

## Letter to policyholders from Guardrisk Insurance

Dear Valued Policyholder

### **Transfer of your consumer credit insurance policy from Guardrisk Insurance Company Limited to Guardrisk Microinsurance Limited**

This letter serves to provide you with an important notice in respect of your consumer credit insurance policy underwritten by Guardrisk Insurance Company Limited ("**Guardrisk Insurance**").

Due to a change in legislation, the benefits currently provided in terms of your consumer credit insurance policy can no longer be provided by a non-life insurer, but certain elements thereof must be provided by a life insurer ("**Life Component**") and other elements must be provided by a non-life insurer ("**Non-Life Component**").

Guardrisk Microinsurance Limited ("**Guardrisk Microinsurance**") is able to underwrite both life insurance policies and non-life policies and it would therefore be well suited to underwrite your consumer credit insurance policy, comprising the Life Component and Non-Life Component.

For this reason, please note that your consumer credit insurance policy underwritten by Guardrisk Insurance will transfer to Guardrisk Microinsurance once approved by the Prudential Authority ("**proposed transfer**").

Guardrisk Insurance and Guardrisk Microinsurance form part of the same group of companies, both companies are indirectly, wholly owned by Momentum Metropolitan Holdings Limited.

In replacement of your consumer credit insurance policy, Guardrisk Microinsurance will issue replacement policies to all affected policyholders, being a life policy ("**Replacement Life Policy**") and a non-life policy ("**Replacement Non-life Policy**"), collectively "**the Replacement Policies**". The Replacement Policies will comply fully with Rule 2A of the Policyholder Protection Rules to ensure that your interests are protected.

The Replacement Policies will be issued within 30 days after the implementation of the proposed transfer. However, for your information, copies of the Replacement Policies and a comparison between your current consumer credit policy and the Replacement Policies are also included in this document.

Due to the fact the fact that Replacement Policies must be issued, please note that certain terms of your current consumer credit insurance policy will change. **However, all benefits of your current consumer credit insurance policy will remain secure.** This means that the sum assured will remain the same.

Since your consumer credit insurance policy was previously underwritten as a non-life policy by Guardrisk Insurance, value added tax ("VAT") was charged on the premiums payable. However, once your consumer credit insurance policy is transferred to Guardrisk Microinsurance (as required as a result of a change in the insurance legislation), VAT will no longer be charged on the premiums payable in terms of the Replacement Life Policies, although VAT will remain payable in terms of the Replacement Non-Life Policies.

Due to the different manner in which the premiums are calculated by Guardrisk Insurance and Guardrisk Microinsurance, the premiums payable to Guardrisk Microinsurance in respect of the Replacement Life Policy will increase upon implementation of the proposed transfer, which increase is equal to the VAT charged by Guardrisk Insurance in terms of the life component of your consumer credit insurance policy. This means, whilst the premiums will increase upon implementation of the proposed transfer, that the costs to you as the policyholders will **remain exactly the same.** This is necessary to ensure that the benefits remain secure. ***We reiterate that the amount payable monthly by you will not change and the rate on which premiums are calculated, will remain unchanged.***

The transfer of your consumer credit insurance policy will happen automatically, and you do not have to consent to the proposed transfer. However, if you wish to make any representations regarding the proposed transfer, please e-mail us on [transfer@guardrisk.co.za](mailto:transfer@guardrisk.co.za) or call us on [0800 167 634](tel:0800167634).

If you have any questions, please contact Guardrisk Insurance via email on [Transfer@Guardrisk.co.za](mailto:Transfer@Guardrisk.co.za), or telephonically to [0800 167 634](tel:0800167634), or go to the website of Guardrisk at <https://guardrisk.co.za/transfer-of-credit-guardrisk-microinsurance/> for more information.

More information is also attached to this letter, namely:

- A copy of the formal notice of the proposed transfer as **Annexe A**;
- A copy of the Non-Life Replacement Policy as **Annexe B**;
- A copy of the Life Replacement Policy as **Annexe C**;
- A copy of a comparison between your current consumer credit policy and the Replacement Policies as **Annexe D**.

Please read the attached notification for more details on:

- The process that must be followed before the transfer can take place;
- How to lodge an objection;
- Where to view documents relating to the transfer; and
- Who to contact if you have questions.

Yours sincerely

Guardrisk Insurance

**Formal notice of the proposed transfer**

**NOTICE OF THE TRANSFER OF A PORTION OF THE INSURANCE BUSINESS OF GUARDRISK INSURANCE COMPANY LIMITED TO GUARDRISK MICROINSURANCE LIMITED IN TERMS OF SECTION 50 OF THE INSURANCE ACT 18 of 2017**

It is the intention of Guardrisk Insurance Company Limited (registration number 1992/001639/06) ("**Guardrisk Insurance**") to transfer a portion of its insurance business to Guardrisk Microinsurance Limited (registration number 1991/005238/06) ("**Guardrisk Microinsurance**") in terms of section 50 of the Insurance Act 18 of 2017 ("**Act**") ("**Proposed Transaction**"). This Proposed Transaction is necessitated as a result of a change in the Act, and the instructions from the Prudential Authority to Guardrisk Insurance.

The policies affected by the Proposed Transaction constitute the consumer credit insurance policies of Full House Retail Proprietary Limited and Stop Discount Furnishers Proprietary Limited underwritten by Guardrisk Insurance ("**Transfer Policies**").

Upon implementation of the Proposed Transaction, Guardrisk Microinsurance will issue new replacement policies to the policyholders of the Transfer Policies ("**Affected Policyholders**"). Due to the requirements of the Insurance Act, Guardrisk Microinsurance will issue both a life policy ("**Replacement Life Policy**") and non-life policy ("**Replacement Non-Life Policy**") in replacement of the Transfer Policies upon implementation of the Proposed Transaction (collectively "**the Replacement Policies**"). The Replacement Policies will be issued within 30 days after the implementation of the Proposed Transaction. A copy of the wording of the Replacement Policies, together with a comparison between the Transfer Policies and the Replacement Policies can be found at <https://guardrisk.co.za/transfer-of-credit-guardrisk-microinsurance/>.

Certain terms of the Transfer Policies will be altered in terms of the Replacement Policies. However, all benefits per the Transfer Policies will remain secure.

Since the Transfer Policies were previously underwritten as non-life policies, Value Added Tax ("**VAT**") was charged on the premiums payable. However, once the Transfer Policies are transferred to Guardrisk Microinsurance, VAT will no longer be charged on the premiums payable in terms of the Replacement Life Policies, although VAT will remain payable in terms of the Replacement Non-Life Policies.

Due to the different manner in which the premiums are calculated by Guardrisk Insurance and Guardrisk Microinsurance, the premiums payable to Guardrisk Microinsurance in terms of the Replacement Life Policies will increase upon implementation of the Proposed Transaction, which increase is equal to the VAT currently charged on the life component of the Transfer Policies. This means, whilst the premiums will increase upon implementation of the Proposed Transfer, that the costs to the Affected Policyholders will remain exactly the same. It should also be noted that the rate on which premiums are calculated, will remain unchanged as a result of the Proposed Transfer.

The Proposed Transfer is affected in accordance with the terms and conditions of an assignment agreement concluded between Guardrisk Insurance and Guardrisk Microinsurance.

Because the Proposed Transfer involves a transfer of the Transfer Policies from Guardrisk Insurance to Guardrisk Microinsurance without the Affected Policyholders' consent, a detailed regulatory process is required in terms of the Act, which includes, amongst others, the approval of the Proposed Transaction by the Prudential Authority.

Once the Prudential Authority approves the Proposed Transfer, Guardrisk Microinsurance shall be responsible for carrying out all the obligations of Guardrisk Insurance that relate to the Transfer Policies, as set out in the Replacement Policies. Guardrisk Microinsurance will therefore become the new insurer of the Transfer Policies, as replaced by the Replacement Policies, and will comply with all the obligations that Guardrisk Insurance currently have under the Transfer Policies.

Copies of documents relevant to the Proposed Transfer will be made available from 15 October 2021 to 11 November 2021 on the website of the Guardrisk group at <https://guardrisk.co.za/transfer-of-credit-guardrisk-microinsurance/> ("**Inspection Period**").

Any person who has an interest in this matter may submit any comments, complaints, or enquiries to Guardrisk Insurance during the Inspection Period per email to [Transfer@Guardrisk.co.za](mailto:Transfer@Guardrisk.co.za) or telephonically at 0800 167 634. This means that any comments, complaints or enquiries must reach Guardrisk Insurance by no later than 11 November 2021.

**Replacement Non-Life Policy**

**FULL HOUSE  
 CUSTOMER PROTECTION INSURANCE**

(TO BE GIVEN TO THE CUSTOMER)

The Insurer agrees to indemnify the Insured in respect of the Insured Events occurring during the Period of Insurance of this policy subject to

the payment of the premium and adherence to the Terms and Conditions of the policy.

This policy shall be read as one contract and any word or expression to which a specific meaning has been attached to any part thereof shall bear the same meaning wherever it may appear.

**BENEFITS**

INSURANCE	BENEFIT	PLUS! POLICY	STANDA RD POLICY
1. Loss or damage to items purchased.	Repair or Replacement of item.	Y	Y

**DESCRIPTION OF BENEFITS**

**1. SPECIFIED RISKS**

**For what am I covered?**

If during the Period of Insurance, the goods, as described in the Agreement and noted in the Schedule, are lost or damaged due to any accidental means or unexpected events, or lost as a result of theft from the Insured's residential or business premises, provided that the theft was accompanied by forcible and violent entry or exit to or from the Insured's premises, the Insurer will indemnify the Insured or its legal representative by the repair or replacement of the goods, or by payment of the Outstanding Balance in terms of the Agreement .

**What is not covered?**

1. Loss or damage or failure for which the manufacturer, supplier, or lessor is liable or which is covered by a standard maintenance contract or agreement.
2. Wear and tear;
  - a) Any process of cleaning, repairing or restoring;
  - b) Breakage of glass or of articles of a brittle nature unless caused by burglars, thieves or fire;

- c) Scratching or other superficial damage to outer casing aerials or keypads;
  - d) Damage or deterioration caused by the action of light, atmospheric conditions, moth, vermin or any gradually operating cause;
  - e) Confiscation or detention by customs or any process of law;
  - f) War, riot, civil commotion and the like risks;
  - g) Legal liability of any description whatsoever.
3. Unexplained disappearance.
  4. Theft from any unlocked and/or unattended vehicle unless the following conditions are complied with:
    - a) where such motor vehicle has a luggage compartment and / or boot;
    - b) The Property Insured shall be kept locked securely in such luggage compartment and entry into such luggage compartment and/or boot must be obtained by actual visible and forcible means.
  5. Theft from any residential or business premises unless accompanied by forcible and violent entry and / or exit.
  6. Loss of or damage to batteries and Sim Cards.
  7. Mechanical and electrical breakdown or erasure/corruption of data, or defects in design or manufacture, or failure of batteries.
  8. Any consequential loss of whatsoever nature.

**How much am I covered for?**

1. **Partial damage** - where the equipment can be repaired the Insurer will pay the costs reasonable incurred to restore it to the state it was in immediately before the occurrence of the incident. Should such costs exceed 60% of the replacement cost, the equipment will be replaced.
2. **Total Loss** - where the Equipment is lost or damaged beyond repair, the Insurer will elect to indemnify you by replacement of the equipment with a similar type, or repayment up to the sum insured as stated in the Agreement.

**What goods are covered?**

All items stated in the Agreement of purchase.

**2. DEFINITIONS**

**The Insured** shall mean the Person who has entered into an Instalment Sale Agreement with the Seller.

**The Insurer** shall mean Guardrisk Microinsurance Limited, FSP Licence number 51674.

**The Seller** shall mean Full House Retail Limited.

**The Agreement** shall mean the Instalment Sale Agreement entered into between the Insured and the Seller for the purchase of goods in terms of the goods supplied to the Insured by the Seller under a sale transaction in terms of a credit transaction as defined in the National Credit Act and wherein the Insured has been granted an Instalment Credit by the Seller.

**Outstanding Balance** shall mean the balance owing to the Seller under the terms of the Agreement as at the date of destruction or loss of the goods and which amount would have been owing had regular payments been maintained of every instalment under the agreement.

**Period of Insurance** shall mean the duration of the Agreement, or should the Insured settle the Outstanding Balance in full, the date of settlement of the Outstanding Balance of the Agreement.

**The Sum Insured** shall mean "The Outstanding Balance" on the Agreement.

**Commencement Date** shall mean the date the Instalment Sale Agreement is entered into.

## TERMS AND CONDITIONS

### 5. GENERAL EXCEPTIONS

1. This policy does not cover loss, damage or liability directly or indirectly caused by or related to or in consequence of:
  - a) civil commotion, labour disturbances riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the above;
  - b) war, invasion, act of foreign hostilities or warlike operations (whether war be declared or not) or civil war; mutiny, military rising or usurped power, martial law or state of siege or any other event or cause which determines the proclamation or maintenance of martial law or state of siege; insurrection, rebellion or revolution;
  - c) any act (whether on behalf of any organisation, body of person or groups of persons) calculated or directed to overthrow

or influence any state or government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;

d) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause or to bring about any social or economic change or in protest against any state or government or any provincial, local or tribal authority or for the purpose of inspiring fear in the public or any section thereof;

e) Any attempt to perform any act referred to in clause (c) to (f) above;

f) The act of any lawfully established authority in controlling, preventing or suppressing or in any other way dealing with any occurrence referred to in clauses (a), (b), (c), (d), (e) or (f) above.

If the Insurer alleges that by reason of clauses (a) to (f) above of this exception, loss or damage or liability is not covered by this Policy the burden of proving the contrary shall rest on the Insured.

2. Any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act 1976 (Act no. 85 of 1976) or any similar Act applicable to the territories to which this Policy applies.
3. Nuclear weapons, material ionising, radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this exception only combustion shall include any self-sustaining process of nuclear fusion.
4. Consequential loss of any description or delay.
5. Earthquake, whether caused by mining operations or otherwise, subterranean fire, volcanic eruption or other convulsion of nature, tidal wave, subsidence or landslip.
6. An insured event occurring elsewhere than in Africa, South of Latitude, 15 degrees South excluding Angola, Malawi, Mozambique and Zambia unless otherwise stated in a section.

### 6. GENERAL CONDITIONS

1. This policy shall be voidable in respect of any item or section in priority to the policy as a whole if:
  - a) there is misrepresentation, misdescription or non-disclosure of any material information;
  - b) insurable interest - the Insured's interest ceases except by will or operation of law unless such alteration has been accepted by the Insurer;
  - c) Breach of Warranty - the Insured breaches any warranty.
2. Prevention of loss - the Insured shall take all reasonable precautions for the maintenance and safety of insured property and for the prevention of accidents or losses.
3. Other Insurances: The Insurer shall not be liable to contribute

more than its rateable proportion of the loss where there is another Policy in force covering partially or fully an insured event also insured by this Policy;

4. 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 his/her behalf to obtain any benefit under this Policy or if any loss or damage or liability be occasioned by the wilful act of or with the connivance of the Insured all benefits under this Policy in respect of such claim shall be forfeited.
5. Jurisdiction - this Policy is subject to the laws of the Republic of South Africa whose courts shall have the sole jurisdiction to the exclusion of the courts of any other country.
6. No benefits shall apply under this policy unless the Insured has complied with all his obligations under the Agreement and all Instalments due have been paid in full up to and including the date of loss or are brought fully up to date, together with interest on arrear amounts, within 30 days of the date of the loss.
7. You may not transfer the benefits of this contract to anyone else.

#### **7. EXCESS**

Should an insured item be replaced under this policy, the excess payable by the insured in any subsequent claim for replacement of the replaced insured item, will be equal to 10% of the claim, maximum R1 000 whichever is the lesser.

#### **8. PREMIUM PAYMENT**

Refer to the Credit Agreement for the premium amount. Monthly premiums are due at the beginning of each month. A grace period of 15 days is allowed for payment after the due date. If payment is not received by the end of the grace period, cover will cease from the due date. If it is a new monthly policy, the 15 (fifteen) day grace period will start from the beginning of the second month of the currency of the policy.

#### **8. CLAIMS PROCEDURE**

- a) The Insured must inform the Seller within fourteen days in writing of the happening of the event and provide the agent with all required information.
- b) In the event of cellular phones being lost or damaged,
  - all details must be filled in, including the IMEI 14 digit number. If the Insured does not know the number the regional office (0215264300) can be contacted and same can be retrieved from the ITC/EIR Central Registry or Billing Information. No theft claims will be accepted by the Seller without this number.
  - in the event of the cellular phone being water damaged, it should be taken to a Repair centre as soon as reasonably possible, to prevent corrosion damage.

- All parts (damaged or not) must be handed in to avoid insured having to pay "extras" such as missing batteries, charges, transformers etc. No claim will be paid out if the cellular phone is not provided.

c) all theft losses must be reported to the police and all practical steps should be taken to identify the guilty party and recover the stolen or lost property.

The Claimant must lodge a Claim at the nearest Full House store or contact (021) 526-4300 or email [claims@mackenzie.co.za](mailto:claims@mackenzie.co.za)

#### **9. COOLING OFF PERIOD**

You are entitled to cancel your policy in writing to the Insurer within 14 days after the date of receipt of your policy documentation or from the reasonably determined date on which you received your policy documentation. Please note that you may only cancel this policy within 14 days where no benefit has yet been paid or claimed or the event insured against under the policy has not yet occurred. All premiums that were paid up to the date that the Insurer receives your written notice of cancellation will be refunded to you. Your request for cancellation shall be completed by no later than 31 days after the Insurer receives your cancellation notice.

#### **10. CANCELLING OF COVER**

This policy may be cancelled at any time by either party giving 31 (thirty-one) days' notice thereof in writing.

#### **11. TIME BAR ON CLAIMS**

Please note that the procedure for instituting claims is included in your Policy.

In the event of your claim being rejected and a claim rejection letter being sent to you, you have a period of 90 days in which to make a representation directly to the Insurer. Should you make a representation within the 90-day period, the Insurer has within 45 days of receiving the representation, to notify you of their final decision after reviewing the representation. Should you be dissatisfied with the Insurer's decision, you have a period of 6 months in which to institute legal action. You may lodge a complaint with the Ombudsman for Short Term Insurance on the details listed below.

## 12. COMPLAINTS PROCEDURE

Please note that all complaints can be forwarded to the Insurer's Compliance Officer who will forward the matter to the responsible department for investigation. Once the matter is resolved, the outcome will be communicated to you. If you are satisfied with the response, the matter is concluded.

### Insurer's Compliance Officer details:

Guardrisk Microinsurance Compliance Officer

Guardrisk Microinsurance Limited

P O Box 786015, Sandton, 2146

Email: [compliance@guardrisk.co.za](mailto:compliance@guardrisk.co.za)

[complaints@guardrisk.co.za](mailto:complaints@guardrisk.co.za)

Tel: +27 11 669 1000

Should you be dissatisfied with the response, the Ombud for Short Term Insurance may be contacted

## 13. CONFLICT OF INTEREST POLICY:

The Administrator has adopted a Conflict of Interest policy, which is available on the website, [www.fullhousefurniture.co.za](http://www.fullhousefurniture.co.za) or on request at a Full House store.

## 14. PROCESSING OF PERSONAL INFORMATION IN TERMS OF THE PROTECTION OF PERSONAL INFORMATION ACT 4 OF 2013

Your privacy is of utmost importance to the Insurer. We will take the necessary measures to ensure that any and all information, including Personal Information (as defined in the Protection of Personal Information Act 4 of 2013) provided by you or which is collected from you is processed in accordance with the provisions of the Protection of Personal Information Act 4 of 2013 and further, is stored in a safe and secure manner.

You hereby agree to give honest, accurate and up-to-date Personal Information and to maintain and update such information when necessary.

You accept that your Personal Information collected by the Insurer may be used for the following reasons:

1. to establish and verify your identity in terms of the Applicable Laws;
2. to enable the Insurer to fulfil its obligations in terms of this Policy;
3. to enable the Insurer to take the necessary measures to prevent any suspicious or fraudulent activity in terms of the Applicable Laws; and
4. reporting to the relevant Regulatory Authority/Body, in terms of the Applicable Laws.

You acknowledge that any Personal Information supplied to the Insurer in terms of this Policy is provided according to the Applicable Laws.

Unless consented to by yourself, the Insurer will not sell, exchange, transfer, rent or otherwise make available your Personal Information (such as your name, address, email address, telephone or fax number) to any other parties and you indemnify the Insurer from any claims resulting from disclosures made with your consent.

You understand that if the Insurer has utilised your Personal Information contrary to the Applicable Laws, you have the right to lodge a complaint with Guardrisk within 10 (ten) days. Should Guardrisk not resolve the complaint to your satisfaction, you have the right to escalate the complaint to the Information Regulator.

## 15. VARIATIONS

This Policy is issued on the basis that the statements and information made and set forth in the Application Form and all declarations made in respect thereof are true and correct and constitute a full disclosure of all facts and circumstances likely to materially affect the assessment of the risk at the time of the issue of this Policy.

The Insurer reserves the right to Vary, add or change the terms and conditions of this Policy after the first 12 (twelve) months from the Commencement Date by giving 31 (thirty-one) Days written notice of its intention to do so to the Insured. Any Variations and or changes will be binding on both the Insurer and the Insured and can be applied at any time after the first 12 (twelve) months from the Commencement Date to the existing terms and conditions of the Policy, after written communication of these changes has been sent to the Insured's last known address as it appears in our records at that time.

No act or omission to act by the Insurer or any officer or employee of the Insurer shall be deemed to be a representation

on behalf of the Insurer upon which the Insured or the Insured's heirs, executors or assigns are entitled to act.

Postal Address: PO Box 786015, Sandton, 2196

Telephone Number: +27 11 669 1000

Compliance Officer: +27 11 669 1000 or  
[compliance@guardrisk.co.za](mailto:compliance@guardrisk.co.za)

**16. NOTICE OF DISCLOSURE**  
Important - Please read carefully

Type of Policy: As per the attached policy wording

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

**1. Your Intermediary/Administrator**

Name: Full House Retail (Pty) Ltd

Reg No.: 1988/060019/07

FAIS Licence Number: FSP 26/10/4441

Physical Address: 4 Alternator Ave, Montague Gardens, Cape Town, 7442

Postal Address: PO Box 36562, Chempet, 7442

Telephone Number: +27 21 526 4300

Fax Number: +27 21 555 3970

**Legal Status**

We, Full House Retail (Pty) Limited, are a company incorporated in terms of the South African company legislations and we have an intermediary agreement with Guardrisk Insurance Company Limited.

We do not have Professional Indemnity Insurance Cover.

Full House earns a commission of 20% of the Gross Written Premium.

**2. The Insurer (underwriter) with whom your policy is placed**

Name: Guardrisk Microinsurance Limited

Reg No.: 1991/005238/06

FAIS Licence Number: FSP 51674

Physical Address: The Marc, Tower 2, 129 Rivonia Road, Sandton, 2146

**15. Other matters of Importance**

a) You must be informed of any material changes to the information referred to in paragraphs 1 and 2 above.

b) If the information in paragraphs 1 and 2 was given orally, it must be confirmed in writing within 30 days.

c) If any complaint to the intermediary or insurer is not resolved to your satisfaction, you may submit the complaint to the FAIS Ombud.

d) 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 a claim.

e) If premium is paid by debit order:

i) it may only be in favour of one person and may not be transferred without your approval; and

ii) the insurer must inform you at least 31 days before the cancellation thereof; in writing of its intention to cancel such debit order.

f) The insurer and not the intermediary must give reasons for repudiating your claim.

g) Your insurer may not cancel your insurance merely by informing your intermediary. There is an obligation to make sure the notice has been sent to you.

h) You are entitled to a copy of the policy free of charge.

**16. Warning**

a) Do not sign any blank or partially completed application form.

b) Complete all forms in ink.

c) Keep all documents handed to you.

d) Make notes as to what is said to you.

e) Don't be pressurised to buy the product.

f) Incorrect or non-disclosure by you of relevant facts may influence an insurer on any claims arising from your contract of insurance.

**17. Particulars of the Short-Term Insurance Ombudsman**

Postal address: PO Box 30619, Braamfontein, 2017

Telephone number: +27 11 726 8900

Fax number: +27 11 726 5501

31/08/2021i

The Ombudsman is available to advise you in the event of insurance claims problems which are not satisfactorily resolved by the Intermediary.

**18. Particulars of the Fais Ombud**

Postal address: PO Box 74571, Lynwood Ridge, 0040

Telephone number: +27 12 470 9080/99

Fax number: +27 12 348 3447

If your intermediary / FSP was unable to resolve a complaint about an insurance product purchased, varied, replaced or terminated, you may submit a complaint to the FAIS Ombud

**7. Particulars of the Financial Sector Conduct Authority**

Postal address: PO Box 35655, Menlo Park, 0102

Telephone number: 012 428 8000

Fax number: 012 346 6941

Contact centre: 080 011 0443 / 080 020 2087

Email: info@fsca.co.za

If any insurance complaint to the Intermediary / FSP or Insurer is not resolved to your satisfaction, you may submit the complaint to the Financial Sector Conduct Authority.

**8. Particulars of the Information Regulator**

(For personal information breaches)

Postal Address: PO Box 31533, Braamfontein, Johannesburg, 2017

Telephone: +27- 010- 023- 5200

Cell number: +27- 082- 746- 4173

Email address: complaints.IR@justice.gov.za



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**Annexe C****Replacement Life Policy**

**GUARDRISK INSURANCE COMPANY LIMITED** | Reg. No.: 1992/001639/06 | FSP 75 | Authorised Financial Services Provider  
The Marc, Tower 2, 129 Rivonia Road, Sandton, 2196 | PO Box 786015, Sandton, 2146 | Tel: (+27 011) 669-1000  
Cape Town Tel: (+27 087) 742-7045 | E-mail: [guardrisk@guardrisk.co.za](mailto:guardrisk@guardrisk.co.za) | Website: [www.guardrisk.co.za](http://www.guardrisk.co.za)  
Directors: MS Moloko (Chairman)■●, SH Schoeman (Chief Executive Officer), LJ Botha, LM Chiume■, RJ Eales, SC Jurisich■●,  
R Ketola■, D Konar■▲ and MH Zilimbola■●  
■ Non-Executive ● Independent ▲ Lead independent | Company Secretary: G Tyusha

**GUARDRISK IS PART OF MOMENTUM METROPOLITAN HOLDINGS LIMITED.**

**FULL HOUSE**  
**CUSTOMER PROTECTION INSURANCE**  
(TO BE GIVEN TO THE CUSTOMER)

The Insurer agrees to indemnify the Insured in respect of the Insured Events occurring during the Period of Insurance of this Policy subject to the payment of the premium and adherence to the Terms and Conditions of the Policy.

This Policy shall be read as one contract and any word or expression to which a specific meaning has been attached to any part thereof shall bear the same meaning wherever it may appear.

**PREMIUM PAYMENT**

The premium is payable by bank debit order or by transmission account. The premium is due in advance/in arrears or on the instalment date. If the premium is not paid on the due date, a period of 31 (thirty) days (the Grace Period) will be given in which the Insured can make payment to keep the Policy up to date. Should a premium remain unpaid for a period longer than the Grace Period, the Policy will lapse, and cover will cease. If premiums, in whole or in part, are in arrears, then, provided the Policy has not lapsed, a Claim Event will remain covered during the Grace Period and if approved, any Benefit payment will be reduced by all arrear premiums. Any Claim lodged in a month after the Policy has either lapsed or cancelled will be declined. Where this Policy has lapsed, a request to reinstate the Policy must be made by the Insured in writing. The Insurer may decline such a request or allow reinstatement on revised terms that the Insurer may determine at that time.

**BENEFITS**

EVENTS	BENEFIT	PLUS! POLICY	STANDARD POLICY	WAITING PERIOD
1. Death	Outstanding balance due	Y	Y	N
2. Permanent Disability	Outstanding balance due	Y	Y	N
3. Loss of Employment due to Retrenchment	Outstanding balance due	Y	N	3 MONTHS

**DESCRIPTION OF BENEFITS**

**1. DEATH AND DISABILITY BENEFITS**

**For what am I covered?**

If during the Period of Insurance, you die or become Permanently Disabled, the Insurer will pay to the Seller the Outstanding Balance in respect of the Agreement.

**What is not covered?**

**Exclusions applicable for Death and Permanent Disability Benefits**

This Policy does not cover death or Permanent Disability that is related to or in nature is directly or indirectly caused by, resulting from, or in connection with any of the following:

1. Suicide within 12 months from inception of the policy or attempted suicide, wilful self-injury;
2. the Insured being affected by abuse of alcohol or drugs  
  
(whether temporary or otherwise);
3. The Insured committing or attempting to commit any breach of the law;
4. Active participation in war, riot, civil commotion;
5. Participation in hazardous activities such as mountaineering, scuba-diving, winter sports, big game hunting or riding or driving in any kind of race or whilst practising, parachuting or hang-gliding;
6. A Pre-existing Medical Condition the Insured was aware of that affected him/her in the 12 months preceding the cover under this Policy and which condition was not disclosed by the Insured at the time that this Policy was applied for.

**3. LOSS OF EMPLOYMENT BENEFIT**  
**4. (Available on the Plus Policy only)**  
**For what am I covered?**

If during the Period of Insurance, you become unemployed as a direct result of Retrenchment by your employer, or as a consequence of being made redundant, the Insurer will pay to the Seller the Outstanding Balance as per the Agreement.

A Waiting Period of 3 (three) months is applicable. In the event that you become unemployed within the first 3 (three) months of the commencement date, the Loss of Employment Benefits shall not be payable.

**What is not covered?**

**Exclusions for the Loss of Employment Benefit**

You shall not be entitled under this Policy in respect of Loss of Employment arising directly or indirectly from, related to, or in

consequence of:

1. Normal or early retirement.
2. you being Retrenched or made redundant by your employer within the first 3 months from the Commencement Date of the Policy
3. you committing any breach of law or committing or attempting to commit any action that results in your dismissal in terms of the employers Conditions of Employment
4. you resigning from your employment or accepting voluntary retrenchment or redundancy
5. you having been aware at the Commencement Date of The Agreement that the possibility of Retrenchment or redundancy existed.

### 3. DEFINITIONS

**Administrator** shall mean Full House Retail (Pty) Ltd, the Administrator stated on the schedule

**Agreement** shall mean the agreement entered into between the Insured and the Seller which meets the criteria for credit agreements as set out In Section 8 of the National Credit Act, No 34 of 2005 (as amended).

**Applicable laws** shall mean the Insurance Act 18 of 2017 and/or the Long-term Insurance Act 52 of 1998, the Policyholder Protection Rules (Long-term Insurance), 2017 and the Protection of Personal Information Act 4 of 2013, and any other legislation dealing with data management and similar processes.

**Benefit** means the Benefit payable on the happening of any of the Claim Events covered under this Policy.

**Claim** means a demand for Benefits under this Policy by a Claimant, irrespective of whether or not the Claimant's demand is valid, made by submitting a completed and signed Claim form with supporting documentation to the Administrator.

**Claimant** the person who makes a Claim against this Policy.

**Claim Event** means the risk insured under this Policy, being the Death, Permanent Disability, and where applicable, Loss of Employment due to Retrenchment of the Insured.

**Claim Event Date** means the date on which the Claim Event occurs, giving rise to a Claim.

**Commencement Date** shall mean the date on which this Policy commences, which is the date the Agreement is entered into and for which premium is paid.

**Cooling Off Period** shall mean the period of thirty-one (31) Days from the date the Insured receives this Policy document, or from a reasonable date on which is can be deemed that the Insured received this Policy document or from the Commencement Date of the Policy in which the Insured can cancel this Policy, provided that no Benefit has yet been paid or claimed or the Claim Event insured against has not yet occurred, by giving notice to the Administrator and any premium paid will be refunded in full.

**Day** shall mean a 24 (twenty-four) hour period and "Days" shall have a corresponding meaning

**Exclusions** means the losses or risk events not covered under this Policy. Should a Claim Event arise from such Exclusion(s), no Benefit will be payable.

**Grace Period** the period of 31 (thirty-one) Days after the premium payment date where cover and Benefits are still in force, but the Policy is in arrears and, failing a premium to be paid at the end of such period, would lead to the Policy lapsing. The Period of Grace does not apply to the payment of the first premium in terms of this Policy.

**Instalments:** Shall mean the sum of money the Insured must pay to the Seller each month in respect of the Agreement.

**Insured** shall mean the mean the person who is covered under this Policy, who has entered into an Agreement with the Seller.

**Insurer** shall mean Guardrisk Microinsurance Limited.

**Medical Practitioner:** A legally and duly qualified medical practitioner registered with the Health Professions Council of South Africa with a valid practice number.

**Misrepresentation:** Means the conscious decision to provide inaccurate or incorrect information in relation to any personal details or medical history or to change the true facts to mislead an interested party. This shall also mean the failure to disclose material information at the date of application that had the Insurer been aware of would have resulted in the Policy not being issued.

**Outstanding Balance** shall mean the balance owing to the Seller under the terms of the Agreement as at the date of Death or Disability of the Insured, and in terms of the of Loss of Employment (where applicable), after one month of the Claim Event Date.

**Period of Insurance:** The period for which premiums remain paid and the Policy remains in force. The Period of Insurance commences from the Commencement Date until the expiry of the Agreement, or the cancellation of the Policy for whatsoever reason.

**Permanent Disability** means the Insured's medically certified total and permanent disability as a result of sickness, injury or accident, which cannot be remedied or cured by any procedure or treatment, and this Disability renders the Insured permanently unable to pursue his own occupation or similar occupation for which he may be suited through experience, training, education, age or ability. The Insured shall also be deemed to have suffered Permanent Disability upon the total and permanent loss of, or loss of use of, both hands; or both feet; or both eyes. "Disability" and "Disabled" shall have corresponding meanings.

**Personal Information:** This is the personal information as defined in the Protection of Personal Information Act 4 of 2013.

**Policy** means this legal document that has terms and conditions which includes the declarations made at application stage and any other supporting information and endorsements which may also form the basis of the contract between the Insured and the Insurer.

**Pre-Existing Medical Condition** is an illness or bodily injury sustained or contracted that the Insured was aware of, or should reasonably have been aware of, or have received medical treatment or advice by a Medical Practitioner, within the 12 (twelve) months preceding the Commencement Date of this Policy that results in a Claim Event.

**Repudiate** shall mean any action by which the Insurer rejects or refuses to pay a Claim, for any reason, and includes instances where a Claimant lodges a Claim in respect of a Claim Event not covered by this Policy or a Claim Event covered by this Policy, but the premium or premiums payable in respect of this Policy are not paid; and in respect of Policy terms and conditions.

**Retrenchment:** Shall mean becoming unemployed as a result of the implementation of a staff reduction program, adverse business conditions, the introduction of new technology or the reorganization of the business by the employer in accordance with the Labour Relations Act of 1955.

**Seller** shall mean Full House Retail Limited, that has entered into an Agreement with the Insured.

**Variation** means any act that results in a change to the premium; any term; any condition; any Policy Benefit; any Exclusion; or the duration of the Policy. "Vary" or "Variations" shall have a corresponding meaning.

**Waiting Period** means the period, starting on the Commencement Date, where applicable, in which you will not be covered for any Policy Benefits and where no cover will be provided. Any Claim arising during and within the Waiting Period will not be covered and will remain uncovered even after the Waiting Period has expired. The applicable Waiting Periods are specified in the Policy.

#### 4. GENERAL CONDITIONS

1. This Policy shall be voidable in respect of any item or Section in priority to the Policy as a whole if there is misrepresentation, misdescription or non-disclosure of any material information;

2. 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 his/her behalf to obtain any Benefit under this Policy or if any loss or damage or liability be occasioned by the wilful act of or with the connivance of the Insured all Benefits under this Policy in respect of such Claim shall be forfeited.

3. Jurisdiction - this Policy is subject to the laws of the Republic of South Africa whose courts shall have the sole jurisdiction to the exclusion of the courts of any other country.

4. No Benefits shall apply under this Policy unless the Insured has complied with all his obligations under the Agreement.

#### 5. CLAIMS PROCEDURE:

In the event of a death Claim, the Administrator must be notified within 3 (three) months of the Claim Event Date and all Claim document submitted within the 6 (six months of the Claim Event Date. The Claimant must lodge a Claim at the nearest Full House store or contact (021) 526-4300 or email [claims@mackenzie.co.za](mailto:claims@mackenzie.co.za) The certified copy of the death certificate together with the DHA 1663 form and any additional requirement that the Insurer may reasonably require, must be submitted in order to process the Claim.

In the event of a Permanent Disability Claim, the Administrator must be notified within 3 (three) months of the Claim Event Date and all Claim document submitted within the 6 (six months of the Claim Event Date. A medical report from a Medical Practitioner, all the supporting documents and any additional requirement that the Insurer may reasonably require must be submitted to process the Claim.

In the event of a loss of employment due to Retrenchment, the Administrator must be notified within 3 (three) months of the Claim Event Date and all Claim document submitted within the 6 (six months of the Claim Event Date. A Retrenchment letter from the Insured's employer confirming the date and reasons for Retrenchment and a copy of the UI-19 form; and any additional requirement that the Insurer may reasonably require.

#### 6. COOLING OFF PERIOD

You are entitled to cancel your Policy in writing to the Administrator within 31 Days after the date of receipt of your Policy documentation

or from the reasonably determined date on which you received your Policy documentation (the Cooling off Period). Please note that should you cancel this Policy within the Cooling off Period Days where no benefit has yet been paid or claimed or the event insured against under the Policy has not yet occurred, all premiums that were paid will be refunded to you.

#### **7. CANCELLING OF COVER**

The Insured has a right to cancel this Policy at any time by giving the Insurer 31 (thirty-one) Days' notice of the intention to cancel. Such cancellation, after the initial 31 (thirty-one) Day Cooling-off Period from the Commencement Date, will not attract a refund of any premiums paid. Your request for cancellation shall be completed by no later than 31 Days after the Administrator receives your cancellation notice. The Insurer may terminate this Policy for whatsoever reason by giving the Insured 31 (thirty-one) Days' written notice. The Insurer may immediately cancel this Policy or place it on hold, refuse any transaction or instructions, or take any other action considered necessary in order to comply with the law and prevent or stop any undesirable or criminal activity.

#### **8. CESSATION OF COVER**

The cover under this Policy will end and no further Benefit will be payable, as soon as one of the following occurs:

1. The death of the Insured Person;
3. A Benefit has been paid in respect of death, Permanent Disability or Loss of Employment Benefit or any Specified Risk;
4. The lapse of the Policy due to failure to pay the premium within the Grace Period;
5. The Insurer advises the Insured that the cover has been cancelled by giving 31 Days' notice.
6. The Insured has cancelled the Policy by giving 31 Days' notice.
7. The Outstanding Balance of the Agreement has been settled
8. The Period of Insurance has ended for whatsoever reason.

#### **9. POLICY VARIATION**

This Policy, any term, condition, exception, extension or clause may

be amended, Varied or endorsed by your Insurer after the first 12

(twelve) months by giving 31 Days' notice in writing to you by post,

fax or email to the last known contact details your Insurer has on

record. Any such amendment or Variation shall be evidenced by

your Insurer issuing a written endorsement to the Policy and shall

apply from the date as advised in the notice given to you.

#### **10. TIME BAR ON CLAIMS**

Please note that the procedure for instituting Claims is included in your Policy.

In the event of your Claim being Repudiated and a claim rejection letter being sent to you, you have a period of 90 Days in which to make a representation directly to the Insurer. Should you make a representation within the 90-Day period, the Insurer has within 45 Days of receiving the representation, to notify you of their final decision after reviewing the representation. Should you be dissatisfied with the Insurer's decision, you have a period of 6 months in which to institute legal action. You may lodge a complaint with the relevant Ombudsman on the details listed below.

#### **11. COMPLAINTS PROCEDURE:**

Please note that all complaints can be forwarded to the Insurer's Compliance Officer as detailed herein who will forward the matter to the responsible department for investigation. Once the matter is resolved, the outcome will be communicated to you. If you are satisfied with the response, the matter is concluded.

Insurer's Compliance Officer details:

Guardrisk Microinsurance Compliance Officer

Guardrisk Microinsurance Limited

P O Box 786015, Sandton, 2146

Email: [compliance@guardrisk.co.za](mailto:compliance@guardrisk.co.za)

[complaints@guardrisk.co.za](mailto:complaints@guardrisk.co.za)

Tel: +27 11 669 1000

Should you be dissatisfied with the response, the Ombud for Long Term Insurance may be contacted

## 12. CONFLICT OF INTEREST POLICY:

The Administrator has adopted a Conflict of Interest Policy, which can be requested in writing to is available on the website, [www.fullhousefurniture.co.za](http://www.fullhousefurniture.co.za) or on request at a Full House store

## 13. PROCESSING OF PERSONAL INFORMATION

Your privacy is of utmost importance to the Administrator/Insurer. We will take the necessary measures to ensure that any and all information, including Personal Information (as defined in the Protection of Personal Information Act 4 of 2013) provided by you or which is collected from you is processed in accordance with the provisions of the Protection of Personal Information Act 4 of 2013 and further, is stored in a safe and secure manner.

You hereby agree to give honest, accurate and up-to-date Personal Information and to maintain and update such information when necessary.

You accept that your Personal Information collected by the Administrator/Insurer may be used for the following reasons:

5. to establish and verify your identity in terms of the Applicable Laws;
6. to enable the Administrator/Insurer to fulfil its obligations in terms of this Policy;
7. to enable the Administrator/Insurer to take the necessary measures to prevent any suspicious or fraudulent activity in terms of the Applicable Laws; and
8. reporting to the relevant Regulatory Authority/Body, in terms of the Applicable Laws.

We may share your Personal Information with the following third parties, which third parties have an obligation to keep your Personal Information secure and confidential:

1. Payment processing service providers, merchants, banks and other persons that assist with the processing of your payment instructions;

2. Law enforcement and fraud prevention agencies and other persons tasked with the prevention and prosecution of crime;
3. Regulatory authorities, industry ombudsmen, governmental departments, local and international tax authorities, and other persons that We, under the Applicable Laws, are required to share your information with;
4. Credit Bureaus;
5. Our service providers, agents and sub-contractors that we have contracted with to offer and provide products and services to any policyholder in respect of this Policy; and
6. Persons to whom We cede our rights or delegate our authority to, in terms of this Policy.

You acknowledge that any Personal Information supplied to the Administrator/Insurer in terms of this Policy is provided according to the Applicable Laws.

Unless consented to by yourself, the Administrator/Insurer will not sell, exchange, transfer, rent or otherwise make available your Personal Information (such as your name, address, email address, telephone or fax number) to any other parties and you indemnify the Administrator/Insurer from any claims resulting from disclosures made with your consent.

You understand that if the Administrator/Insurer have utilised your Personal Information contrary to the Applicable Laws, you have the right to lodge a complaint with Guardrisk within 10 (ten) Days. Should Guardrisk not resolve the complaint to your satisfaction, you have the right to escalate the complaint to the Information Regulator.

## 14. NOTICE OF DISCLOSURE

Important - Please read carefully

As a policyholder, or prospective policyholder, you have the right to the following information:

### 1. YOUR INTERMEDIARY/ADMINISTRATOR

- |                      |   |
|----------------------|---|
| a) Name:             | Full House Retail (Pty) Ltd                         |
| Reg No.              | 1988/060019/07                                      |
| FAIS Licence Number: | FSP 26/10/4441                                      |
| Physical Address:    | 4 Alternator Ave, Montague Gardens, Cape Town, 7442 |
| Postal Address:      | PO Box 36562, Chempet, 7442                         |

Telephone Number: 021 526 4300 (for general queries or claims)

Fax Number: 021 555 3970

Claims Email: [claims@mackenzie.co.za](mailto:claims@mackenzie.co.za)

b) Legal Status

We, Full House Retail (Pty) Limited, are a company incorporated in terms of the South African company legislations and we have an intermediary agreement with Guardrisk Microinsurance Limited.

c) We do not have Professional Indemnity Insurance Cover.

d) Full House earns a commission of 3.25% of the Gross Written Premium.

**2. THE INSURER (UNDERWRITER) WITH WHOM YOUR POLICY IS PLACED:**

a) Name: Guardrisk Microinsurance Limited

Physical Address: The Marc, Tower 2, 129 Rivonia Road, Sandton, 2146

Reg No.: 1991/013922/06

FAIS Licence Number: FSP 51674

Postal Address: PO Box 786015, Sandton, 2196

Telephone Number: 011 669 1000

Compliance Officer: 011 669 1000 or [compliance@guardrisk.co.za](mailto:compliance@guardrisk.co.za)

b) Type of Policy: As per the attached policy wording

c) Premium Payments:

Refer to the Credit Agreement for the premium amount. Monthly premiums are due at the beginning of each month. A grace period of 31 (thirty-one) Days is allowed for payment after the due date. If payment is not received by the end of the Grace Period, cover will cease from the due date. If it is a new monthly policy, the Grace Period will start from the beginning of the second month of the currency of the policy.

**3. OTHER MATTERS OF IMPORTANCE**

a) you must be informed of any material changes to the

information referred to in paragraphs 1 and 2

b) If the information in paragraph 1 and 2 was given orally, it must be confirmed in writing within 30 days.

c) If any complaint to the intermediary or insurer is not resolved to your satisfaction, you may submit the complaint to the FAIS Ombud.

d) 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 a claim.

e) If premium is paid by debit order:

i) it may only be in favour of one person and may not be transferred without your approval; and

ii) the insurer must inform you at least 31 Days before the cancellation thereof; in writing of its intention to cancel such debit order.

f) The insurer and not the intermediary must give reasons for Repudiating your Claim.

g) Your insurer may not cancel your insurance merely by informing your intermediary. There is an obligation to make sure the notice has been sent to you.

h) You are entitled to a copy of the policy free of charge.

**4. WARNING**

a) Do not sign any blank or partially completed application form.

b) Complete all forms in ink.

c) Keep all documents handed to you.

d) Make notes as to what is said to you.

e) Don't be pressurised to buy the product.

f) Incorrect or non-disclosure by you of relevant facts may influence an insurer on any claims arising from your contract of insurance.

**5. PARTICULARS OF THE FAIS OMBUD.**

Postal address: PO Box 74571, Lynwood Ridge, 0040

Telephone number: 012 470 9080/99

Fax number: 012 348 3447

If your intermediary / FSP was unable to resolve a complaint about an insurance product purchased, varied, replaced or terminated, you may submit a complaint to the FAIS Ombud

**6. PARTICULARS OF THE LONG-TERM OMBUDSMAN**

(For claims/service-related matters)

Postal address: Private Bag X45, Claremont, Cape Town,  
7700

Telephone: +27-21- 657- 5000 / 0860 103 236

Fax number: +27-21- 674- 0951

Email address: info@ombud.co.za

**7. PARTICULARS OF THE FINANCIAL SECTOR CONDUCT  
AUTHORITY**

Postal address: PO Box 35655, Menlo Park, 0102

Telephone number: 012 428 8000

Fax number: 012 346 6941

Contact centre: 080 011 0443 / 080 020 2087

Email: info@fscs.co.za

If any insurance complaint to the Intermediary / FSP or Insurer is not resolved to your satisfaction, you may submit the complaint to the Financial Sector Conduct Authority.

**8. PARTICULARS OF THE INFORMATION REGULATOR**

(For personal information breaches)

Postal Address: PO Box 31533, Braamfontein,  
Johannesburg, 2017

Telephone: +27- 010- 023- 5200

Cell number: +27- 082- 746- 4173

Email address: complaints.IR@justice.gov.za

**Annexe D**

**Comparison between your current consumer credit insurance policy and the Replacement Policies**

**Property related benefits**

Provision in current Guardrisk Insurance Company wording	Position in proposed Guardrisk Microinsurance non-life policy wording	Position in proposed Guardrisk Microinsurance life policy wording
<p><b>1. Specified Risks</b>  <b>For what am I covered?</b>                      If during the Period of Insurance, the goods which are the subject matter of the Agreement as noted in the Schedule, are lost or damaged by any accidental or misfortunate means solely attributable to an unexpected event, or are lost as a result of theft from the Insured's residential or business premises, such theft being accompanied by forcible and violent entry or exit to or from the Insured's premises, then the Company will indemnify the Insured or its legal representative by the payment of all amounts owing in respect of the Agreement, or by replacement or reinstatement of the goods.</p> <p><b>What is not covered?</b></p> <ol style="list-style-type: none"> <li>1. Loss or damage or failure for which the manufacturer, supplier, or lessor is liable or which is covered by a standard maintenance contract or agreement.</li> <li>2. Wear and tear;                         <ol style="list-style-type: none"> <li>a) Any process of cleaning, repairing or restoring;</li> <li>b) Breakage of glass or of articles of a brittle nature unless caused by burglars, thieves or fire;</li> <li>c) Scratching or other superficial damage to outer casing aerials or keypads;</li> <li>d) Damage or deterioration caused by the action of light, atmospheric conditions, moth, vermin or any gradually operating cause;</li> <li>e) Confiscation or detention by customs or any process of law;</li> <li>f) War, riot, civil commotion and the like risks;</li> <li>g) Legal liability of any description whatsoever.</li> </ol> </li> <li>3. Unexplained disappearance.</li> <li>4. Theft from any unlocked and / or unattended vehicle unless the following conditions are complied with:                         <ol style="list-style-type: none"> <li>a) where such motor vehicle has a luggage compartment and / or boot;</li> <li>b) The Property Insured shall be kept locked securely in such luggage compartment and entry into such luggage compartment and / or boot must be obtained by actual visible and forcible means.                                  However, the above a) shall be apply to fixed (non- removable) assets or should the vehicle itself be stolen at the same time.</li> </ol> </li> <li>5. Theft from any residential or business premises unless accompanied by forcible and violent entry and / or exit.</li> <li>6. Loss of or damage to batteries and Sim Cards.</li> <li>7. Mechanical and electrical breakdown or erasure / corruption of data, or defects in design or manufacture, or failure of batteries.</li> <li>8. Any consequential loss of whatsoever nature.</li> </ol>	<p>This provision has been revised to read as follows.</p> <p><b>1. SPECIFIED RISKS</b>  <b>For what am I covered?</b>                      If during the Period of Insurance, the goods, as described in the Agreement and noted in the Schedule, are lost or damaged due to any accidental means or unexpected events, or lost as a result of theft from the Insured's residential or business premises, provided that the theft was accompanied by forcible and violent entry or exit to or from the Insured's premises, the Insurer will indemnify the Insured or its legal representative by the repair or replacement of the goods, or by payment of the Outstanding Balance in terms of the Agreement .</p> <p><b>What is not covered?</b></p> <ol style="list-style-type: none"> <li>1. Loss or damage or failure for which the manufacturer, supplier, or lessor is liable or which is covered by a standard maintenance contract or agreement.</li> <li>2. Wear and tear;                         <ol style="list-style-type: none"> <li>a) Any process of cleaning, repairing or restoring;</li> <li>b) Breakage of glass or of articles of a brittle nature unless caused by burglars, thieves or fire;</li> <li>c) Scratching or other superficial damage to outer casing aerials or keypads;</li> <li>d) Damage or deterioration caused by the action of light, atmospheric conditions, moth, vermin or any gradually operating cause;</li> </ol> </li> </ol>	<p>The specific risks and associated exclusions have not been incorporated into the life benefit components.</p>

Provision in current Guardrisk Insurance Company wording	Position in proposed Guardrisk Microinsurance non-life policy wording	Position in proposed Guardrisk Microinsurance life policy wording
	<p>e) Confiscation or detention by customs or any process of law                      f) War, riot, civil commotion and the like risks;                      g) Legal liability of any description whatsoever.</p> <p>3. Unexplained disappearance.                      4. Theft from any unlocked and/or unattended vehicle unless the following conditions are complied with:                      a) where such motor vehicle has a luggage compartment and / or boot;                      b) The Property Insured shall be kept locked securely in such luggage compartment and entry into such luggage compartment and/or boot must be obtained by actual visible and forcible means.</p> <p>5. Theft from any residential or business premises unless accompanied by forcible and violent entry and / or exit.                      6. Loss of or damage to batteries and Sim Cards.                      7. Mechanical and electrical breakdown or erasure/corruption of data, or defects in design or manufacture, or failure of batteries.                      8. Any consequential loss of whatsoever nature.</p>	

Provision in current Guardrisk Insurance Company wording	Position in proposed Guardrisk Microinsurance non-life policy wording	Position in proposed Guardrisk Microinsurance life policy wording
<p><b>How much am I covered for?</b>                      1. Partial damage - where the equipment can be repaired the Company will pay the costs reasonably incurred to restore it to the state it was in immediately before the occurrence of the incident. Should such costs exceed 60% of the replacement cost, the equipment will be replaced.                      2. Total Loss - Replacement Value Indemnity. When the Equipment is lost or damaged beyond repair then the Company will pay the reasonable cost of replacement with equipment of the same or similar type and conditions as the Insured Property. The Company will elect through replacement or repayment to indemnify you up to the sum insured stated in the Agreement against what you are covered for, subject to the exclusions stated.</p>	<p>This clause has been retained.</p>	<p>This clause has have removed from the life policy wording.</p>
<p><b>What goods are covered?</b>                      All items stated in the Agreement of purchase</p>	<p>This clause has been retained.</p>	<p>This clause has have removed from the life policy wording.</p>

**Life event related benefits**

Provision in current Guardrisk Insurance Company wording	Position in proposed Guardrisk Microinsurance non-life policy wording	Position in proposed Guardrisk Microinsurance life policy wording
<p><b>2. Personal Benefit Section</b> For what am I covered? If during the Period of Insurance, you shall sustain sickness contracted during the term of the Agreement, or Bodily Injury which injury or sickness shall solely and independently of any other cause result in your death or permanently total disablement, the Company will pay to the Seller all amounts owing in respect of the Agreement on the Insured's behalf.</p> <p><b>What is not covered?</b></p> <ol style="list-style-type: none"> <li>1. Suicide or attempt thereat, wilful self-injury or any death or disablement arising directly or indirectly from the Insured being affected by alcohol, drugs or insanity (whether temporary or otherwise);</li> <li>2. The Insured committing or attempting to commit any breach of the law;</li> <li>3. Active participation in war, riot, civil commotion and the like as more fully described under General Exceptions;</li> <li>4. Participation in hazardous activities such as mountaineering, scuba-diving, winter sports, big game hunting or riding or driving in any kind of race or whilst practising therefor, parachuting or hang-gliding.</li> <li>5. Any pre-existing condition the Insured was aware of that affected him/her in the 12 months preceding the cover under this policy which condition was not disclosed by the Insured at the time that this policy was applied for despite being explicitly requested to make such disclosure.</li> </ol>	<p>This benefit has not been incorporated into the non-life benefit components.</p>	<p>This provision has been revised to read as follows.</p> <p><b>1. DEATH AND DISABILITY BENEFITS</b> <b>For what am I covered?</b> If during the Period of Insurance, you die or become Permanently Disabled, the Insurer will pay to the Seller the Outstanding Balance in respect of the Agreement.</p> <p><b>What is not covered?</b> <b>Exclusions applicable for Death and Permanent Disability Benefits</b> This Policy does not cover death or Permanent Disability that is related to or in nature is directly or indirectly caused by, resulting from, or in connection with any of the following:</p> <ol style="list-style-type: none"> <li>1. Suicide within 12 months from inception of the policy or attempted suicide, wilful self-injury;</li> <li>2. the Insured being affected by abuse of alcohol or drugs (whether temporary or otherwise);</li> <li>3. The Insured committing or attempting to commit any breach of the law;</li> <li>4. Active participation in war, riot, civil commotion;</li> <li>5. Participation in hazardous activities such as mountaineering, scuba-diving, winter sports, big game hunting or riding or driving in any kind of race or whilst practising, parachuting or hang-gliding;</li> <li>6. A Pre-existing Medical Condition the Insured was aware of that affected him/her in the 12 months preceding the cover under this Policy and which condition was not disclosed by the Insured at the time that this Policy was applied for.</li> </ol>

Provision in current Guardrisk Insurance Company wording	Position in proposed Guardrisk Microinsurance non-life policy wording	Position in proposed Guardrisk Microinsurance life policy wording
<p><b>3. Loss of Employment</b> For what am I covered? If during the Period of Insurance, you suffer the loss of employment as a direct result of Retrenchment by your employer, or as a result of the loss of employment as a consequence of being made redundant by your employer and do not manage to secure employment or receive remuneration for any occupation after three months of the loss of employment, the Company will pay to the seller all outstanding amounts. Provided further that in the event that you shall suffer</p>	<p>This life benefit has not been incorporated into the non-life benefit components.</p>	<p>This provision has been revised to read as follows.</p> <p><b>1. LOSS OF EMPLOYMENT BENEFIT</b> <b>2. (Available on the Plus Policy only)</b> <b>For what am I covered?</b> If during the Period of Insurance, you become unemployed as a direct result of Retrenchment by your employer, or as a consequence of being made</p>

<p>the loss of employment within the first three months of the commencement date, no benefits shall be payable.</p> <p><b>What is not covered?</b>          You shall not be entitled under this Policy in respect of Loss of Employment arising directly or indirectly from, related to, or in consequence of:</p> <ol style="list-style-type: none"> <li>1. Normal or early retirement;</li> <li>2. you being employed or receiving remuneration for any occupation within the first 3 months after your retrenchment or being made redundant by your employer.</li> <li>3. you being retrenched or made redundant by your employer within the first 3 months from inception of the policy</li> <li>4. you committing any breach of law or committing or attempting to commit any action that resulted in your dismissal in terms of the employers Conditions of Employment</li> <li>5. you resigning from your employment or accepting voluntary Retrenchment or Redundancy</li> <li>6. you having been aware at the Commencement Date of The Agreement that the possibility of Retrenchment or Redundancy existed</li> </ol>		<p>redundant, the Insurer will pay to the Seller the Outstanding Balance as per the Agreement.          A Waiting Period of 3 (three) months is applicable.          In the event that you become unemployed within the first 3 (three) months of the commencement date, the Loss of Employment Benefits shall not be payable.</p> <p><b>What is not covered?</b>  <b>Exclusions for the Loss of Employment Benefit</b>          You shall not be entitled under this Policy in respect of Loss of Employment arising directly or indirectly from, related to, or in consequence of:</p> <ol style="list-style-type: none"> <li>1. Normal or early retirement;</li> <li>2. you being Retrenched or made redundant by your employer within the first 3 months from the Commencement Date of the Policy</li> <li>3. you committing any breach of law or committing or attempting to commit any action that results in your dismissal in terms of the employers Conditions of Employment</li> <li>4. you resigning from your employment or accepting voluntary retrenchment or redundancy</li> <li>5. you having been aware at the Commencement Date of The Agreement that the possibility of Retrenchment or redundancy existed</li> </ol>
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**General conditions and exceptions**

<b>Provision in current Guardrisk Insurance Company wording</b>	<b>Position in proposed Guardrisk Microinsurance non-life policy wording</b>	<b>Position in proposed Guardrisk Microinsurance life policy wording</b>
<p><b>General Exceptions</b></p> <ol style="list-style-type: none"> <li>1. This policy does not cover loss, damage or liability directly or indirectly caused by or related to or in consequence of:                             <ol style="list-style-type: none"> <li>a) civil commotion, labour disturbances riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the above;</li> <li>b) war, invasion, act of foreign hostilities or warlike operations (whether war be declared or not) or civil war; mutiny, military rising or usurped power, martial law or state of siege or any other event or cause which determines the proclamation or maintenance of martial law or state of siege; insurrection, rebellion or revolution;</li> <li>c) any act (whether on behalf of any organisation, body of person or groups of persons) calculated or directed to overthrow or influence any state or government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;</li> <li>d) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause or to bring about any social or economic change or in protest against any state or government or any provincial, local or tribal authority or for the purpose of inspiring fear in the public or any section thereof;</li> <li>e) Any attempt to perform any act referred to in clause (c) to (f) above;</li> <li>f) The act of any lawfully established authority in controlling, preventing or suppressing or in any other way dealing with any occurrence referred to in clauses (a), (b), (c), (d), (e) or (f) above. If the Company alleges that by reason of clauses (a) to (f) above of this exception, loss or damage or liability is not covered by this Policy the burden of proving the contrary shall rest on the Insured.</li> </ol> </li> <li>2. Any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act 1976 (Act no. 85 of 1976) or any similar Act applicable to the territories to which this Policy applies.</li> <li>3. Nuclear weapons, material ionising, radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purposes of this exception only combustion shall include any self-sustaining process of nuclear fusion.</li> <li>4. Consequential loss of any description or delay.</li> <li>5. Earthquake, whether caused by mining operations or otherwise, subterranean fire, volcanic eruption or other convulsion of nature, tidal wave, subsidence or landslip. An insured event occurring elsewhere than in Africa, South of Latitude, 15 degrees South excluding Angola, Malawi, Mozambique and Zambia unless otherwise stated in a section.</li> <li>6. This policy shall not indemnify the Insured or be liable to pay any compensation for death, sickness or bodily injury to an insured person:                             <ol style="list-style-type: none"> <li>a) caused by or resulting from (1) his / her suicide or intentional self injury; (2) sustained during service on duty in any armed or police force (3) pregnancy, childbirth or any physical defect, infirmity, illness or disease existing prior to the Insured entering into the Agreement (4) Acquired Immune Deficiency Syndrome (AIDS) / Human immunodeficiency virus (HIV) or any complications or consequences arising there from;</li> <li>b) who is participating in (1) civil commotion, labour disturbances, riot, strike, lockout or any activities associated with any of the aforementioned (2) aviation other than as a passenger;</li> <li>c) where the insured is affected (temporarily or otherwise) by alcohol, drugs or insanity.</li> </ol> </li> </ol>	<p>These clauses have been retained.</p>	<p>The general exceptions have been removed from the life benefit components.</p>

Provision in current Guardrisk Insurance Company wording	Position in proposed Guardrisk Microinsurance non-life policy wording	Position in proposed Guardrisk Microinsurance life policy wording
<p><b>General Conditions</b>  <b>Excess</b> - Should an insured item be replaced under this policy, the excess payable by the insured in any subsequent claim for replacement of the replaced insured item, will be equal to 50% of the normal instalment sale selling price of that replacement item.</p> <ol style="list-style-type: none"> <li>1. This policy shall be voidable in respect of any item or Section in priority to the Policy as a whole if:                     <ol style="list-style-type: none"> <li>a) non-disclosure - there is misrepresentation, misdescription or non-disclosure of any material particular;</li> <li>b) insurable interest - the Insured's interest ceases except by will or operation of law unless such alteration has been accepted by the Company;</li> <li>c) increase in risk - the risk of accident or loss, damage or liability is increased other than in circumstances for which provision is made in a section or for which the Company has given its prior written consent;</li> <li>d) Breach of Warranty - the Insured breaches any warranty.</li> </ol> </li> <li>2. Prevention of loss - the Insured shall take all reasonable precautions for the maintenance and safety of insured property and for the prevention of accidents or losses.</li> <li>3. Other Insurances. The Company shall not be liable                     <ol style="list-style-type: none"> <li>a) to indemnify the Insured for any insured property which is or would but for the existence of this policy be insured or be insurable by a marine insurance policy except in respect of any excess beyond the amount that would have been recoverable under such marine insurance policy;</li> <li>b) (i) to contribute more than it's retable proportion where there is another non-marine Policy in force covering partially or fully an insured event also insured by this Policy;</li> <li>(ii) when such policy contains any provision excluding it from ranking concurrent with or contributing retablely to this Policy for more than such proportion of the loss or damage at the sum insured hereby bears to the value of the insured property and if such other policy is subject to a condition of average this policy if not already subject to such condition shall also be subject to average.</li> </ol> </li> <li>4. 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 his/her behalf to obtain any benefit under this Policy or if any loss or damage or liability be occasioned by the wilful act of or with the connivance of the Insured all benefits under this Policy in respect of such claim shall be forfeit.</li> <li>5. Jurisdiction - this Policy is subject to the laws of the Republic of South Africa whose courts shall have the sole jurisdiction to the exclusion of the courts of any other country.</li> <li>6. No benefits shall apply under this policy unless the Insured has complied with all his obligations under the Agreement and all Instalments due thereunder have been paid in full up to and including the date of loss or are brought fully up to date, together with interest on arrear amounts, within 30 days of the date of the loss.</li> </ol>	<p>This provision has been revised to read as follows.</p> <p><b>GENERAL CONDITIONS</b></p> <ol style="list-style-type: none"> <li>1. This policy shall be voidable in respect of any item or section in priority to the policy as a whole if:                     <ol style="list-style-type: none"> <li>a) there is misrepresentation, misdescription or non-disclosure of any material information;</li> <li>b) insurable interest - the Insured's interest ceases except by will or operation of law unless such alteration has been accepted by the Insurer;</li> <li>c) Breach of Warranty - the Insured breaches any warranty.</li> </ol> </li> <li>2. Prevention of loss - the Insured shall take all reasonable precautions for the maintenance and safety of insured property and for the prevention of accidents or losses.</li> <li>3. Other Insurances: The Insurer shall not be liable to contribute more than its rateable proportion of the loss where there is another Policy in force covering partially or fully an insured event also insured by this Policy;</li> <li>4. 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 his/her behalf to obtain any benefit under this Policy or if any loss or damage or liability be occasioned by the wilful act of or with the connivance of the Insured all benefits under this Policy in respect of such claim shall be forfeited.</li> <li>5. Jurisdiction - this Policy is subject to the laws of the Republic of South Africa whose courts shall have the sole jurisdiction to the exclusion of the courts of any other country.</li> </ol>	

	<p>6. No benefits shall apply under this policy unless the Insured has complied with all his obligations under the Agreement and all Instalments due have been paid in full up to and including the date of loss or are brought fully up to date, together with interest on arrear amounts, within 30 days of the date of the loss.</p> <p>7. You may not transfer the benefits of this contract to anyone else.</p> <p><b>7. EXCESS</b></p> <p>Should an insured item be replaced under this policy, the excess payable by the insured in any subsequent claim for replacement of the replaced insured item, will be equal to 10% of the claim, maximum R1 000 whichever is the lesser.</p>	
<p><b>7. Claims Procedure:</b></p> <p>a) The Insured must inform the Seller WITHIN FOURTEEN DAYS IN WRITING, and provide him or his agent with all required evidence . In the event of a claim arising from the death of the Insured, the same should be lodged by his executors or dependants. The death certificate must be produced.</p> <p>b) In the event of cellular phones being lost or damaged,</p> <ul style="list-style-type: none"> <li>• all details must be filled in, particularly the IMEI 14 digit number. If the Insured does not know the number the regional office (0215264300) can be contacted and same can be retrieved from the ITC / EIR Central Registry or Billing Information. No theft claims will be accepted by the Seller without this number.</li> <li>• in the event of the cellular phone being water damaged, it should be taken to a repairman immediately to stop corrosion damage.</li> <li>• All parts (damaged or not) must be handed in to avoid insured having to pay “extras” such as missing batteries, charges, transformers etc. No claim will be paid out if no cellular phone received.</li> </ul> <p>c) all theft losses must be reported to the police and all practical steps to discover the guilty party and recover the stolen or lost property should be taken.</p>	<p>The claims procedure has been revised to read as follows.</p> <p><b>8. CLAIMS PROCEDURE</b></p> <p>a) The Insured must inform the Seller within fourteen days in writing of the happening of the event and provide the agent with all required information.</p> <p>b) In the event of cellular phones being lost or damaged,</p> <ul style="list-style-type: none"> <li>• all details must be filled in, including the IMEI 14 digit number. If the Insured does not know the number the regional office (0215264300) can be contacted and same can be retrieved from the ITC/EIR Central Registry or Billing Information. No theft claims will be accepted by the Seller without this number.</li> <li>• in the event of the cellular phone being water damaged, it should be taken to a Repair centre as soon as reasonably possible, to prevent corrosion damage.</li> <li>• All parts (damaged or not) must be handed in to avoid insured having to pay “extras” such as missing batteries, charges, transformers etc. No claim will be paid out if the cellular phone is not provided.</li> </ul> <p>a) all theft losses must be reported to the police and all practical steps should be taken to identify the guilty party and recover the stolen or lost property.</p>	<p>The claims procedure has been revised to read as follows.</p> <p><b>5. CLAIMS PROCEDURE:</b></p> <p>In the event of a death Claim, the Administrator must be notified within 3 (three) months of the Claim Event Date and all Claim document submitted within the 6 (six months of the Claim Event Date. The certified copy of the death certificate together with the DHA 1663 form and any additional requirement that the Insurer may reasonably require, must be submitted in order to process the Claim.</p> <p>In the event of a Permanent Disability Claim, the Administrator must be notified within 3 (three) months of the Claim Event Date and all Claim document submitted within the 6 (six months of the Claim Event Date. A medical report from a Medical Practitioner, all</p> <p>the supporting documents and any additional requirement that the Insurer may reasonably require must be submitted to process the Claim. and any additional requirement that the Insurer may reasonably require</p>