision of services covered under the Endorsement Insuring Agreements. The terms of the service level agreements are applicable to the **Insured** as if the **Insured** had signed these and are available from the **Insurer** on request.
- 4.10 **Minimum security requirements:** In addition to its data and information security procedures as disclosed, the **Insured** undertakes to comply fully with the **Insurer's** minimum IT security requirements as specified hereunder on commencement of and throughout the duration of this Endorsement:
- 4.10.1 Anti-virus and/or anti-malware software implemented on all desktops, laptops and **Sensitive Systems** (where applicable and in accordance with best practice recommendations) and kept up to date as per the software providers' recommendations.
 - 4.10.2 Security related patches and updates applied on **Sensitive Systems** within 3 (three) months of release by the provider.
 - 4.10.3 Outdated software which is no longer supported by the software provider is not accessible from external networks and is disclosed to the **Insurer**.
 - 4.10.4 Password controls implemented on **Sensitive Systems**. These controls must include:
 - 4.10.4.1 Password length of at least 10 (ten) characters.
 - 4.10.4.2 User account passwords configured to be changed at least every 120 (one hundred and twenty) days unless passwords are at least 14 (fourteen) characters in length or multi factor authentication is implemented.
 - 4.10.4.3 Passwords prevented from being reused for at least 5 password changes.
 - 4.10.4.4 Passwords configured which are not common dictionary words and cannot within reason be deemed widely used or easily guessable e.g., including the **Insured's** name or P@ssword1.
 - 4.10.4.5 User accounts configured to lockout because of at most 10 (ten) failed authentication attempts.
 - 4.10.4.6 All default installation and administration accounts secured via changing the account password from the well-known default passwords and/or disabling, deleting, or renaming the account.
 - 4.10.5 User privileges for users with access to **Sensitive Systems** and **Sensitive Information** must be revoked within thirty (30) days of termination of employment at the **Insured** and where notified, for termination of employment at a service provider.

If the **Insured's Computer System** includes a company network:

- 4.10.6 Next generation firewalls with geo-location blocking configured to restrict access to digitally stored **Sensitive Information**.
- 4.10.7 Generally accepted vulnerable network protocols are secured via disabling/blocking on the firewall or where required restricted based on IP address and/or to secured areas.
- 4.10.8 Administrative/remote access interfaces such as Remote Desktop Protocol (RDP) are not accessible via the open internet. Where such interfaces are required these are accessible exclusively over secured channels such as multi-factor authenticated Virtual Private Network (VPN) connections.
- 4.10.9 The system and/or activity logs for all **Sensitive Systems** including firewalls and Active Directory as implemented in the **Insured's** environment stored for a minimum period of 6 (six) months.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED



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 Sintelum (Pty) Ltd on behalf of Old Mutual Insure Limited 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 Sintelum (Pty) Ltd on behalf Old Mutual Insure Limited and for this we have an agreement in place with Sintelum (Pty) Ltd on Behalf of Old Mutual Insure Limited.

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 Sintelum (Pty) Ltd on behalf of Old Mutual Insure Limited 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 Sintelum (Pty) Ltd on behalf of Old Mutual Insure Limited 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 **incident/error** 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 FSCA.

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 FSCA, 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 FSCA
- 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 covered, however the underwriting process needs to be referral to insurers for approval and confirmation. Kindly note that in order to be covered for your Category II activities for information for underwriting is required 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.

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 Sintelum (Pty) Ltd on behalf of Old Mutual Insure Limited, 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 keagile.makati@aon.co.za or fsclaims@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, Sintelum (Pty) Ltd on behalf of Old Mutual Insure Limited. 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.

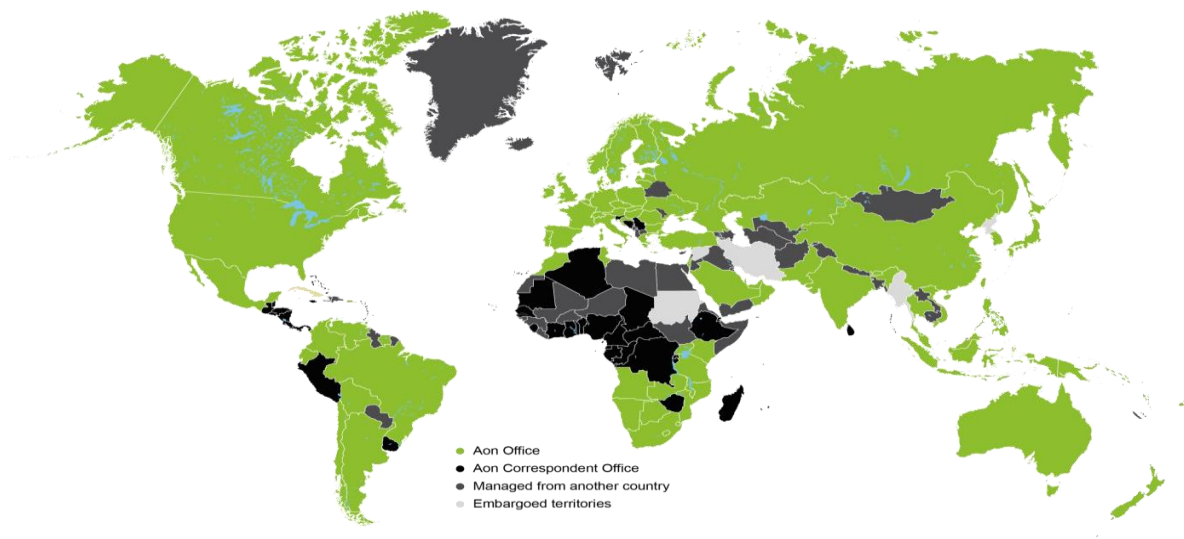
- **No. 1** global risk insurance broker.
- **No. 1** global reinsurance broker.
- **No. 1** global manager of captive insurance companies.
- **No. 1** U.S. wholesale broker.
- **No. 2** U.S. employee benefits consultant.
- **No. 3** global employee benefits consultant.

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 representative

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 for which we are licensed to provide advice and intermediary services	Category 1 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	Employee (contractual) and registered representative. Should a representative rendering services, be under supervision, you will be informed accordingly.		

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

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

Tel: (012) 470 9080

Fax: (012) 348 3447

Website: www.faisombud.co.za

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

Fax: (011) 726 5501

Website: www.osti.co.za

e-mail: info@osti.co.za

**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 whether more than 30% of the total remuneration was received from the in	See financial services provider / broker Disclosure Notice
(e) Whether professional indemnity insurance is held	See financial services provider / broker Disclosure Notice
(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 including any restrictions or conditions	Standard Independent Intermediary Agreement concluded with the product supplier / insurer and subject to: <ul style="list-style-type: none"> • 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	<p>Sintelum (Pty) Ltd FSB Number : 43830 Licensed for Short-Term : Category Commercial Lines</p> <p><i>Physical Address</i> : The Campus, Augusta Building, 57 Sloane Street, Bryanston, Johannesburg, 2021</p> <p><i>Postal Address</i> : Private bag X127, Bryanston, 2021</p> <p>Company Registration Number : 2009/004225/07 Telephone Number : +27 (11) 575-3234 E-mail : alan.taylor@sintelum.com</p>
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<p>(b) Professional Indemnity</p> <p>(c) Conflicts of Interest</p> <p>(d) Details of how to submit a claim</p> <p>(e) Details of complaints resolution procedure of the Financial Service Provider / Underwriting Manager</p> <p>(f) Details of Compliance Officer</p> <p>(g) Type of policy involved</p> <p>(h) Premium Obligations</p>	<p>Professional Indemnity Insurance is in place</p> <p>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)</p> <p>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;</p> <p>Sintelumclaims@sintelum.com</p> <p>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 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.</p> <p>Our Compliance Officer can be contacted on; Telephone Number : 0861 266 759</p> <p>Your policy document contains the name, class and type of policy.</p> <p>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</p>
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3. About the Product Supplier (The Insurer)

<p>(a) Name, address, contact details of the product supplier / insurer</p> <p>(b) Details of complaints procedure of the Insurer (s)</p> <p>(c) Disclosure of the contractual relationship with the product supplier (if any), and whether the provider has contractual relationships with other product suppliers</p> <p>(d) Whether more than 10 % of the insurer's share are held and whether more than 30 % of total remuneration, including commission, was received from the insurer</p>	<p>Old Mutual Insure Limited</p> <p><i>Physical Address : 75 Helen Joseph Street, Johannesburg</i> <i>Postal Address: P.O. Box 1120, Johannesburg 2000</i></p> <p>Telephone: +27 (11) 374-9111</p> <p>Complaints Department PO Box 1120, Johannesburg, 2000 Complaints@ominsure.co.za www.ominsure.co.za Tel (011) 374 9111</p> <p>Sintelum (Pty) Ltd is an Underwriting Manager, exclusively writing business on behalf of Old Mutual Insured Limited. Sintelum is remunerated through a binder arrangement of which Old Mutual Insure pays all their expenses plus a margin of 10%.</p> <p>Sintelum (Pty) Ltd is a wholly owned subsidiary of Old Mutual Insure Limited and Sintelum will earn more than 30% remuneration from Old Mutual Insure.</p>
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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

DISCLOSURE NOTICE TO SHORT-TERM INSURANCE POLICYHOLDERS

IMPORTANT – PLEASE READ CAREFULLY

(This notice does not form part of the insurance contract or any other document)

PARTICULARS OF UNDERWRITING MANAGER

Business Name	ITOO Special Risks (Pty) Ltd
FSP Number	47230
Physical Address	22 Oxford Road, Parktown, Johannesburg, 2193
Postal Address	PO Box 87419, Houghton, 2041
Telephone Number	+27 (11) 351 5000
Fax Number	+27 (11) 351 8015
Email Address	info@itoo.co.za
Website	www.itoo.co.za
Compliance Officer	
Name of Company	Associated Compliance
Telephone Number	011 678 2533

ITOO IS AUTHORISED TO PROVIDE FINANCIAL SERVICES IN RESPECT OF SHORT-TERM LIABILITY, FINANCIAL CRIME, DRONE COVER

License Number	47230
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ITOO HAS THE FOLLOWING INSURANCE IN PLACE WHICH PROVIDES PROTECTION TO CLIENTS

ITOO has Fidelity Insurance underwritten by AIG South Africa Limited and Professional Indemnity Insurance underwritten by The Hollard Insurance Company Limited. No IGF is in place as ITOO does not collect any premiums.

SHOULD YOU HAVE A CLAIM AGAINST YOUR POLICY, PLEASE NOTE THE FOLLOWING:

- (a) Procedures for the submission of claims are detailed in the policy wording.
- (b) You may contact the insurance broker's claims department for assistance.

YOUR INSURER

Name	The Hollard Insurance Company Limited
FSP Number	17698
Physical Address	22 Oxford Road, Parktown, Johannesburg, 2193
Postal Address	PO Box 87419, Houghton, 2041
Telephone Number	011 351 5000
Fax Number	011 351 0691
Website	www.hollard.co.za
Compliance Department	011 351 5000

COMPLAINTS

If you would like to lodge a formal complaint with ITOO, please write to:

ITOO SPECIAL RISKS Pty Ltd
Complaints Officer/Responsible Manager
Email: warwickg@itoo.co.za
Website: www.itoo.co.za

If you would like to lodge a formal complaint regarding your insurer or the underwriting manager, please write to:

The Hollard Insurance Company
Hollard Broker Markets Complaints
Email: Hollardinsurecomplaints@hollard.co.za
Website: www.hollard.co.za (click on the "Contact us" button at the top of the page)

If you get no response or you are dissatisfied with the outcome of your complaint, you may approach the FAIS Ombud or Short-term Ombudsman, details of which appear below.

THE OMBUDSMAN FOR SHORT-TERM INSURANCE		THE FAIS OMBUD	
Physical Address	1 Sturdee Avenue Cnr Bolton and Baker Roads First Floor, Block B Rosebank	Physical Address	Sussex Office Park Ground Floor – Block B 473 Lynnwood Rd Cnr. Lynnwood Rd & Sussex Ave Lynnwood, 0081
Postal Address	PO Box 32334, Braamfontein, 2017	Postal Address	PO Box 74571, Lynnwood Ridge, 0040
Telephone Number	0860 726 890/011 726 8900	Telephone Number	012 470 9080/012 762 5000
Fax Number	011 726 5501	Fax Number	012 348 3447
Email Address	info@osti.co.za	Email Address	info@faisombud.co.za
Website	www.osti.co.za	Website	www.faisombud.co.za
FINANCIAL SECTOR CONDUCT AUTHORITY			
Physical Address	41 Matroosberg Road Ashlea Gardens, Pretoria, 0002		
Postal Address	PO Box 35655, Menlo Park, 0102		
Telephone Number	0800 20 37 22		
Fax Number	(012) 346-6941		
Email Address	info@fsca.co.za		
Website	www.fsca.co.za		

COMMISSION, BINDER AND CONFLICT OF INTEREST DISCLOSURE

Your broker receives a commission from your insurer. The levels of commission vary depending upon the product type. The exact amounts are disclosed in your policy schedule. In addition, your broker may charge you a broker/policy fee which will have to be disclosed to you by your broker.

ITOO is paid a binder fee which is calculated as a percentage on the gross written premium it places with your insurer. ITOO also shares in the profits of the underwriting scheme.

BINDER DISCLOSURE

ITOO acts as a binder-holder for The Hollard Insurance Company Limited and has a signed binder agreement to this effect. In terms of this agreement, the binder-holder may:

1. enter into, vary and renew policies;
2. determine the premiums;
3. determine policy benefits;
4. settle all valid claims;
5. reject claims;
6. cancel policies.

OTHER KEY CONFLICT OF INTEREST DISCLOSURES

Relating to your ITOO:

Does ITOO have a shareholding in any insurer?	No
Does ITOO have a relationship with any insurer that provides a financial interest other than ownership?	No
Does ITOO have a relationship with any broker that provides an ownership or financial interest?	No
Does ITOO have a relationship with any distribution channel that provides an ownership, financial interest or support service?	No
The Hollard Group has an equity interest in ITOO Special Risks (Pty) LTD, the underwriting manager (UMA) and Hollard has appointed a non-executive director to the board of the UMA.	
Does ITOO have a relationship with any other person that provides an ownership or financial interest?	Yes

Any combination of these relationships and/or ownership or financial interests may present a potential conflict and as such we need to ensure you are aware of these.

A full copy of ITOO conflict of interest management policy can be obtained upon written request to ITOO.

DISCLOSURE OF PREMIUMS AND FEES

All premium obligations and fees are disclosed in your policy schedule.

MANNER OF PAYMENT OF PREMIUM, DUE DATE AND CONSEQUENCE OF NON-PAYMENT

Please refer to your policy wording for details regarding premium payment, due dates of payment and consequences of non-payment.

OTHER MATTERS OF IMPORTANCE

1. You must be informed of any material changes to the information provided above.
2. If the information above was given to you verbally, it must be confirmed in writing within 30 days.
3. If any complaint to the broker or insurer is not resolved to your satisfaction, you may submit a complaint to the Short-Term Insurance Ombudsman or the FAIS Ombud, depending on the nature of the complaint.
4. A polygraph or any lie-detector test is not obligatory in the event of a claim and the failure thereof may not be the sole reason for repudiating the claim.
5. All material facts must be accurately and properly disclosed, and the accuracy and completeness of all answers, statements or other information provided by or on your behalf remains your own responsibility.
6. You must on request be supplied with a copy or written or printed record of any transaction requirement within a reasonable time.
7. Do not sign any blank or partially completed application form.
8. Complete all forms in ink.
9. Keep all documents handed to you.
10. Make note as to what is said to you.
11. Don't be pressurised to buy the product.
12. Incorrect or non-disclosure by you of relevant facts may influence an insurer on any claims arising from your contract of insurance.

