

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 or call us on 0800 167 634.

If you have any questions, please contact Guardrisk Insurance via email on Transfer@Guardrisk.co.za, or telephonically to 0800 167 634, 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 ("**Agreement**").

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 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

BUYERS PROTECTION INSURANCE **POLICY WORDING**

Guardrisk Microinsurance Limited will provide cover under the Goods Protection Policy as described in this document, subject to your payment of the premium within the agreed period and your adherence to the terms and conditions of this Policy which are governed by the laws of South Africa.

GENERAL DEFINITIONS

Administrator: Means Monitor Administrator with Company Reg Nr 2003/004608/07
Claim: Means, unless the context indicates otherwise, a demand for Policy Benefits by a Claimant, irrespective of whether or not the Claimant's demand is valid, made by submitting a completed claim form and supporting documentation to the Administrator.

Claimant: Means a person who makes a Claim in relation to this Policy.
Claim Event: Means the risk insured under this Policy and stated in the Policy Schedule.
Claim Event Date: The date on which the Claim Event occurs, giving rise to a Claim.
Credit Agreement: The credit agreement in terms of which You are indebted to Your Credit Provider and which meets the criteria for credit agreements as set out in section 8 of the National Credit Act, No 34 of 2005 (as amended), and for which You have arranged insurance cover under the Policy.

Credit Provider: The institution that granted You the loan as per the Credit Agreement.

Commencement Date: This is the date on which Your Policy commences which is the date the Credit Agreement is entered into and/or the date which the first Premium is paid (whichever is the earlier).

Day: means a 24 (twenty-four) hour period, including weekends and public holidays. "Days" shall have a corresponding meaning.

Exclusion/Exception: 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.

Insured: Means You, the borrower, as stated in the Credit Agreement and for whom cover for Benefits is granted under this Policy.

Insurer: Means Guardrisk Microinsurance Limited with Registration Number 1991/005238/06,

National Credit Act: Means the National Credit Act, 2005 (Act. 34 of 2005).

Outstanding Balance: This refers to the amount owed by the Insured in terms of the Credit Agreement including capital, interest, and fees provided for in the National Credit Act 34 of 2005.

Period of Insurance: The period as stated on the Policy Schedule, which is from the date of invoice in terms of the Credit Agreement and every month thereafter until the debt is paid.

Policy: This legal document that has the Policy Schedule, the terms and conditions which includes any declarations made at application stage and any endorsements issued in terms of this Policy.

Policy Schedule: The Schedule stating the Benefit details and respective Premium rate attached to this Policy.

Premium: The monthly amount payable, as stated in the Policy Schedule or any endorsement issued in terms of this Policy.

Repudiate

In relation to a Claim means any action by which Guardrisk rejects or refuses to pay a Claim or any part of a Claim, for any reason and includes instances where a Claimant lodges a Claim –

- i) in respect of a loss event or risk not covered by the Policy; and
- ii) in respect of a loss event or risk covered by this Policy, but the Premium or Premiums payable in respect of the Policy are not paid.

"Repudiation" shall have a corresponding meaning.

Variation

Means any act that results in a change to-

- a) the Premium;
- b) any term;
- c) any condition;
- d) any Policy Benefit;
- e) any Exclusion; or
- f) the duration of the Policy,

"Vary" or "Variations" shall have a corresponding meaning.

We/Our: Means the Administrator and Insurer.

You/Your: the person named as the Insured in the Policy.

PREMIUMS

All Premiums are payable monthly by the Insured. Premium rates are guaranteed for the first 12 (twelve) months from the Commencement Date and will be reviewed annually. Any changes to the Premium rate will be notified to You 31 (thirty-one) Days prior to the change taking effect.

The Period of Grace allowed for payment of the Premiums is 31 (thirty-one) Days commencing on the first Day of the month in which the Premium is due. If the Premiums are not paid by the expiry of the Period of Grace, the Policy will lapse. Failure to pay the Premium/s will result in Your Policy being cancelled and cover ceasing. Upon cancellation all Benefits will cease, and no cover will remain in force. If a Claim Event arises during the Period of Grace, the Claim will still be considered and if valid, will be paid less the outstanding Premium/s. No Claim will be considered should a Claim Event occur after the Policy has been cancelled.

COOLING OFF PERIOD

If You are not satisfied with this Policy You have the right to cancel this Policy within 31 (thirty-one) Days from receipt of the Policy documentation or within 31 (thirty-one) Days from the date on which it is deemed that You received the Policy documentation or within 31 (thirty-one) Days of the Commencement Date, provided no Benefit has been Claimed or paid or an event giving rise to a Claim has not yet occurred, in which instance any Premium paid will be refunded less the cost of any risk cover enjoyed by You making a written request for cancellation.

POLICY CANCELLATION

You have the right to cancel this Policy at any time by giving the Administrator 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.

If You elect to cancel, You must cede an alternate Policy with the same minimum Benefits that this Policy offers, failing which we reserve the right not to cancel this insurance.

You may email your cancellation to xxxx@xxxx.co.za or contact us on xxxxxxxx.

The Insurer may terminate this Policy by giving You 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.

SECTION 1 – MATERIAL DAMAGE

WHAT WE WILL PAY:

If during the Period of Insurance the goods, which are stated in the Credit agreement are damaged, or lost as a result of theft from the premises where You are currently living, provided that the theft was accompanied by forcible and violent entry and exit to or from the premises, the Insurer will pay for the damaged or stolen goods by either repairing or replacing at the Insurer's discretion.

WHAT WE DO NOT PAY FOR:

The Insurer shall not pay for the repair or replacement of Your insured goods which are damaged as a direct or indirect result of:

- Wear and tear or depreciation, moth, vermin, rust or any gradual operating cause;
 - Damage to any working machine or any working part caused by mechanical or electrical; breakdown, failure or breakage, defects in the design or manufacture;
 - Loss or damage caused by any process of cleaning, repairing or restoration;
 - Cracking, scratching or breakage of glass or other articles of a brittle nature, unless caused by fire, flood or theft;
 - Negligence, abuse or misuse of any of the goods;
 - Repairs and maintenance which is not caused by an authorised repairer approved by the insurer;
 - You participating in any criminal act;
-
- War, civil commotion, labour disturbances, riot, strike, lockout, or public disorder or any act or activity committed by anyone which is intended or attempts to bring about any of the above;
 - Confiscation or detention by customs or any other lawful authority; and/or
 - Legal liability of any description whatsoever which You may incur

SECTION 2 – CLAIMS PROCESS

In the event of a Claim during the Period of Insurance the Administrator must be notified of all Claims as soon as possible, within 30 days of the Claim Event Date.

All Claim notifications can be lodged by contacting Monitor Administrators on (031) 818 0110 or alternatively by email: aspisclaims@monitorsa.co.za.

The following documents will be required and must be submitted within 3 (three) months to process the Claim:

SETTLING A CLAIM

Further evidence may be requested in support of Your Claim.

Payment of the Benefits provided in the event of a valid Claim in terms of the Policy will be full and effective, discharging the Insurer and the Administrator of its liability and obligations in terms of the Policy and will be in South African Rands and no Benefit payable under this Policy shall carry interest.

REPUDIATION OF A CLAIM

In the event of Your claim being Repudiated and a claim Repudiation 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 180 days in which to institute legal action.

If any complaint to the Insurer is not resolved to the Insured's/Claimant's satisfaction, the Insured/Claimant may submit a complaint to the relevant Ombudsman Scheme/Regulatory Body for further assistance (see the Disclosure Notice for full contact details).

SECTION 3 - WHEN THE COVER ENDS

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

- The date Your Credit Agreement ends;
- The payment of a Benefit which leads to the settlement of the Outstanding Balance;
- The early settlement of Your Credit Agreement;
- The lapsing of the Policy due to non-payment of the Premiums after the Period of Grace;
- We advise You that Your insurance cover has been cancelled. This will be done by giving 31 (thirty-one) Days' notice of Our intention to do so.
- You have cancelled the Policy by giving the Administrator 31 (thirty-one) Days' notice.

SECTION 4 – GENERAL EXCEPTIONS

This policy does not cover loss, damage or liability directly or indirectly caused by or related to or in consequence of:

- 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;
- 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;
- 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;
- 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;
- The act of any lawfully established authority in controlling, preventing or suppressing or in any other way dealing with any occurrence referred to in the clauses above.

If the Insurer alleges that by reason of the clauses stated above in these exceptions, loss or damage or liability is not covered by this Policy the burden of proving the contrary shall rest on the Insured.

- 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.
- 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.
- Consequential loss of any description or delay.
- 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

SECTION 5 - GENERAL CONDITIONS

- If You do not abide by the terms and conditions of this Policy, You will not be entitled to any Benefit under this Policy.
- The rights under this Policy cannot be transferred to anyone else and this Policy cannot be used to protect any person other than You.
- Should there be any changes to the original details supplied at the time of application, You must notify the Administrator within 31 (thirty-one) Days of such a change occurring, and the Insurer shall take the action deemed necessary in this regard. Should You not notify of the Administrator of such change, the Insurer reserves the right to reject liability in terms of a Claim or to cancel the Policy.

MISREPRESENTATION AND FRAUD

If any Claim under this Policy is in any way misrepresented, or if any fraudulent means are used by You or anyone acting on Your behalf to obtain any Benefit under this Policy, and where such action positively results in a claim being paid, or issued to apply for Benefits, all Benefits including Premiums paid under this Policy shall be forfeited.

If any of the Claim Events insured against are occasioned by Your intentional act or with Your collusion, then all Benefits under the Policy will be forfeited and the Policy will be voidable at the Insurers option. Appropriate action will be taken as deemed necessary by the Insurer.

The Insurer shall 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 undesirable or criminal activity.

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.

ERRORS AND OMISSIONS

It is expressly understood and agreed that if failure to comply with any terms of this Policy is shown to be unintentional or as a result of administrative errors or omissions on the part of either the Insurer or Yourself, both the Insurer or You shall be restored to the position You or the Insurer would have occupied had no such error or omission occurred.

The above provision shall apply only to oversights, misunderstandings or clerical errors relating to the administration of this Policy. Any negligent or deliberate acts or omissions by You or the Insurer regarding the cover provided will be resolved by applying the best practice and the Treating Customers Fairly principles as outlined below, together with the Policyholder Protection Rules.

TREATING CUSTOMERS FAIRLY

This product has been created to meet the needs of our clients. The Treating Consumers Fairly ("TCF") framework principles are viewed seriously by the Insurer and all 6 (six) outcomes, as stated below, are practiced at all times. We will, in all our interactions with any consumer, endeavour to deliver excellent consumer experiences which we will achieve through the ongoing review of all our business practices and analysis of complaints. It is our objective

to be fair in our treatment of all consumers and partners and being compliant, in all aspects, of the 6 (six) outcomes of the TCF framework. These outcomes are:

- You are confident that Your fair treatment is key to our culture;
- Products and services are designed to meet Your needs;
- We will communicate clearly, appropriately and on time;
- We provide advice which is suitable to Your needs and circumstances;
- Our products and services meet Your standards and are of an acceptable level; and
- There are no barriers to access our services or to lodge any complaints.

PROTECTION AND 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:

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

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 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.

Disclosure Notice: Please read carefully

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.

Guardrisk Microinsurance Compliance Officer

Guardrisk Microinsurance Limited

P O Box 786015, Sandton, 2146

Email: compliance@guardrisk.co.za

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

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

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

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

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.

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

YOUR INTERMEDIARY

Name: Aspis (Pty) Ltd
Reg No. 2011/0054/16/07
FAIS Licence Number: FSP 48407
Physical Address: 45 Old Main Road, Kloof, 3610
Postal Address: P O Box 467, Kloof, 3640
Telephone Number: 031 8180005

ASPIS (Pty) Ltd is licensed as a financial service provider in terms of section 8 of the financial advisory and intermediary services act, 2002 (act no. 37 of 2002) and does not own or directly hold more than 10% of the insurer's shares and does not receive more than 30% of its total commission and remuneration over the preceding 12 months.

In terms of the FAIS Act we are obliged to set up a complaints resolutions process. We have implemented a complaints resolution process, which would be available for your perusal, should you require such. All complaints relating to the intermediary can be sent, in writing, to the Complaints Manager on info@aspis.co.za

Aspis (Pty) Ltd have a documented Conflict of Interest policy which you can access via info@aspis.co.za

Aspis (Pty) Ltd has professional Indemnity Insurance cover

Aspis (Pty) Ltd earns a commission (20% of the monthly premium) which is paid by the Insurer.

YOUR ADMINSTOR

Name: Monitor Administrators (Pty) Ltd

Reg No. 2003/004608/07

FAIS Licence Number: FSP 17814

Physical Address: 45 Old Main Road, Kloof, Durban, 3610

Postal Address: P O Box 467, Kloof, Durban, 3640

Telephone Number: 031 8180000

Fax Number: 031 8180066

Monitor Administrators (Pty) Ltd has professional Indemnity Insurance cover

Customer satisfaction and retention of your business is vital to us and has been one of the tenets of our ongoing success. We appreciate the effort you take in bringing a problem to our attention and are committed to the prompt and fair resolution of any complaints. Complaints relating to the Administrator can be sent, in writing, to monitor@monitorkzn.co.za

Monitor Administrators (Pty) Ltd have a documented Conflict of Interest policy which you can access via monitor@monitorkzn.co.za

Monitor Administrators earns an underwriting management fee (11% of the monthly premium).

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

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



Replacement Life Policy

BUYERS PROTECTION INSURANCE POLICY WORDING

Guardrisk Microinsurance Limited will provide cover in the event of Death, Permanent Disability, Temporary Disability, and Loss of Income/Retrenchment as described in this document, subject to your payment of the premium within the agreed period and your adherence to the terms and conditions of this Policy which are governed by the laws of South Africa.

GENERAL DEFINITIONS

Administrator: Means Monitor Administrator with Company Reg Nr 2003/004608/07.
Applicable laws: Means 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: The amount payable to the Credit Provider on the Death, or Temporary Disability, or Permanent Disability or Retrenchment/Loss of Income.

Claim: Means, unless the context indicates otherwise, a demand for Policy Benefits by a Claimant, irrespective of whether the Claimant's demand is valid, made by submitting a completed claim form and supporting documentation to the Administrator.

Claimant: Means a person who makes a Claim in relation to this Policy.

Claim Event: Means the risk insured under this Policy, based on the Benefits selected and stated in the Policy Schedule. These include Death, Temporary Disability, Permanent Disability and Retrenchment/Loss of Income.

Claim Event Date: The date on which the Claim Event occurs, giving rise to a Claim.

Cooling off Period: The period of thirty-one (31) Days from the date the Insured receives this Policy document, or from a reasonable date on which it 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.

Credit Agreement: The credit agreement in terms of which You are indebted to Your Credit Provider and which meets the criteria for credit agreements as set out in section 8 of the National Credit Act, No 34 of 2005 (or as amended), and for which You have arranged insurance cover under the Policy.

Credit Provider: The institution that granted You the loan as per the Credit Agreement.

Commencement Date: This is the date on which Your Policy commences which is the date the Credit Agreement is entered into and/or the date which the first Premium is paid (whichever is the earlier).

Day: means a 24 (twenty-four) hour period, including weekends and public holidays. "Days" shall have a corresponding meaning.

Death: Means the natural or unnatural death of an Insured.

Disability/Disabled: Means Your Temporary Disability or Permanent Disability confirmed by a registered Medical Practitioner supported by medical testing.

Exclusion: 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.

Insured: Means You, the borrower, as stated in the Credit Agreement and for whom cover for Benefits is granted under this Policy.

Insurer: Means Guardrisk Microinsurance Limited with Registration Number 1991/005238/06.

Loss of income/Retrenchment: This means becoming unemployed or unable to earn an income as a result of any action that is beyond the control of the Insured, after the commencement of cover, and receiving no remuneration from any occupation. Loss of income shall also mean being retrenched 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 Your employer in accordance with the Labour Relations Act of 1955. The loss of income shall not include the termination of a fixed contract, the voluntary termination of a contract by the Insured, any willful steps, actions or decisions by the Insured that leads to the Insured not earning an income. The Benefit will not relate to the loss of any supplementary income whilst the main income remains in full force nor a temporary loss of the main income while employment remains in force.

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

Monthly Instalment: The monthly loan instalment due in terms of the Credit Agreement. In case of Temporary Disability or Retrenchment/Loss of Income Benefit Claims, this amount will be payable by the Insurer to the Credit Provider for a period as stipulated in the Policy.

National Credit Act: Means the National Credit Act, 2005 (Act. 34 of 2005).

Outstanding Balance: This refers to the amount owed by the Insured in terms of the Credit Agreement including capital, interest, and fees provided for in the National Credit Act 34 of 2005.

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

Period of Insurance: The period as stated on the Policy Schedule, which is from the date of invoice in terms of the Credit Agreement and every month thereafter until the debt is paid.

Permanent Disability: This shall mean the medically certified total Disability as a result of illness, injury, infirmity or disease and which cannot be cured or treated, and which prevents the Insured person from earning an income by following his/her own occupation, or any other occupation for which he/she is suited in terms of training, education, age and experience. An Insured person shall also be deemed to have suffered total and permanent disability upon the loss or loss of use of both hands, both feet (or one of each) or both eyes.

Personal Information: Means personal information as defined in the Protection of Personal Information Act 4 of 2013.

Policy: This legal document that has the Policy Schedule, the terms and conditions which includes any declarations made at application stage and any endorsements issued in terms of this Policy.

Policy Schedule: The Schedule stating the Benefit details and respective Premium rate attached to this Policy.

Pre-Existing Medical Condition:

This means any an illness or bodily injury sustained or contracted by an Insured which the Insured:

1. was aware of; or
2. should reasonably have been aware of; and/or
3. received medical treatment or advice for from a Medical Practitioner in the 12 (twelve) months preceding the Commencement Date of this Policy.

Premium: The monthly amount payable, as stated in the Policy Schedule or any endorsement issued in terms of this Policy.

Reputiate: In relation to a Claim means any action by which the Insurer rejects or refuses to pay a Claim or any part of a Claim, for any reason and includes instances where a Claimant lodges a Claim;

1. in respect of a loss event or risk not covered by the Policy; and
2. in respect of a loss event or risk covered by this Policy, but the Premium or Premiums payable in respect of the Policy are not paid. "Repudiation" shall have a corresponding meaning.

Temporary Disability: This shall mean having suffered a loss of normal income from Your own normal occupation for a period in excess of 30 (thirty) consecutive Days (except in case where the Credit Agreement is not greater than one month) as a result of illness or bodily injury which has been verified by a duly qualified Medical Practitioner, but which is not expected to last. The occupational category for which Benefits will be paid shall be defined as Temporary Disability when Your impaired ability to earn an income or meet the obligations under a Credit Agreement arise as a result of illness, injury or disease which renders You unable to continue Your employment, occupation, profession or trade.

Variation: Means any act that results in a change to:

1. the Premium;
2. any term;
3. any condition;
4. any Policy Benefit;
5. any Exclusion; or
6. the duration of the Policy,

'Vary' or 'Variations' shall have a corresponding meaning.

Waiting Period Means the period from the Commencement Date during which the Insured will not be covered for a Policy Benefit. Any Claim Event arising during the Waiting Period will not be covered and will remain uncovered after the Waiting Period has expired.

We/Our: Means the Administrator and Insurer.

You/Your: the person named as the Insured in the Policy.

PREMIUMS

All Premiums are payable monthly by the Insured. Premium rates are guaranteed for the first 12 (twelve) months from the Commencement Date and will be reviewed annually. Any changes to the Premium rate will be notified to You 31 (thirty-one) Days prior to the change taking effect. The Period of Grace allowed for payment of the Premiums is 31 (thirty-one) Days commencing on the first Day of the month in which the Premium is due. If the Premiums are not paid by the expiry of the Period of Grace, the Policy will lapse. Failure to pay the Premium/s will result in Your Policy being cancelled and cover ceasing. Upon cancellation all Benefits will cease, and no cover will remain in force. If a Claim Event arises during the Period of Grace, the Claim will still be considered and if valid, will be paid less the outstanding Premium/s. No Claim will be considered should a Claim Event occur after the Policy has been cancelled.

CANCELLATION AND COOLING OFF PERIOD

You have the right to cancel this Policy within 31 (thirty-one) Days from receipt of the Policy documentation or within 31 (thirty-one) Days from the date on which it is deemed that You received the Policy documentation or within 31 (thirty-one) Days of the Commencement Date, provided no Benefit has been Claimed, or paid or a Claim Event giving rise to a Claim has not yet occurred, in which instance any Premium paid will be refunded less the cost of any risk cover enjoyed by You making a written request for cancellation. You have the right to cancel this Policy at any other time by giving the Administrator 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.

If You elect to cancel, You must cede an alternate Policy with the same minimum Benefits that this Policy offers, failing which we reserve the right not to cancel this insurance. This credit life Policy can only be cancelled if the alternate Policy has been approved and accepted by the Insurer.

You may email your cancellation to xxxx@xxxx.co.za or contact us on 031-818-0000.

The Insurer may terminate this Policy for whatsoever reason by giving You 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.

SECTION 1 – DEATH, PERMANENT DISABILITY, TEMPORARY DISABILITY AND LOSS OF INCOME/RETRENCHMENT BENEFITS ELIGIBILITY

To be eligible for cover under the Policy You must meet the following conditions at the Commencement Date:

- You must be the first named borrower on the Credit Agreement;
- You must be at least 18 (eighteen) years of age on the date of application for cover;
- You must apply for cover and pay the Premium;
- You must agree to adhere to the terms and conditions of the policy.

WHAT WE WILL PAY:

DEATH AND PERMANENT DISABILITY BENEFITS

If You die or become permanently disabled during the Period of Insurance, We will pay directly to the Credit Provider an amount equal to, but not exceeding the Outstanding Balance of Your Credit Agreement as at the date of the Claim Event..

TEMPORARY DISABILITY BENEFIT

If You become Temporary Disabled, the Insurer will pay the Credit Provider an amount equal to Your Monthly Installment:

1. for a maximum period of 12 (twelve) months, or
2. for the remaining period of Your Credit Agreement, or
3. until You are no longer Disabled.

The Benefit will be payable for whichever is the shorter period.

A Waiting Period of 1 (one) month from Commencement Date will be applicable on policies where the loan term is greater than 6 (six) months.

When paying Your Claim We will consider the first Day of Disability to be the Day a Medical Practitioner certifies You as Disabled and unable to attend work.

EXCLUSIONS -WHAT WE DO NOT PAY FOR:

We will not pay any Benefit if Your Death or Disability arises as a result of:

- the use of any nuclear, biological or chemical weapons;
- participation in any hazardous activities, such as mountain climbing, bungee jumping, or speed racing;
- active participation in war, invasion, acts of foreign enemies, hostilities, warlike operations whether war be declared or not), civil war, insurrection, rebellion revolution, civil commotion or uprisings, military power;
- participation in any criminal activity;
- suicide within the first 12 months of inception of the policy, attempted suicide or self-inflicted injury;
- the abuse of alcohol, drugs or narcotics;
- a Pre-Existing Medical condition that You were aware of within the 12 (twelve) months before the Commencement Date of this Policy.

LOSS OF INCOME/RETRENCHMENT BENEFIT

In the event that You experience Loss of Income or become Retrenched the Insurer will pay the Credit Provider an amount equal to Your Monthly Installment:

1. for a maximum period of 12 (twelve) months, or
2. for the remaining period of Your Credit Agreement, or
3. until You find employment or are able to earn an income.

The Benefit will be payable for whichever is the shorter period.

EXCLUSIONS - WHAT WE DO NOT PAY FOR:

We will not pay any benefit if You experience Loss of Income or become Retrenched due to:

- lawful dismissal as a result of misconduct, forbidden act or willful dereliction;
- voluntary retrenchment or termination of employment;
- voluntary forfeiture of salary, wages or other employment income;
- resignation;
- retirement;
- participation in an unprotected strike;

Retrenchment of which You were aware or received notice of during the 3 (three) months preceding the Commencement Date.

SECTION 2 – CLAIMS PROCESS

In the event of a Claim during the Period of Insurance, the Administrator must be notified of all Claims as soon as possible, within 3 (three) months of the Claim Event Date.

All Claim notifications can be lodged by contacting Monitor Administrators on (031) 818 0000 or alternatively by email: aspisclaims@monitorsa.co.za.

The following documents will be required and must be submitted within 3 (three) months to process the Claim:

In case of Death Claims:

- A fully completed Claim form;
- Certified copy of the death certificate of the Insured;
- Certified copy of the DHA 1663 form;
- Police Report (in case of unnatural death);
- Certified copy of the Insured's Identity Document.

In case of Disability Claims:

- A fully completed Claim form;
- A fully completed Medical Report on Disability by a Medical Practitioner;
- A statement from the employer to confirm he/she is no longer able to perform his/her occupation.
- Any additional requirement that We may reasonably require.

In case of Retrenchment/Loss of Income Claims:

- A fully completed Claim form;
- A Retrenchment letter from the Insured's employer confirming the date and reasons for Retrenchment;
- Proof of actual loss of income (other than as a result of Retrenchment)
- A copy of the UI-19 form;
- Any additional requirement that We may reasonably require.

SETTLING A CLAIM

Further evidence may be requested in support of Your Claim.

Payment of the Benefits provided in the event of a valid Claim in terms of the Policy will be full and effective, discharging the Insurer and the Administrator of its liability and obligations in terms of the Policy and will be in South African Rands and no Benefit payable under this Policy shall carry interest.

REPUDIATION OF A CLAIM

In the event of a Claim being Repudiated or You are disputing the *quantum* of the Benefit paid by the Insurer, You are entitled to make representations to the Insurer in respect of our decision to Repudiate the Claim or as to the manner in which the quantum of the Benefit was calculated for a period of 90 (ninety) Days from the date of receipt of the letter of Repudiation or the date of the Claim payment.

If any complaint to Insurer is not resolved to the Insured's/Claimant's satisfaction, the Insured/Claimant may submit a complaint to the relevant Ombudsman Scheme/Regulatory Body for further assistance (see the Disclosure Notice for full contact details).

SECTION 3 - WHEN THE COVER ENDS

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

- The date Your Credit Agreement ends;
- The early settlement of Your Credit Agreement;
- A Benefit is paid in respect of Death or Permanent Disability.
- The lapsing of the Policy due to non-payment of the Premiums after the Period of Grace;
- We advise that Your insurance cover has been cancelled for whatsoever. This will be done by giving 31 (thirty-one) Days notice of our intention to do so.
- You have cancelled the Policy by giving the Administrator 31 (thirty-one) Days' notice.

SECTION 4 - GENERAL CONDITIONS

- If You do not abide by the terms and conditions of this Policy, You will not be entitled to any Benefit under this Policy.
- The rights under this Policy cannot be transferred to anyone else and this Policy cannot be used to protect any person other than You.
- When Your cover under this Policy ends it will not have a cash value. The Policy also acquires no surrender, paid up or loan values.
- For the purposes of disclosure of private underwriting and claims information You consent and acknowledge that the sharing of claims and underwriting information (including credit information) by insurers is essential may be verified against other legitimate sources or databases to enable the Insurance Industry to underwrite policies and assess risks fairly, and to reduce the incidence of fraudulent claims, and accordingly waive any rights of privacy of insurance information in respect of any claim made.
- Should there be any changes to the original details supplied at the time of application, You must notify the Administrator within 31 (thirty-one) Days of such a change occurring, and the Insurer shall take the action deemed necessary in this regard. Should You not notify of the Administrator of such change, the Insurer reserves the right to reject liability in terms of a Claim or to cancel the Policy.

MISREPRESENTATION AND FRAUD

If any Claim under this Policy is in any way misrepresented; or If any fraudulent means are used by You or anyone acting on Your behalf to obtain any Benefit under this Policy, and where such action positively results in a claim being paid, or issued to apply for Benefits, all Benefits including Premiums paid under this Policy shall be forfeited.

If any of the Claim Events insured against are occasioned by Your intentional act or with Your collusion, then all Benefits under the Policy and all Premiums paid in terms of the Policy will be forfeited and the Policy will be voidable at the Insurers option. Appropriate action will be taken as deemed necessary by the Insurer.

The Insurer shall 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 undesirable or criminal activity.

VARIATIONS

This Policy is issued on the basis that the information on the Credit Agreement 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 only 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 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.

ERRORS AND OMISSIONS

It is expressly understood and agreed that if failure to comply with any terms of this Policy is shown to be unintentional or as a result of administrative errors or omissions on the part of either the Insurer or Yourself, both the Insurer or You shall be restored to the position You or the Insurer would have occupied had no such error or omission occurred.

The above provision shall apply only to oversights, misunderstandings or clerical errors relating to the administration of this Policy. Any negligent or deliberate acts or omissions by You or the Insurer regarding the cover provided will be resolved by applying the best practice and the Treating Customers Fairly principles as outlined below, together with the Policyholder Protection Rules.

TREATING CUSTOMERS FAIRLY

This product has been created to meet the needs of our clients. The Treating Consumers Fairly ("TCF") framework principles are viewed seriously by the Insurer and all 6 (six) outcomes, as stated below, are practiced at all times. We will, in all our interactions with any consumer, endeavour to deliver excellent consumer experiences which we will achieve through the ongoing review of all our business practices and

analysis of complaints. It is our objective to be fair in our treatment of all consumers and partners and being compliant, in all aspects, of the 6 (six) outcomes of the TCF framework. These outcomes are:

- You are confident that Your fair treatment is key to our culture;
- Products and services are designed to meet Your needs;
- We will communicate clearly, appropriately and on time;
- We provide advice which is suitable to Your needs and circumstances;
- Our products and services meet Your standards and are of an acceptable level; and
- There are no barriers to access our services or to lodge any complaints.

PROTECTION AND 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:

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

We may share Your information for further processing with the following third parties, which third parties have an obligation to keep Your Personal Information secure and confidential:

- Payment processing service providers, merchants, banks and other persons that assist with the processing of Your payment instructions;
- Law enforcement and fraud prevention agencies and other persons tasked with the prevention and prosecution of crime;
- Regulatory authorities, industry ombudsmen, governmental departments, local and international tax authorities, and other persons that we, in accordance with the Applicable Laws, are required to share Your Personal Information with;
- Credit Bureau's;
- 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
- 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 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.

NOTICE OF DISCLOSURE

Important - Please read carefully

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

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.

Guardrisk Microinsurance Compliance Officer

Guardrisk Microinsurance Limited

P O Box 786015, Sandton, 2146

Email: compliance@guardrisk.co.za

complaints@guardrisk.co.za

Tel: +27 11 669 1000

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

Your Administrator

Name: Monitor Administrators (Pty) Ltd
Reg No.: 2003/004608/07
FAIS Licence Number: 17824
Physical Address: 45 Old Main Road, Kloof, Kwa-Zulu Natal, 3640
Postal Address: P O Box 467, Kloof, Durban, 3640
Telephone Number: 031 8180000
Fax Number: 031 8180066/67
Legal Status: We, Monitor Administrators (Pty) Ltd, are a company incorporated in terms of the South African company legislations and we have a binder agreement with Guardrisk Microinsurance Limited.

Professional Indemnity Insurance Cover: We do not have Professional Indemnity Insurance Cover.

Your Intermediary

Name: Aspis (Pty) Ltd
Registration No.: 2011/005416/07
FAIS License Number: 48407
Physical Address: 45 Old Main Road, Kloof, 3610
Postal Address: P O Box 467, Kloof, 3640
Phone Number: 031 8180005
Legal Status: ASPIS (Pty) Ltd is licensed as a financial service provider in terms of section 8 of the financial advisory and intermediary services act, 2002 (act no. 37 of 2002) and does not own or directly hold more than 10% of the insurer's shares and does not receive more than 30% of its total commission and remuneration over the preceding 12 months.
Professional Indemnity Insurance: Aspis (Pty) Ltd has professional Indemnity Insurance cover

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

Name: Guardrisk Microinsurance Limited
Reg No.: 1991/005238/06
FAIS Licence Number: 51674
Physical Address: The Marc, Tower 2, 129 Rivonia Road, Sandton, 2146
Postal Address: PO Box 786015, Sandton, 2196
Telephone Number: +27 11 669 1000
Compliance Officer: +27 11 669 1000 or compliance@guardrisk.co.za
Type of Policy: As per the attached policy wording

Other matters of Importance

- a) You must be informed of any material changes to the information referred to above.
- b) If the information herein contained 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.

Particulars of the Long-Term Insurance Ombudsman

Postal address: Private Bag X45, Claremont, Cape Town, 7700
Telephone number: +27-21- 657- 5000 / 0860 103 236
Fax number: +27-21- 674- 0951
Email address: info@ombud.co.za

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

Particulars of the Financial Sector Conduct Authority

Postal address: Financial Sector Conduct Authority, PO Box 35655, Menlo Park, 0102
Telephone number: +27 12 428 8000
Fax number: +27 12 346 6941
Contact centre: 080 011 0443 / 080 020 2087

If any insurance complaint to the Intermediary/FSP or Insurer is not resolved to your satisfaction, you may submit the complaint to the Registrar or Short-term Insurance. **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

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><u>SECTION 2 – MATERIAL DAMAGE</u> WHAT WE WILL PAY: If during the period of insurance the goods, which are stated in the Sales agreement, are damaged or stolen from the premises where you are currently living, then the insurer will pay for the damaged or stolen goods by either repairing or replacing at the insurer’s discretion.</p> <p>WHAT WE DO NOT PAY FOR: The insurer shall not pay for the repair or replacement of your insured goods which are damaged as a direct or indirect result of:</p> <ul style="list-style-type: none"> - Wear and tear or depreciation, moth, vermin, rust or any gradual operating cause; - Damage to any working machine or any working part caused by mechanical or electrical; breakdown, failure or breakage, defects in the design or manufacture; - Loss or damage caused by any process of cleaning, repairing or restoration; - Cracking, scratching or breakage of glass or other articles of a brittle nature, unless caused by fire, flood or theft, negligence, abuse or misuse of any of the goods; - Repairs and maintenance which is not caused by an authorised repairer approved by the insurer; - You participating in any criminal act; - War, civil commotion, labour disturbances, riot, strike, lockout, or public disorder or any act or activity committed by anyone which is intended or attempts to bring about any of the above; - Confiscation or detention by customs or any other lawful authority; and/or - Legal liability of any description whatsoever which you may incur 	<p>This provision has been revised to read as follows.</p> <p><u>SECTION 1 – MATERIAL DAMAGE</u> WHAT WE WILL PAY: If during the Period of Insurance the goods, which are stated in the Credit agreement are damaged, or lost as a result of theft from the premises where You are currently living, provided that the theft was accompanied by forcible and violent entry and exit to or from the premises, the Insurer will pay for the damaged or stolen goods by either repairing or replacing at the Insurer’s discretion.</p> <p>WHAT WE DO NOT PAY FOR: The Insurer shall not pay for the repair or replacement of Your insured goods which are damaged as a direct or indirect result of:</p> <ul style="list-style-type: none"> - Wear and tear or depreciation, moth, vermin, rust or any gradual operating cause; - Damage to any working machine or any working part caused by mechanical or electrical; breakdown, failure or breakage, defects in the design or manufacture; - Loss or damage caused by any process of cleaning, repairing or restoration; 	<p>The clause has not been incorporated into the life benefit components.</p>

	<ul style="list-style-type: none"> - Cracking, scratching or breakage of glass, or other articles of a brittle nature, unless caused by fire, flood or theft; - Negligence, abuse or misuse of any of the goods; - Repairs and maintenance which is not caused by an authorised repairer approved by the insurer; - You participating in any criminal act - War, civil commotion, labour disturbances, riot, strike, lockout, or public disorder or any act or activity committed by anyone which is intended or attempts to bring about any of the above; - Confiscation or detention by customs or any other lawful authority; and/or - Legal liability of any description whatsoever which You may incur 	
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Life event related benefits

<p>Provision in current Guardrisk Insurance Company wording</p>	<p>Position in proposed Guardrisk Microinsurance non-life policy wording</p>	<p>Position in proposed Guardrisk Microinsurance life policy wording</p>
<p><u>SECTION 1 – DEATH, PERMANENT DISABILITY, TEMPORARY DISABILITY AND LOSS OF INCOME/RETRENCHMENT BENEFITS</u></p> <p>ELIGIBILITY To be eligible for cover under the policy you must meet the following conditions at the start date:</p> <ul style="list-style-type: none"> - You must be the first named borrower on the agreement; - You must be at least 18 years of age on the date of application for cover; - You must apply for cover and pay the premium; - You must agree to adhere to the terms and conditions of the policy. <p>WHAT WE WILL PAY: DEATH AND PERMANENT DISABILITY BENEFITS If you should die or become permanently totally disabled during the period of insurance, we will pay directly to the credit provider the Outstanding Balance of your Agreement at the date the insured event occurred.</p> <ul style="list-style-type: none"> - Less any rebate to which you would have been entitled had you settled the agreement on the day the insured event occurred; - Less the balance of CPI premiums owed on the agreement - Less overdue amounts not paid within the agreement term 	<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><u>SECTION 1 – DEATH, PERMANENT DISABILITY, TEMPORARY DISABILITY AND LOSS OF INCOME/RETRENCHMENT BENEFITS</u></p> <p>ELIGIBILITY To be eligible for cover under the Policy You must meet the following conditions at the Commencement Date:</p> <ul style="list-style-type: none"> - You must be the first named borrower on the Credit Agreement; - You must be at least 18 (eighteen)years of age on the date of application for cover; - You must apply for cover and pay the Premium; - You must agree to adhere to the terms and conditions of the policy. <p>WHAT WE WILL PAY: DEATH AND PERMANENT DISABILITY BENEFITS If You die or become permanently disabled during the Period of Insurance, We will pay directly to the Credit Provider an amount equal to, but not</p>

When paying your claim we will consider the first day of disability to be the day a doctor certifies you are disabled and unable to attend work.

exceeding the Outstanding Balance of Your Credit Agreement as at the date of the Claim Event.

EXCLUSIONS -WHAT WE DO NOT PAY FOR:
 We will not pay any Benefit if Your Death or Disability arises as a result of:

- the use of any nuclear, biological or chemical weapons;
- participation in any hazardous activities, such as mountain climbing, bungee jumping, or speed racing;
- active participation in war, invasion, acts of foreign enemies, hostilities, warlike operations whether war be declared or not), civil war,
- insurrection, rebellion revolution, civil commotion or uprisings, military power;
- participation in any criminal activity;
- suicide, attempted suicide or self-inflicted injury;
- the abuse of alcohol, drugs or narcotics;
- a Pre-Existing Medical condition that You were aware of within the 12 (twelve) months before the Commencement Date of this Policy.

Life event related benefits continued

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>TEMPORARY DISABILITY BENEFIT If you become temporarily disabled, we will pay a benefit to the Credit Provider equal to your monthly instalment:</p> <ol style="list-style-type: none"> 1. for a maximum period of 12 months, or 2. during the remaining period of your credit agreement, or 3. until you are no longer disabled. <p>The benefit will be payable for whichever is the shorter period. A waiting period of one month from Commencement Date will be applicable on policies where the loan term is greater than 6 months.</p> <p>WHAT WE DO NOT PAY FOR: We will not pay any benefit if your death or disability arise as a result of:</p> <ul style="list-style-type: none"> - the use of any nuclear, biological or chemical weapons; - participation in any hazardous activities, such as mountain climbing, skydiving, or speed racing; 	<p>This clause has not been incorporated into the non-life benefit components.</p>	<p>This provision has been revised to read as follows.</p> <p>TEMPORARY DISABILITY BENEFIT If You become Temporary Disabled, the Insurer will pay the Credit Provider an amount equal to Your Monthly Instalment:</p> <ol style="list-style-type: none"> 1. for a maximum period of 12(twelve) months, or 2. for the remaining period of Your Credit Agreement, or 3. until You are no longer Disabled. <p>The Benefit will be payable for whichever is the shorter period. A Waiting Period of 1 (one) month from Commencement Date will be applicable on policies where the loan term is greater than 6 (six) months.</p>

<ul style="list-style-type: none"> - active participation in war, invasion, acts of foreign enemies, hostilities, warlike operations whether war be declared or not), civil war, insurrection, rebellion revolution, civil commotion or uprisings, military power; - participation in any criminal activity; - suicide or self-inflicted injury; - the abuse of alcohol, drugs or narcotics; - Epidemic or Pandemic declared so by the local, regional, municipal or government authority responsible for the area rising from a notifiable medical condition or communicable disease existing within the area and/or where the relevant authority has imposed quarantine regulations and/or acted to restrict access to the area in terms of any local, regional, municipal or national law or bye-law or regulation pertaining to public health and safety. - a pre existing condition that you were aware of within the 12 months before the inception of this policy. 		<p>When paying Your Claim We will consider the first Day of Disability to be the Day a Medical Practitioner certifies You as Disabled and unable to attend work.</p> <p>EXCLUSIONS -WHAT WE DO NOT PAY FOR: We will not pay any Benefit if Your Death or Disability arises as a result of:</p> <ul style="list-style-type: none"> - the use of any nuclear, biological or chemical weapons; - participation in any hazardous activities, such as mountain climbing, bungee jumping, or speed racing; - active participation in war, invasion, acts of foreign enemies, hostilities, warlike operations whether war be declared or not), civil war, insurrection, rebellion revolution, civil commotion or uprisings, military power; - participation in any criminal activity; - suicide within the first 12 months of inception of the policy, attempted suicide or self-inflicted injury; - the abuse of alcohol, drugs or narcotics; - a Pre-Existing Medical condition that You were aware of within the 12 (twelve) months before the Commencement Date of this Policy.
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Life event related benefits continued

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>LOSS OF INCOME/RETRENCHMENT BENEFIT In the event that you experience loss of income or become retrenched we will pay a benefit to the Credit Provider equal to your monthly instalment:</p> <ol style="list-style-type: none"> 1. for a maximum period of 12 months, or 2. during the remaining period of your credit agreement, or 3. until you find employment or are able to earn an income. <p>The benefit will be payable for whichever is the shorter period.</p> <p>WHAT WE DO NOT PAY FOR: We will not pay any benefit if you experience loss of income or become retrenched due to:</p> <ul style="list-style-type: none"> - lawful dismissal as a result of misconduct, forbidden act or willful dereliction; - voluntary retrenchment or termination of employment; 	<p>These clauses have not been retained.</p>	<p>This provision has been revised to read as follows.</p> <p>LOSS OF INCOME/RETRENCHMENT BENEFIT In the event that You experience Loss of Income or become Retrenched the Insurer will pay the Credit Provider an amount equal to Your Monthly Instalment:</p> <ol style="list-style-type: none"> 1. for a maximum period of 12 (twelve) months, or 2. for the remaining period of Your Credit Agreement, or

- voluntary forfeiture of salary, wages or other employment income;
- resignation;
- retirement;
- participation in an unprotected strike;
- retrenchment of which you were aware or received notice of during the 3 months preceding the Commencement Date.
- Retrenchment or termination arising from an Epidemic or Pandemic declared so by the local, regional, municipal or government authority responsible for the area rising from a notifiable medical condition or communicable disease existing within the area and/or where the relevant authority has imposed quarantine regulations and/or acted to restrict access to the area in terms of any local, regional, municipal or national law or bye-law or regulation pertaining to public health and safety.

3. until You find employment or are able to earn an income.
 The Benefit will be payable for whichever is the shorter period.

EXCLUSIONS - WHAT WE DO NOT PAY FOR:

We will not pay any benefit if You experience Loss of Income or become Retrenched due to:

- lawful dismissal as a result of misconduct, forbidden act or willful dereliction;
- voluntary retrenchment or termination of employment;
- voluntary forfeiture of salary, wages or other employment income;
- resignation;
- retirement;
- participation in an unprotected strike;

Retrenchment of which You were aware or received notice of during the 3 (three) months preceding the Commencement Date.

General conditions and exceptions

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><u>SECTION 5 - GENERAL CONDITIONS</u></p> <ul style="list-style-type: none"> - If you do not abide by the terms and conditions of this policy, you will not be entitled to any benefit under this policy. - If you gave false or misleading information when you applied for cover under this policy, and this information would have affected the decision to insure you, your cover under this policy will end. We will not pay any benefit and we will refund the percentage of the premium that we think is reasonable. - If you give false or misleading information when you make a claim you will not receive any benefit under this policy and your cover under this policy will end. - If any benefit is paid as a result of your false claim, you will have to repay any benefits you have received and we will take legal action against you. - The rights under this policy cannot be transferred to anyone else and this policy cannot be used to protect any person other than you. - When your cover under this policy ends it will not have a cash value. - For the purposes of disclosure of private underwriting and claims information you consent and acknowledge that the sharing of claims and underwriting information (including credit information) by insurers is essential may be verified against other legitimate sources or databases to enable the Insurance Industry to underwrite policies and assess risks fairly, and to reduce the incidence of fraudulent claims, and accordingly waive any rights of privacy of insurance information in respect of any claim made. - Should there be any changes to the original details supplied at the time of application, you must notify the Administrator within 30 (thirty) days of such a change occurring, and the insurer shall take the action deemed necessary in this regard. Should you not notify of the Administrator of such change, the insurer reserves the right to reject liability in terms of a claim or to cancel the policy. 	<p>This provision has been revised to read as follows.</p> <p><u>SECTION 5 - GENERAL CONDITIONS</u></p> <ul style="list-style-type: none"> - If You do not abide by the terms and conditions of this Policy, You will not be entitled to any Benefit under this Policy. - The rights under this Policy cannot be transferred to anyone else and this Policy cannot be used to protect any person other than You. - Should there be any changes to the original details supplied at the time of application, You must notify the Administrator within 31 (thirty-one) Days of such a change occurring, and the Insurer shall take the action deemed necessary in this regard. Should You not notify of the Administrator of such change, the Insurer reserves the right to reject liability in terms of a Claim or to cancel the Policy. 	<p>This provision has been revised to read as follows.</p> <p><u>SECTION 4 - GENERAL CONDITIONS</u></p> <ul style="list-style-type: none"> - If You do not abide by the terms and conditions of this Policy, You will not be entitled to any Benefit under this Policy. - The rights under this Policy cannot be transferred to anyone else and this Policy cannot be used to protect any person other than You. - When Your cover under this Policy ends it will not have a cash value. The Policy also acquires no surrender, paid up or loan values. - For the purposes of disclosure of private underwriting and claims information You consent and acknowledge that the sharing of claims and underwriting information (including credit information) by insurers is essential may be verified against other legitimate sources or databases to enable the Insurance Industry to underwrite policies and assess risks fairly, and to reduce the incidence of fraudulent claims, and accordingly waive any rights of privacy of insurance information in respect of any claim made. - Should there be any changes to the original details supplied at the time of application, You must notify the Administrator within 31 (thirty-one) Days of such a change occurring, and the Insurer shall take the action deemed necessary in this regard. Should You not notify of the Administrator of such change, the Insurer reserves the right to reject liability in terms of a Claim or to cancel the Policy.

Claims processing

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>SECTION 3 - CLAIMS The administrator must be notified of all claims as soon as possible, within 30 days of the insured event.</p> <p>IMPORTANT CONTACT DETAILS FOR CLAIMS Monitor Administrators Tel: 0318180110 or Email: cellclaims@monitorkzn.co.za</p> <p>SETTLING A CLAIM Further evidence may be requested in support of your claim. Payment of the benefits provided in the event of a valid claim in terms of the policy will be full and effective, discharging the insurer and the administrator of its liability and obligations in terms of the policy and will be in South African Rands and no benefit payable under this policy shall carry interest.</p> <p>REPUDIATION OF A CLAIM Should you, as the insured party, dispute the Insurer's rejection of your claim, you have a period of 180 (ONE HUNDRED AND EIGHTY) days to institute legal action by way of the service of summons against the Insurer, failing which you will forfeit your claim and no liability will arise in terms of such claim.</p>	<p>This provision has been revised to read as follows.</p> <p>SECTION 2 – CLAIMS PROCESS In the event of a Claim during the Period of Insurance the Administrator must be notified of all Claims as soon as possible, within 30 days of the Claim Event Date. All Claim notifications can be lodged by contacting Monitor Administrators on (031) 818 0110 or alternatively by email: cellclaims@monitorkzn.co.za .</p> <p>The following documents will be required and must be submitted within 3 (three) months to process the Claim:</p> <p>SETTLING A CLAIM Further evidence may be requested in support of Your Claim. Payment of the Benefits provided in the event of a valid Claim in terms of the Policy will be full and effective, discharging the Insurer and the Administrator of its liability and obligations in terms of the Policy and will be in South African Rands and no Benefit payable under this Policy shall carry interest.</p> <p>REPUDIATION OF A CLAIM In the event of Your claim being Repudiated and a claim Repudiation 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</p>	<p>This provision has been revised to read as follows.</p> <p>SECTION 2 – CLAIMS PROCESS In the event of a Claim during the Period of Insurance, the Administrator must be notified of all Claims as soon as possible, within 30 (thirty) Days of the Claim Event Date. All Claim notifications can be lodged by contacting Monitor Administrators on (031) 818 0000 or alternatively by email: aspisclaims@monitorsa.co.za .</p> <p>The following documents will be required and must be submitted within 3 (three) months to process the Claim:</p> <p>In case of Death Claims:</p> <ul style="list-style-type: none"> • A fully completed Claim form; • Certified copy of the death certificate of the Insured; • Certified copy of the DHA 1663 form; • Police Report (in case of unnatural death); • Certified copy of the Insured's Identity Document. <p>In case of Disability Claims:</p> <ul style="list-style-type: none"> • A fully completed Claim form; • A fully completed Medical Report on Disability by a Medical Practitioner; • A statement from the employer to confirm he/she is no longer able to perform his/her occupation. • Any additional requirement that We may reasonably require. <p>In case of Retrenchment/Loss of Income Claims:</p> <ul style="list-style-type: none"> • A fully completed Claim form; • A Retrenchment letter from the Insured's employer confirming the date and reasons for Retrenchment; • Proof of actual loss of income (other than as a result of Retrenchment) • A copy of the UI-19 form; • Any additional requirement that We may reasonably require.

decision, You have a period of 180 days in which to institute legal action.

SETTLING A CLAIM

Further evidence may be requested in support of Your Claim.

Payment of the Benefits provided in the event of a valid Claim in terms of the Policy will be full and effective, discharging the Insurer and the Administrator of its liability and obligations in terms of the Policy and will be in South African Rands and no Benefit payable under this Policy shall carry interest.

REPUDIATION OF A CLAIM

In the event of a Claim being Repudiated or You are disputing the *quantum* of the Benefit paid by the Insurer, You are entitled to make representations to the Insurer in respect of our decision to Repudiate the Claim or as to the manner in which the quantum of the Benefit was calculated for a period of 90 (ninety) Days from the date of receipt of the letter of Repudiation or the date of the Claim payment.

If any complaint to Insurer is not resolved to the Insured's/Claimant's satisfaction, the Insured/Claimant may submit a complaint to the relevant Ombudsman Scheme/Regulatory Body for further assistance (see the Disclosure Notice for full contact details).