

SANTAM INFORMATION AND STATUTORY NOTICE

SANTAM INFORMATION

Registered name: Santam Limited

Registration Number: 1918/001680/06

VAT Registration number: 4440102095

VAT at the rate of 14% is included in total premium payment. If confirmed by way of payment, and paid in full, this document will serve as a tax invoice.

Santam Head Office information

Street Address: 1 Sportica Crescent, Tyger Valley, Bellville, 7530

Postal Address: P.O. Box 3881, Tyger Valley, 7536

Tel: 021 915 7000

Fax: 021 914 0700

E-mail: contactus@santam.co.za

Web: www.santam.co.za

FSP License number: 3416

Santam is authorised to provide financial advisory and intermediary services in respect of commercial and personal lines short-term insurance business.

Santam has professional indemnity insurance.

Santam has a conflict of interest management policy which indicates how it manages actual and potential conflict of interest when rendering financial services.

Claims

To lodge a claim call us within 30 days on 0860 727 222.

Amendments and advice

For legal advice call Santam on 0860 727 222.

For amendments to your policy contact us on 0860 102 178.

Legislative service

Kindly address all queries relating to Santam's duty to disclose information to:

Compliance Department Santam Ltd

P.O. Box 3881, Tyger Valley, 7536 or

Fax: 021 915 7149

Fraud service

If you become aware of any irregularity on any policy (regardless of the insurer) you can contact the Santam fraud line on 0860 600 767. We will treat your call with strict confidence.

Client Care department

If you would like to lodge a complaint regarding Santam please contact our complaints department at:

Postal address: P.O. Box 3881, Tyger Valley, 7536

Call us at: 0860 102 725

Fax: 021 915 7434

Email address: complaints@santam.co.za

Short-term insurance ombudsman

Postal address: P.O Box 32334, Braamfontein, 2017

Tel: 011 726 8900

Fax: 011 726 5501

FAIS Ombud

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

Physical address: Eastwood Office Park, Baobab House, Ground Floor, Lynwood Road, Lynnwood Ridge, 0081

Tel: 012 470 9080

Fax: 012 348 3447

E-mail: info@faisombud.co.za, Website www.faisombud.co.za

Registrar of short-term insurance

Postal address: Financial Services Board O Box 35655, Menlo Park 0102

Tel: 012 428 8000

Fax: 012 347 0221,

Please contact Santam Limited in case of Claims: Your broker or your nearest Santam office will be able to assist you. Complaints: 0860 102 725

LEGAL COSTS AND LEGAL EXPENSES

DEFINITIONS

These definitions apply throughout this policy.

- “you/your/yours”:** means the organisation/institution named in the *Schedule*.
- “us/our/we”:** means Santam Limited.
- “legal costs and legal expenses”:** means costs and expenses for which *you* are liable, including costs incurred by the attorney. *We* will only compensate *you* according to *our* tariff rates and for service providers, fees, and expenses *we* have approved.
- “renewal period”:** means a period of 12 consecutive months as shown in the *Schedule*.
- “renewal date”:** means the first day of a period of 12 consecutive months as shown in the *Schedule*.
- “claim(s)”:** means any request for compensation (indemnity), whether or not any amounts have been established for the *claim(s)*.
- “Schedule”:** means the annexure forming part of this policy.
- “SMME”:** means Small, Medium and Micro Enterprises as defined and stated in the National Small Business Act 102 of 1996 as amended from time to time.
- “licence”:** means a valid driver’s *licence* in compliance with legislation of the specific country where the vehicle is used at the time of any loss or damage. A person who is learning to drive must comply with legislation concerning learner drivers.
- “civil legal action”:** means an institution and/or defence of legal action procedure by way of summons.

PART A: YOUR COVER

1. We will compensate *you* up to the limits shown in the *Schedule* for *your legal costs and legal expenses* in connection with any of the following events, subject to the terms and conditions of this policy:

1.1 LABOUR MATTERS

- An event that leads to legal action by or against *you* in a labour court;
- Labour matters covered in this policy are disputes that arise out of an employment relationship between *you* as an employer and an employee, e.g. a dispute about the fairness of the dismissal of *your* employee by *you* as an employer.

1.2 CIVIL LEGAL ACTION

- An event that leads to a *civil legal action* brought by *you* or against *you*;
- Civil legal actions covered in this policy are disputes that a court of law must decide as concerning a *civil claim* by or against *you*, e.g. a dispute about “breach of contract” of an agreement of which *you* are a party to.

1.3 ARBITRATION MATTERS

An event which involves *you* and is being adjudicated through a process of arbitration in terms of the recognised arbitration laws.

1.4 CONTRAVENTION OF STATUTORY AND REGULATORY MATTERS

- An event that leads to *your* defence of a charge laid against *you* for contravention of statutory or regulatory requirements of which *you* are subject to;
- This cover includes, amongst others, matters such as *you* defending a charge for contravention of the company laws under the Companies Act 71 of 2008.

1.5 GENERAL LEGAL ADVICE

We will, in addition to the covers stated above, arrange for advice to be given to *you* on legal matters relating to *your* conduct and *your* industry requirements.

PART B: ADDITIONAL SERVICES

If *you* are an *SMME*, we will provide to *you* the following services in addition to the covers stated under “Part A” above.

1. Legal drafting of commercial contracts

- 1.1 We will assist *you* in the drafting of *your* contracts. The contract will be:

- uniquely tailored to each of *your* circumstances;
- backed by a team of experienced attorneys and advocates;
- fully completed and ready for signature on delivery to *you*;
- delivered with advice on how to sign and use it;
- stored and managed via an administrative console;
- available online or via a call centre.

1.2 Contracts that we will make available to you are the following

1.	Memorandum of incorporation	9.	Payment/performance guarantee
2.	Acknowledgement of debt	10.	Restraint of trade
3.	Commercial lease	11.	Trust deed
4.	Confidentiality agreement	12.	Sale of property
5.	Deed of suretyship	13.	Sale of shares
6.	General employment agreement	14.	Shareholders' Agreement
7.	Independent contractors' agreement	15.	Standard conditions of trade
8.	Loan agreement		

The list of types of contracts that *we* will assist *you* with is not closed to the one stated above, *we* may, at *our* discretion add or take out contracts from this list.

2. Compliance and risk management

We understand that it is not always easy to keep track and monitor the legislative developments under the framework in which *you* operate. Non-compliance with these legislative developments can put *your* business in stress or result in *you* being penalised by the authorities tasked to enforce compliance with those particular laws. *Our* legal audit solution addresses these important legislative compliance developments.

2.1 BUSINESS LEGAL AUDIT

2.1.1 *We* will assess *your* legal compliance and provide business advice service on more than thirty legal areas which have an impact on the daily operations of *your* business, including:

- labour law;
- tax law;
- consumer protection;
- competition law;
- company law;
- risk management; and
- a wide range of further matters.

2.1.2 In order for *us* to assist *you*, *you* must complete a detailed questionnaire. The questionnaire will be a basis on which *we* can provide *you* with a comprehensive and customised report about the level of compliance with legislation. It will also assess the critical legal areas which *your* business has failed to comply with or which *your* business is unacceptably exposed to.

2.1.3 *We* will, in accordance with the assessment stated above, provide *you* with legal solutions and advice on steps *you* need to take in order to meet the required legislative compliance requirements.

This will also assist to familiarise *you* with regulatory frameworks governing *your* business and *you* will be able to engage constructively with the legal system to improve risk management and compliance within *your* business.

PART C: TERMS AND CONDITIONS

Cover under this policy is provided subject to the following terms and conditions.

1. Basis of this policy

This policy, the *Schedule*, our correspondence to you, your application for insurance and any statement, written or spoken, made by you, or on your behalf, forms the contract between us and you.

2. Cover provided by this policy

2.1 We will provide cover under this policy only if we have received your premium in terms of terms and conditions 4.

2.2 Our cover for legal costs and legal expenses is for the costs of legal services rendered.

3. Period of this policy

The period of this policy is initially the period from the start date of this policy, as shown on the *Schedule*:

- for a monthly policy, up to the last day of the calendar month in which the start date occurs. After that, the period of this policy will be one calendar month.
- for a yearly policy, up to the last day stated in the *Schedule*.

4. Issuing of policy

Inclusion in Terms and conditions: You have authorised us to issue a policy in your name and to deduct premium from the bank account specified in the application for insurance. You agree that the issuing of the policy is based on your own assessment of your insurance needs and that you were provided with an opportunity to contact us for advice in relation to the application and/or the policy.

5. Payment of premium

5.1 The premium must be paid in advance using an agreed payment method and on the date agreed between you and us as shown in the *Schedule*.

5.2 If you cannot pay the premium on the agreed date:

- because you have stopped the payment or you have ordered your paying agent to stop the payment, then this policy will cancel at midnight on the last day of the period of this policy for which we received the premium;
- for any reason other than the one stated above, then you have thirty days grace period in which to pay the premium. If you cannot pay the premium within the grace period, this policy will cancel at midnight on the last day of the period of this policy for which we received the premium.

6. Changes

We may make changes to this policy by giving you 30 days' written notice of the changes at your postal address as shown on the *Schedule*.

7. Cancellation

- 7.1** *You* may cancel this policy at any time and *we* will be entitled to retain a portion of *your* premium for the period *your* policy was in force.
- 7.2** *We* may cancel this policy by giving *you* 30 days' written notice of the cancellation at *your* postal address as shown on the *Schedule*. If *we* cancel this policy, *you* will be entitled to *claim* from *us* a pro rata portion of the premium, if any is left, for the balance of the remaining period of insurance from the date of cancellation.

8. Claims

8.1 CLAIM PROCEDURE

- 8.1.1 *You* must tell *us* as soon as possible of any event that may result in a *claim*, and advise *us* of any other policy which may cover the same event.
- 8.1.2 *You* must give *us* full details of the event within 30 days after it has occurred, as well as all documents which *we* may reasonably require.
- 8.1.3 *You* must immediately inform *us* in writing if *you* become aware of any possible prosecution, legal proceedings, or *claim* against *you* following an event.
- 8.1.4 *You* must immediately report to the police any criminal activity that may result in a *claim*.
- 8.1.5 *You* may not without *our* written consent: contract the legal services of any service provider, admit liability, offer, promise or pay *legal costs and legal expenses* to any service provider;

8.2 OUR RIGHTS AFTER AN EVENT WHICH MAY LEAD TO A CLAIM

- 8.2.1 *You* must supply all information and assistance that *we* reasonably require.
- 8.2.2 *We* may, at any time, relinquish control of any defence, settlement or proceedings and pay *you* the full amount of *our* liability, or any lesser amount for which the *claim* can be settled. If *we* do so, *we* will be discharged from all further liability.

8.3 FRAUDULENT OR WILFUL ACTS

You will lose all rights to *claim* under this policy if:

- 8.3.1 a *claim* is fraudulent or if *you* or anyone acting on *your* behalf uses any fraudulent means to obtain any benefit under this policy; or
- 8.3.2 a *claim* occurs due to a deliberate, or wilful, or intentional act committed by *you* or with *your* involvement or anyone acting on *your* behalf; or
- 8.3.3 information or documents in support of a *claim*, whether created by *you* or on *your* behalf, is not true, is not complete or is fraudulent;

8.4 TIME LIMITS

- 8.4.1 If *we* reject *your claim* or dispute the amount of *your claim*, which decision was communicated to *you* in writing, *you* may within 90 days from the date of *our* communication make written representation to *us*;
- 8.4.2 If *we* still reject *your claim* or dispute the amount of *your claim* despite *your* written representation, *you* may institute legal proceedings against *us* within 6 months from the date *we* communicate to *you* the rejection of *your* written representation.
- 8.4.3 *We* are not liable after 12 months from the date of the event that gives rise to a *claim*, unless the *claim* is:

- the subject of pending court action or arbitrator; or
- for amounts for which *you* may become legally liable.

8.5 NO PREMIUM REFUND IF MAXIMUM INSURED AMOUNT SETTLED FOR ANY CLAIM

If we compensate *you* for *claims* for the maximum insured amount, we will not refund any premium for the remainder of the period of this policy.

8.6 CONTACT US WHEN YOU CLAIM

Please contact *our* 24/7 *claims* line on **0860 777 878**.

9. Other insurance

If a *claim* is payable under this policy and under any other policy, we will only pay *our* proportional share of the *claim*.

10. Excess

The “excess” is the amount *you* must pay before we settle any *claim*. The *Schedule* of this policy will show whether any excess applies.

11. Jurisdiction

This policy is subject to the jurisdiction of the courts of the Republic of South Africa. South African law will apply. Should we extend jurisdiction to other countries, at *our* sole discretion, the *Schedule* of this policy will show the countries to which jurisdiction has been extended.

12. Basis of indemnity and limit of compensation

12.1 *Legal costs and legal expenses* are based on *our* tariff rate. The rate is revised from time to time and *you* may ask for it at any time.

12.2 *Our* cover for *legal costs and legal expenses* is limited to two *claims* at any one time during any period of this policy. At least one of the two *claims* must be finalised before any further *claim* from *you* will be considered.

12.3 We will pay *legal costs and legal expenses* up to the amount shown in the *Schedule* in each *renewal period* for all *claims* collectively.

13. Preferred attorney

13.1 *Our* compensation for *legal costs and legal expenses* is based on *our* tariff rate which is charged by *our* preferred attorneys.

13.2 Should *you* decide not to use one of *our* preferred attorneys, *you* will be personally liable for the difference between *our* tariff rate and the rate charged by an attorney appointed by *you*.

13.3 Once an attorney is appointed to represent *you*, *you* must deal directly with the attorney as we will no longer provide legal advice on the matter.

14. Bills of costs

You must send all bills of costs to *us* for approval.

15. Recovery

If any *legal costs and legal expenses* are recovered from another party, these must be paid to *us*.

16. Waiting periods

Certain events are only covered after a waiting period has ended. The waiting period is shown in the *Schedule*.

17. Appeals

Appeals are not automatically covered in terms of this policy. *We* may, at *our* discretion, determine the merits of the case and decide to pay the *legal costs and legal expenses* occasioned in the appeal.

18. Consent

18.1 *You* must obtain *our* written consent before *you* incur any *legal costs and legal expenses*, otherwise *we* may reject *your* claim.

18.2 *You* must obtain *our* written permission before *you* terminate the services of an attorney representing *you* in order to appoint another attorney. *We* will grant permission to terminate the services of the attorney representing *you*, if *we* are satisfied with *your* reasons for such termination.

19. Sharing of insurance information and *your* authorisation to *us*

The sharing of information for underwriting and *claims* purposes is in the public interest and enables insurers to underwrite and assess risks fairly. This reduces the incidence of fraudulent *claims* and contributes to keeping insurance premiums as low as possible.

You therefore authorise *us* to share any underwriting and *claims* information for any insurance policy or *claim* made by *you* or on *your* behalf as *we* regard necessary; to store this information in a shared database and use it in the public interest; to give this information to any insurer or its agent; to verify and share any underwriting information with legally recognised sources or databases.

You also consent to *us* obtaining personal information pertaining to *you* and to *your claim(s)* and to the use and disclosure of such information in relation to *your claim(s)*. *You* agree that the above is in *yours* and public interest and *you* waive *your* right to privacy.

20. Misrepresentation

In the event that the information provided is not correct or is misleading or *you* have not given *us* all the details that affects the risk or *you* do not inform *us* of any changes after issuing this policy, this policy, any section or sub-section thereof may be cancelled or *we* may reassess your risk or *we* may reject any *claim* that occurred after the change in risk. For this General Term and Condition, the term "*you*" includes any person acting on *your* behalf.

21. A person who deals on *your* behalf

You give up *your* right to receive compensation if a person authorised by *you* who deals on *your* behalf does not comply with the terms and conditions of this policy.

22. Countries

We will provide cover under this policy only for *legal costs and legal expenses* *you* incur in South Africa. Should *we* extend cover to other countries, at *our* sole discretion, the *Schedule* of this policy will show the countries to which cover has been extended.

EXCLUSIONS

1. We will not pay for *legal costs and legal expenses* caused by or result from or relate to any of the following:
 - 1.1 Civil commotion, labour disturbances, riot, strike, lock-out or public disorder or any act or activity which is calculated or directed to bring about any of the above.
 - 1.2 War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), or civil war.
 - 1.3 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.
 - 1.4 Any act (whether on behalf of an organisation, body, person or group of persons) that endangers the safety of the state or 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.
 - 1.5 Any act calculated or directed to bring about loss or damage 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.
 - 1.6 Any attempt to perform any act referred to in exclusions 1.4 or 1.5 above.
 - 1.7 The act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any event referred to in any of exclusions 1.1 to 1.6 above.
 - 1.8 Any act of terrorism. An act of terrorism means the use or threat of violence for political, religious, personal or ideological reasons. This may or may not include an act that is harmful to human life. It could be committed by any person or group of persons, acting alone, on behalf of or with any organisation or government. It includes any act committed with the intention to influence any government or inspire fear in the public.

2. We will not pay for *legal costs and legal expenses* for an event in connection with:
 - 2.1 the use of a vehicle, watercraft or aircraft all powered by an engine, for racing;
 - 2.2 compensation that is in conflict with legislation;
 - 2.3 a *civil legal action* instituted by *you* against *your* attorney in his professional capacity;
 - 2.4 any action involving *us* or an Underwriting Manager under this policy;
 - 2.5 a vehicle involved in an accident and any of the following applies at the time of the accident:
 - 2.5.1 the vehicle is driven by any person with *your* express or implied permission and who is to *your* knowledge are under the influence of intoxicating liquor or drugs, or that person's blood or breath alcohol concentration is more than the legal limit;
 - 2.5.2 the vehicle is driven by a person with *your* express or implied permission and does not have a *licence* to drive *your* vehicle;
 - 2.5.3 the vehicle does not have a valid motor vehicle *licence*;
 - 2.5.4 the vehicle is not roadworthy;
 - 2.6 a traffic offence for which an admission of guilt has been issued;
 - 2.7 the recovery or payment of any excess for any insurance;

- 2.8 any matter that happened before the start of the policy or during the waiting period;
 - 2.9 amounts due to *your* legal representatives that cannot be considered as *legal costs and legal expenses* under *our* tariff rate;
 - 2.10 application procedures and ex-parte applications *you* bring.
3. We will not pay for *legal costs and legal expenses* if:
- 3.1 the legal action is continued or defended in a way that differs from the advice of the attorney or advocate who represents *you*;
 - 3.2 *you* do not give timely, proper instructions and complete information to *your* attorney or advocate;
 - 3.3 *you* have other insurance for *legal costs and legal expenses* and do not tell *us*, or *you* prejudice *our* rights to claim pro rata compensation, fair compensation, or both.
4. We will not pay for *legal costs and legal expenses* caused by or resulting from or relates to any of the following:
- 4.1 Any event for which a fund has been established under the War Damage Insurance and Compensation Act (Act 85 of 1976) of the Republic of South Africa or any similar act operative in any of the countries to which this policy applies.
 - 4.2 Nuclear weapons material, ionising radiations or contamination by radioactivity from any nuclear fuel, or from any nuclear waste, or from the combustion of nuclear fuel which includes any self-sustaining process of nuclear fission.
 - 4.3 Nationalisation, confiscation, commandeering, requisition, wilful destruction, forfeiture, attachment, impounding, seizure or preservation or any similar actions or processes by any court order, customs officials, police, crime prevention units, or lawfully constituted authority or officials.
 - 4.4 Any liability which *you* have because of an agreement *you* have entered into, unless *you* would have been liable if the agreement did not exist.
 - 4.5 Consequential or indirect loss.

If we state that a *claim* is not covered because of 1 to 4 above, *you* must prove the contrary.