

Terms & Conditions

Bond Protection Policy



Black Cygnet Life, an Authorised Financial Services Provider | FSP Number 44723

Bond Protection Policy Master Policy | Death Benefit

DEFINITIONS

Unless the contrary appears from the context, the following words and phrases shall have the meanings assigned to them where they appear in this document and any addendum.

Application

"Application" means any and all of the following: the voice recording, telephonic record of engagement and document in which the Life Assured applied for this policy and all information and documents provided by the Life Assured, together with the quotation presented to the Life Assured prior to the issuing of this policy. If the application was digital, then all information entered by the Life Assured or on their behalf, as well as the answers, terms and disclosures agreed to during the application process.

Additional Life Cover

Means an optional benefit available under this policy, which provides for an additional Sum Assured up to an amount of 150% of the registered Mortgage Loan as per clause 3.1.1 in the Master Policy, and subject to the Maximum Overall Limit as stipulated in the Policy Schedule.

Benefit Options

The benefits available to the Life Assured (subject to selection and payment of the applicable premiums) include; the Death Benefit in clause 2, 24 month instalment protection, full term instalment protection, permanent disability, dread disease and retrenchment. Details of the benefits selected by the Life Assured will be included in the Policy Schedule and the relevant addendums (additional terms and conditions) which will be attached to the Master Policy.

Selection of the Death Benefit is a condition precedent for the Life Assured to be entitled to select any other benefits.

Black Cygnet Life

"Black Cygnet Life" means Black Cygnet Life (Pty) Ltd Reg No 1998/022545/07 a licensed and authorized financial services provider, FSP No: 44723, performing the binder

functions of this Policy, which have been outsourced to it by OMART.

Commencement Events

"Commencement Events" means all of the following events:

- the funds under the Mortgage Loan have been advanced by the Credit Provider; and
- the mortgage bond which secures the Mortgage Loan has been registered.

Commencement of Insurance

"Commencement of Insurance" means the date from which the Life Assured is covered in terms of this policy, as defined in the Policy Schedule and means the earlier of the following dates:

- once all of the Commencement Events have occurred; and
- 3 months after the issuing of the policy by OMART if the Commencement Events have not all occurred by such time ("the Interim Period"), and the policy is converted to a whole of life policy.

In the case of an automatic reinstatement under the Retrenchment Addendum, the Commencement of Insurance of the reinstatement shall be the date on which the final Instalment Benefit or Income Benefit was paid in respect of the Claim Event prior to the reinstatement.

Credit Provider

"Credit Provider" means the financial institution, as specified in the Policy Schedule, which has entered into the Mortgage Loan with the Life Assured.

Death Benefit

The Death Benefit is the Sum Assured amount stipulated in the Policy Schedule in relation to the Mortgage Loan

Grace Period

"Grace Period" means a period of one calendar month calculated from the Premium Payment Day chosen by the

Life Assured in the Policy Schedule, which will be allowed for the payment of each premium. If the premium is not paid within the Grace Period the policy will lapse after the first missed premium payment date.

Hazardous Sport / Activity

"Hazardous Sport / Activity" include but are not limited to participation in the following sports:

- aviation sports, paragliding, underwater diving necessitating the use of an artificial breathing apparatus, hang-gliding, hunting, spear-fishing, rock-climbing or mountaineering necessitating the use of ropes and/or guides, free climbing, open water swimming, micro-lighting, motorboat racing, motor racing, motor-cycle racing, sky diving/parachuting, target shooting, acrobatic flying, parasailing, go-carting, drag-racing, rally driving, bungee jumping, winter sports involving snow or ice, or racing other than on foot or bicycle.

Intermediary

"Intermediary" also referred to as the broker means the licensed and authorized financial services provider responsible for the sale and distribution of this Policy, as stipulated on your Policy Schedule.

Life Assured

"Life Assured" means the person(s) who have been accepted as the Life Assured in terms of this policy as stipulated in the Policy Schedule. No person will be covered unless listed in the Policy Schedule as a Life Assured.

Maximum Overall Limit

"Maximum Overall Limit" means the amount specified in the Policy Schedule as such.

Maximum Individual Limit

"Maximum Individual Limit" means the amount specified in the Policy Schedule as such.

Mortgage Loan

"Mortgage Loan" means a loan contract entered into between the Life Assured and the Credit Provider, as secured by registration of a mortgage bond over the immovable property of the Life Assured.

OMART

"OMART" means Old Mutual Alternative Risk Transfer Limited Reg No 1997/008994/06 a licensed life insurer, and a member of the Old Mutual (South Africa) Limited group of companies. OMART is the insurer in terms of this policy.

Period of Insurance

"Period of Insurance" means the period between the Commencement of Insurance and termination in terms of this policy for any reason.

Physician or Medical Practitioner

"Physician or Medical Practitioner" means a person legally licensed and duly qualified to practice medicine and surgery (other than the Life Assured or a member of their family).

Policy Schedule

"Policy Schedule" means the summary document issued simultaneously, and in respect of, this policy and which forms part of the policy.

Premium Payment Day

"Premium Payment Day" means the day chosen by the Life Assured in the month to collect the premium and is stipulated in the Policy Schedule.

Pre-existing Condition

"Pre-existing Condition(s)" are defined as any condition, defect, illness, injury and disability that was diagnosed and/or treated, for which signs and/or symptoms were present, within the 24 months prior to the commencement, reinstatement, or increase of cover.

Sum Assured

(applicable to the Death Benefit, and, if elected, the Dread Disease Benefit and Permanent Disability Benefit)

"Sum Assured" means the amount stipulated in the Policy Schedule as such at the inception of this policy, together with any permitted increases or decreases during the Period of Insurance.

Terrorist Activity

"Terrorist Activity" means an act involving the use of violence and/or intimidation, or the threat or the preparation thereof, which appears to be intended to disrupt, coerce or influence a government or the public or a section of the public, read together with Section 1 of the Protection of Constitutional Democracy Against Terrorist and Related Activities Act (Act 33 of 2004) as amended.

Treatment or Advice

"Treatment or Advice" means the regular or routine examination by, or consultation with, a Physician or Medical Practitioner for the purpose of monitoring medical conditions.

Waiting Periods

"Waiting Periods" means the periods, starting on the Commencement of Insurance, and any increase to the Sum Assured or benefit amount, during which the occurrence of a claim does not result in a benefit under this policy becoming payable.

1. BASIS OF AGREEMENT

- 1.1. The Application, together with the Policy Schedule and these policy terms and conditions and any addendum thereto, shall constitute the basis of the assurance agreement between the parties.
- 1.2. Any references to the/this policy shall be deemed to include a reference to any Addendum that applies.
- 1.3. The maximum and minimum ages at entry for any Life Assured to enjoy any benefits under this policy shall be:
 - 1.3.1. Maximum: 60 next birthday (from Commencement of Insurance)
 - 1.3.2. Minimum: 18 next birthday (from Commencement of Insurance)
 - 1.3.3. Initially this policy will (subject to 5.2) provide protection for the Mortgage Loan, however being a Whole of Life insurance policy and, subject to the terms set out herein and in any addendum, will last for the periods set out in the Policy Schedule.

2. DEATH BENEFIT AND ADDITIONAL LIFE COVER

When the Life Assured dies, the benefit payable will be equal to the Sum Assured as determined at the date of death under the Death Benefit and Additional Life cover (if selected).

3. LIMITATION OF BENEFITS

- 3.1. Limitations of Sum Assured: The Sum Assured of a policy held with OMART by the Life Assured in relation to the Mortgage Loan may not:
 - 3.1.1. at the Commencement of Insurance exceed the Maximum Individual Limit which is the registered amount in the Deeds Office of the mortgage bond to which the Mortgage Loan relates times 150%;
 - 3.1.2. at the time of any subsequent increases in the Sum Assured permitted under this Policy, exceed the Maximum Individual Limit.
 - 3.1.3. The total sum assured under a policy issued by OMART in the Black Cygnet Life cell in respect of the Mortgage Loan is subject to the Maximum Overall Limit.

3.2. INTERIM PERIOD

- 3.2.1. A period of 3 months after the issuing of the

policy by OMART if the mortgage bond which secures the Mortgage Loan has not been registered.

- 3.2.2. During the Interim Period (provided that the Mortgage Loan is for the purposes of purchasing and taking transfer of the immovable property which is the subject of such loan and provided that the Life Assured's estate still has an obligation to take transfer of the said immovable property) and notwithstanding that no premium is received, the Life Assured will enjoy the Death Benefit (but no other benefits) under this policy.
 - 3.2.3. If the mortgage bond which secures the Mortgage Loan has not been registered within the Interim Period, the Life Assured may continue to enjoy the Death Benefit (but no other benefits) under this policy for a further 3 months, subject to the approval by OMART.
- 3.3. In the event that the Commencement Events have not occurred within the Interim Period, and:
 - 3.3.1. The Mortgage Loan is no longer intended for the purchase and transfer of the immovable property; or
 - 3.3.2. The Mortgage Loan has not been advanced and/or the mortgage bond has not been registered within 3 months following the expiry of the Interim Period; Then notwithstanding the above:
 - 3.3.2.1. The policy shall automatically commence and exists as a whole of life policy;
 - 3.3.2.2. The Life Assured shall continue to enjoy the Death Benefit, and any other benefits selected (subject to payment of the applicable premiums and respective Waiting Periods and Exclusions) under this Policy;
 - 3.3.2.3. The policy shall no longer be ceded to a financial institution and shall instead pay the Death Benefit in terms of clause 6.
 - 3.3.2.4. All other terms and conditions of the policy shall remain in force, subject to the payment of premiums as stipulated in the Policy Schedule.

4. AGE

If the date of birth of the Life Assured as reflected in the Policy Schedule is misstated, the benefit payable under the policy will be the amount which the

premiums paid would have purchased if applied to the correct date of birth of the Life Assured. OMART will be entitled to request satisfactory proof of the date of birth of the Life Assured prior to paying any benefit under this policy.

5. CESSION

5.1. This policy may, at the Commencement of Insurance, initially only exist as collateral security for a Mortgage Loan and must be ceded to the financial institution that has granted the loan. OMART will record at its head office the cession of the policy upon the production of documentary proof thereof and production of the policy but does not assume any responsibility for the validity of such cession. The Life Assured agrees to the cession of this policy to the Credit Provider as collateral security for the outstanding debt in terms of the Mortgage Loan. Accordingly, in the event of a valid claim, OMART will pay the benefit in terms of this policy to the Credit Provider. The cession of this policy supersedes and cancels any other beneficiary, other than the Credit Provider, nominated by the Life Assured. Once the Mortgage Loan has been repaid and/or the mortgage bond has been cancelled, then the requirement that the policy be ceded to a financial institution shall no longer apply.

5.2. If, after the Commencement of Insurance, the Credit Provider does not require the Life Assured to cede this policy to the Credit Provider as security, then the requirement that the policy be ceded to a financial institution shall not apply and this policy shall exist on a whole of life basis.

6. DISTRIBUTION OF EXCESS SUM ASSURED

6.1. The rights to benefits under this policy are ceded as collateral to the Credit Provider. All benefits will be paid directly to the Credit Provider to cover the outstanding Mortgage Loan balance at the date of death. If the Sum Assured under the Death Benefit exceeds the outstanding Mortgage Loan the excess amount will be paid as follows:

6.1.1. If the Policy Application includes nominated beneficiaries, the excess amount will be paid to those nominated beneficiaries; or

6.1.2. If no beneficiaries are nominated, or if the nominated beneficiaries are no longer alive at the time of claim, the excess amount will be paid to the Life Assured's estate.

6.2. In the event Additional Life Cover is selected the Sum Assured under this benefit will be paid to the nominated beneficiaries if any are named, otherwise, it will be paid to the Life Assured's estate.

6.3. In the event of a valid death claim during the Interim Period, the Sum Assured will be paid directly to the nominated beneficiaries if any are named; otherwise, it will be paid to the Life Assured's estate.

7. PAYMENT OF SUM ASSURED, ADDITIONAL LIFE COVER AND BENEFITS OPTIONS

7.1. The Death Benefit Sum Assured and Benefits Options under this policy will be paid to the Credit Provider as per clause 5.

7.2. If, after Commencement of Insurance, the Life Assured is no longer liable to the Credit Provider, and/or the Credit Provider does not require the cession of the policy as per clause 5.2, then this Policy and its benefits shall nonetheless remain in place. If the cession of this Policy in such Credit Provider's favour may be cancelled in law, or falls away by operation of law, or the Credit Provider does not require the cession as per 5.2, then beneficiaries may be added under the Policy in respect of the Death Benefit only. It shall however be the responsibility of the Life Assured to cancel the cession of this Policy with the Credit Provider in writing and notify Black Cygnet Life of same. In the event that:

7.2.1. the Life Assured does not notify Black Cygnet Life as aforesaid and a death claim subsequently arises under this Policy, any benefits due will be paid to the estate of the Life Assured;7.3.

In the case of Joint Lives Assured, then, in the circumstances mentioned in clause 7.2 (notwithstanding clause 7.2.1), any death benefits due will be paid to the surviving Joint Life Assured in the absence of a nominated beneficiary. If there is no surviving Joint Life Assured and no nominated beneficiary, then clause 7.2.1 shall apply.

7.2.2. there is a dispute between the Credit Provider and the Life Assured or the Life Assured's executor or estate or purported beneficiary, as to whether any benefit due under this policy should be paid to the Credit Provider or to any other person, Black Cygnet shall not be obliged to pay such benefit to any person until such dispute has been resolved by written agreement or order of court.

7.3. The Additional Life Cover Sum Assured (if selected) under this policy will be paid to the nominated beneficiaries if any are named, otherwise it will be paid to the estate of the Life Assured.

7.4. In the case of Joint Lives Assured, then, in the circumstances mentioned in clause 7.2 (notwithstanding clause 7.2.1), any death benefits due will be paid to the surviving Joint Life Assured in the absence of a nominated beneficiary. If there is no surviving Joint Life Assured and no nominated beneficiary, then clause 7.2.1 shall apply.

7.5. In the case where a beneficiary is added and clause 7.2 is applicable then the Sum Assured will be paid to the nominated beneficiary in the event of the Death benefit and to the Life Assured in terms of any other benefits (if selected).

8. CURRENCY AND LAW

All amounts payable in terms of the policy, either to or by OMART, are payable in the lawful currency of the Republic of South Africa, at the head office of OMART in Pinelands, Cape Town. Any question of law arising under the policy shall be decided according to the laws of the Republic of South Africa.

9. MISREPRESENTATION

The Life Assured will be bound to any statements he made in the Application and quotation (including subsequent written statements incorporated therein). OMART shall have the right to reject a claim or application for this policy or it may cancel the policy and retain all premiums under the policy, under the following circumstances:

- If the Life Assured made a misdescription or provided erroneous information about a date of birth or any other factor which is of such a nature as to be likely to have materially affected the assessment of the risk or premium under this policy in connection with the policy, or
- If the Life Assured made any fraudulent statement or misrepresentation in connection with the policy.

10. PREMIUMS

10.1. The starting premium payable at inception of the Policy is reflected in the Policy Schedule. The premium payable is not level or guaranteed during the Policy term and will be reviewed and amended by OMART as follows:

- 10.1.1. on the anniversary of the Commencement of Insurance (based on inter alia the age, gender, smoking habits and socio-economic rating factors of the Life Assured); and/or

10.1.2. if the Sum Assured or any of the terms of the policy are amended; and/or

10.1.3. OMART may review premiums monthly for any justifiable reason including but not limited to:

- 10.1.3.1. changes in law; and/or
- 10.1.3.2. circumstances and/or experiences that differ from the initial assumptions which were used to calculate the premiums (including the assumed costs of OMART providing cover; the assumed mix of policyholders' ages, relationships and genders; the assumed claims experience and prevailing economic conditions).

10.2. In the event of a premium change (except where there is a change to the Sum Assured – in which case the altered premium shall take effect immediately), OMART shall give the Life Assured 31 days' notice of the planned implementation date of such change via post, SMS, email or any other written means. Should the new premium not be accepted by the Life Assured the Policy can either be terminated, the Sum Assured and/or benefits reduced on request of the Life Assured or any other option that is available to the Life Assured at the time of review.

10.3. All premiums are payable monthly in advance, but may be paid annually on the Commencement of Insurance and subsequent anniversary date thereof. In the event that the Life Assured chooses a Premium Payment Day which differs to the Commencement of Insurance date, the policy will nonetheless commence on the Commencement of Insurance date stipulated in the Policy Schedule on condition that the first premium deduction is successful. The first policy anniversary date shall be 12 months after the Commencement of Insurance and each subsequent policy anniversary date shall be at 12 month intervals.

10.4. Premiums are payable in full for the duration of the Period of Insurance.

10.5. If the premiums are not paid as required (subject to the Grace Period) the Policy will lapse.

10.6. You must notify Black Cygnet Life immediately if your bank account details or your Premium Payment Day has changed and we will be entitled to change your debit order details, to collect premiums in terms of the Policy.

11. REINSTATEMENT

Should the policy lapse you may apply for it to be reinstated within six months of such lapse, subject to the recommencement of all Waiting Periods and Exclusions in terms of clause 16 and any other such terms and conditions as OMART may impose at the time of reinstatement. If the policy is reinstated the policy will not re-commence until the premium is actually received by OMART notwithstanding anything else to the contrary elsewhere in this policy wording.

12. AMENDMENTS TO THE SUM ASSURED AND THE POLICY

12.1. The Life Assured may apply for an increase or reduction of the Sum Assured subject to the following conditions, and subject always to the limitation of benefits under clause 3:

12.1.1. The Sum Assured may be increased at any time to the amount of the mortgage bond registered to secure the Mortgage Loan, subject to the Maximum Overall Limit.

12.1.2. Irrespective of whether the mortgage bond registered to secure the Mortgage Loan has increased, the Life Assured may increase the Sum Assured to the Maximum Individual Limit subject to the Maximum Overall Limit.

12.2. The Maximum Individual Limit shall be calculated by applying the relevant percentage to:

12.2.1. the registered mortgage bond amount at the time of such increase; or

12.2.2. if there is no longer any Mortgage Loan, then to the Death Benefit Sum Assured at the time of such increase.

12.3. All exclusions, deferred periods and waiting periods, including but not limited to the pre-existing condition clauses shall apply to any increases in the Sum Assured with effect from the date of such increase;

12.4. In the case of an increase or reduction to the Death Benefit Sum Assured the Instalment Protection Benefit will be increased or decreased based on the Sum Assured.

12.5. OMART may be obliged in terms of changes in legislation or as a result of a directive issued by a competent regulatory authority or a ruling of a court of law to amend this Policy, by giving 30 days' written notice. Such amendment shall be effective from the expiry of the 30 days, unless specified otherwise by such legislation or directive.

12.6. OMART shall not be obliged to accept any application by the Life Assured for any increase in

the Sum Assured, and any acceptance shall be in the sole and unfettered discretion of OMART.

13. SETTLEMENT OF CLAIMS

13.1. Written notice of a claim under the policy must be given to OMART, if a claim occurred while the policy is in force.

13.2. A claim may be made by:

13.2.1. the Credit Provider in the event that an enforceable cession of this Policy is still in place at the time; or

13.2.2. the Executor or Beneficiary in the event that an enforceable cession of this Policy is no longer in place at the time, and the claim is a death claim; or

13.2.3. the Life Assured in all other cases.

13.3. OMART shall not consider or be liable for a claim where it does not receive written notification within the following prescribed periods: 180 days of the happening of any event giving rise to a claim. If the event giving rise to a claim is the death of the Life Assured, then OMART must receive written notification of the claim within 90 days of the appointment of the Executor or Executrix of the Life Assured's estate or, if no such Executor or Executrix is appointed within 90 days of the death of the Life Assured, then OMART must receive written notification of the claim within 180 days of the death of the Life Assured. Notice of death published in the Government Gazette or other media shall not constitute notification under this clause.

13.4. The delivery to OMART at its head office, of the policy and any other documents which OMART may request and of any discharge or release which OMART may require to be executed, shall be a condition precedent to settlement of any claim under the policy.

13.5. OMART reserves the right to have the Life Assured examined by a medical practitioner of its choice before admitting liability under any claim.

13.6. OMART will not be liable for payment of interest pending receipt of all the requirements.

14. DISPUTE RESOLUTION

If OMART declines liability for a claim made in terms of this policy, voids this policy, or if there is a dispute regarding the amount of the claim, representations may be made to OMART within 90 (ninety) days (the "representation period") of the date of receipt by the Life Assured or other person who has a legitimate interest in the matter under this policy of the notice

of rejection or avoidance. OMART and the person disputing OMART'S decision will initially attempt in good faith to promptly resolve any dispute that arises between the said person and OMART in connection with the policy, as well as any rejection or dispute of a claim or the amount of a claim which the said person has elected to have dealt with in terms of this clause 13.

- 14.1. If the matter is not resolved in this manner within 10 days (or such longer period as agreed upon between the person disputing OMART's decision and OMART of such matter arising, the said person will be entitled to refer the matter to the National Financial Ombudsman ("NFO") for determination in terms of his rules. Nothing in this clause shall prevent any person from referring the matter to the NFO at any time – whether prior to the expiry of the above 10 day period, or after.
- 14.2. If the matter is not referred to the NFO or if he does not have jurisdiction, it will be submitted to and decided by arbitration. The arbitration will be referred to the Arbitration Foundation of Southern Africa, and will be conducted in accordance with the standard terms, conditions and rules of the Arbitration Foundation of Southern Africa.
- 14.3. OMART and the said person submit to the jurisdiction of the Western Cape High Court, Cape Town for the purposes of making the arbitration award an order of court.

15. ABSENCE FROM THE REPUBLIC OF SOUTH AFRICA

- 15.1. The Life Assured must inform OMART before the Life Assured leaves the Republic of South Africa, or if the Life Assured is already outside the Republic of South Africa, that the Life Assured intends to be absent or is absent from the Republic of South Africa.
- 15.2. If OMART is not informed of the above, OMART may decline the claim and the benefit may cease. If this happens premiums will not be refunded. When OMART receives such information, it shall be entitled to review the premium, apply altered terms and conditions to the benefit and to cancel the benefit.
- 15.3. OMART reserves the right to cancel the policy if notified of the Life Assured leaving the Republic of South Africa.

16. EXCLUSIONS

OMART will not be obliged to make payment in respect of any condition or event arising directly or indirectly from or traceable to:

- 16.1. Pre-existing Conditions, Defects, Illnesses, Injuries and

Disabilities

- 16.1.1. If at the Commencement of Insurance, the Life Assured already has a physical defect, bodily injury or disability ("the Existing Condition") then any subsequent physical defect, bodily injury or disability which is the same or substantially similar as the Existing Condition ("the Subsequent Condition") shall also be considered a Pre-existing Condition and no claim will be paid and all premiums paid will be forfeited.
- 16.1.2. Claims on a Pre-existing Condition will be treated in the following manner:
 - 16.1.2.1. If the Life Assured dies or becomes ill, injured or disabled within 24 months of the Commencement of Insurance, reinstatement or increase in cover, no claim will be paid and all premiums paid will be forfeited.
 - 16.1.2.2. The aforementioned stipulations shall apply for a further 24 months from the date of any increased Sum Assured, increased Benefit Option, addition of any Benefit Option, or date of any reinstatement, in respect of these amendments.

16.2. Suicide or Suicide Attempt

- 16.2.1. If the Life Assured dies or becomes disabled, whether sane or insane, by his own intentional act within 24 months of the Commencement of Insurance or date of any reinstatement no claim shall be considered or paid and all premiums paid to date shall be forfeited.
- 16.2.2. In the event of any increase in the amount of any benefit due to any subsequent written request the aforementioned stipulation shall apply for a further 24 months from the date of such increase in respect of the increased portion of the benefit.

16.3. General Exclusions

- 16.3.1. The driving of any vehicle where the concentration of alcohol in the Life Assured's blood exceeds the statutory limit then in force, or whilst the Life Assured is under the influence (above the statutory limit) of alcohol, or whilst the Life Assured is under the influence of a drug having a narcotic effect unless prescribed by a duly qualified and registered medical practitioner (provided that such drug was taken in a dose no higher

than that prescribed and the Life Assured took all reasonable steps to ensure that he did not drive the said vehicle while his ability to do so was impaired by the drug in question), or intentional inhalation of fumes.

16.3.2. The Life Assured committing any breach of criminal law.

16.3.3. Claims caused directly or indirectly by Terrorist Activity, war, invasion, hostilities or warlike operations (whether war be declared or not), civil war, revolution, rebellion, insurrection, military or usurped power, martial law, strike, riot or civil commotion.

16.3.4. The Life Assured participating in a Hazardous Sport / Activity (as defined).

16.3.5. Claims that are a direct or indirect consequence of

16.3.5.1. the use of atomic, biological or chemical weapons as well as radioactive, biological or chemical substances; or

16.3.5.2. attacks on or intentional disruptions of

- o operating sites and other fixed installations (e.g. nuclear power plants, reprocessing plants, final or interim repository sites, research reactors, storage depots and factories) as well as their component parts,

- o premises or

- o mobile equipment (e.g. containers or storage tanks),

leading to a release of radioactivity or atomic, biological or chemical warfare agents or substances.

16.3.6. Claims caused by any sudden release of nuclear energy, nuclear radiation or radioactive contamination (whether controlled or uncontrolled).

17. TERMINATION

The policy will terminate, without any further obligation on OMART, under (but not limited to) any of the following conditions:

17.1. On the payment of the Sum Assured by OMART – whether under the Death Benefit, Permanent Disability Benefit or the Dread Disease Benefit.

17.2. All benefits pertaining to the policy being paid, cancelled, ceased, expired, lapsed or matured.

17.3. When premiums are not paid within the Grace Period

and the policy has not been reinstated in terms of clause 11.

17.4. If OMART intends to terminate the Policy for any other reason other than clause 17.1, 17.2, or 17.3 above, OMART will give the Life Assured 31 day's written notice before termination occurs. OMART will remain liable for the shorter of 31 days or the period until OMART receives proof that the Life Assured entered into another policy.

18. GENERAL

18.1. Subject to the definition of the Commencement of Insurance, the policy shall not be binding until the first premium has been paid during the lifetime of the Life Assured.

18.2. It is the responsibility of the Life Assured to periodically monitor, review and update the Sum Assured (cover amount) to ensure that it is adequate, provided that the Sum Assured shall not exceed the amounts permitted in clause 3.

18.3. No provisions or conditions of the policy may be waived or modified except by an endorsement signed by an authorized official of OMART.

18.4. References throughout the policy and schedules to the masculine shall include the feminine and in the singular shall include the plural where appropriate, and vice versa.

18.5. If the Definition Section of this Policy contains a substantive provision, it shall be given effect to as a term of this agreement notwithstanding that it appears in such section.

18.6. If it is determined by OMART that the Life Assured or any other party claiming any benefits under this policy has used any fraudulent means or basis in connection with the submission of any claim, the claim will be rejected by OMART and the policy will cease and all benefits and premiums previously paid will be forfeited.

18.7. The Life Assured may cancel the policy or request alterations to it within 31 days of acceptance of the Application by OMART ("Cooling-off Period"). On cancellation of the policy during the Cooling-off Period, the Life Assured will be entitled to a refund of premium, provided that he has not claimed under the policy.

19. NO CASH VALUE

The policy will not acquire any cash values.

20. NO POLICY LOAN

21.2.2. in the case of the Retrenchment Benefit, 24 Month Instalment Protection Benefit and Full Term Instalment Protection Benefit if both Joint Lives Assured become disabled or retrenched then the policy will pay only one amount (monthly Loan Instalment) until both have recovered or returned to work (as defined in the terms dealing with such Benefit) or the expiry of the Benefit whichever comes first.

21.3. After the policy has paid out a Benefit once and in full on the first (or simultaneously) occurring event, such Benefit shall terminate.

21.4. Consent – both Joint Lives Assured warrant that they have each consented to the cover on their lives in terms of this policy.

22. UNCLAIMED BENEFITS

It is very important to keep OMART informed of any changes to Credit Provider details or contact details or beneficiary details, so that OMART can determine where to pay any amounts due under the policy. If a benefit becomes payable and is not claimed, OMART will keep the benefit for as long as the law requires, while using reasonable attempts to trace the Life Assured or the Life Assured's estate or beneficiaries.

23. BINDER HOLDER DISCLOSURE

Black Cygnet Life has been appointed as a binder holder by OMART to perform certain binder functions on its behalf in terms of a written Binder Agreement. These functions include the claims settlement and Policy administration on your policy. Black Cygnet Life is paid a binder fee for performing these functions.

24. FEES

Commission as disclosed in the quotation is paid to the Intermediary, Black Cygnet Life. All fees are included in the premium, which includes binder fees of up to 19% of the premium, paid to Black Cygnet Life.

25. CELL CAPTIVE DISCLOSURE

OMART has a number of shareholders, of which Black Cygnet Group (Pty) Ltd is one. As a preference shareholder Black Cygnet Group (Pty) Ltd shares in the profits and losses which arise from all insurance business under this Policy. This is commonly referred to in the insurance industry as a cell structure. Black Cygnet Group (Pty) Ltd has certain Directors in common with Black Cygnet Life.

26. CONFLICT OF INTEREST DISCLOSURE

Old Mutual Alternative Risk Transfer Limited (OMART) has no ownership in the Intermediary.

Black Cygnet Life receives more than 30% of its income from the product supplier (OMART).

27. Protection of Personal Information- Insurer Disclosure

OMART may use your information or obtain information about you for the following purposes:

- Underwriting
- Assessment and processing of claims
- Credit searches and/or verification of personal information
- Claims checks
- Tracing beneficiaries
- Fraud prevention and detection
- Market research and statistical analysis
- Audit & record keeping purposes
- Compliance with legal & regulatory requirements
- Verifying your identity
- Sharing information with service providers including appointed administrators (Black Cygnet Life as at the time of policy issue), We engage to process such information on our behalf or who render services to us. These services providers may be abroad, but we will not share your information with them unless we are satisfied that they have adequate security measures in place to protect your personal information.

You may access your personal information that we hold and may also request us to correct any errors or to delete this information. In certain cases you have the right to object to the processing of your personal information.

You also have the right to complain to the Information Regulator, whose contact details are:

<http://www.justice.gov.za/inforeg/index.html>

Tel: 012 406 4818

Fax: 086 500 3351

Email: inforeg@justice.gov.za

27.1. Marketing- Insurer

The Old Mutual Group [of which OMART is a subsidiary] would like to offer you ongoing financial services and may use your personal information to provide you with information about products or services that may be suitable to meet your financial needs.

OPT-OUT

If you prefer to no longer receive such information and/or financial services from:

- The Old Mutual Group: Please SMS your ID number to 30994

To view the Old Mutual Group full privacy notice and to exercise your preferences, please visit our website on www.oldmutual.co.za



Black Cygnet Life, an Authorised Financial Services Provider | FSP Number 44723

Bond Protection Policy Disclosures

You can have comfort in knowing that Black Cygnet Life (Pty) Ltd (Black Cygnet Life) is governed by the Financial Advisory and Intermediary Services Act (FAIS Act) and is an Authorized Financial Services Provider. For your security, here is some important information regarding the financial services that we have offered you:

1. The Black Cygnet Life Sales Consultant:

- 1.1. Has the necessary experience and is authorized under the FAIS Act to sell the Black Cygnet Life Bond Protection Endurance policy in terms of Long-term Insurance Category B1; and
- 1.2. Is a representative of Black Cygnet Life who is an Authorized Financial Services Provider.
- 1.3. Black Cygnet Life accepts responsibility for the activities of the representative within the scope of, or in the course of implementing the Black Cygnet Life Bond Protection Endurance Policy contract or agreement.
- 1.4. Complies with the relevant Fit and Proper requirements and in particular completed the relevant product specific training and class of business training thus meeting the relevant product knowledge competence requirements.
- 1.5. Earns a salary and a percentage of commission. The total commission paid by the insurer OMART is stipulated in the quotation provided and is accordance with the Long Term Insurance Act of 1998
2. Black Cygnet Life and their Sales Consultants are covered by professional indemnity insurance.
3. All information obtained or acquired about you shall remain confidential unless you provide written consent, or unless Black Cygnet Life are required by any law to disclose such information.

3.1. Marketing Consent- Black Cygnet Life

Black Cygnet Life would like to offer you ongoing financial services, insurance and wills and may use your personal information to provide you with information about these products or services that may be suitable to meet your financial needs.

OPT-OUT

If you prefer to no longer receive such information and/or financial services from us, you may email your ID Number to clientservices@blackcygnet.co.za and we will ensure you are opted out of any future marketing by adding you to our Do Not Contact (DNC) List.

To view the Black Cygnet Life's full privacy notice and to exercise your preferences, please visit our website on www.blackcygnet.co.za

4. In the event that you are dissatisfied with any aspect of the sales process or service you received, you should address your complaint in writing to; The Compliance Department PO Box 2507 Mount Edgecombe 4301, or e-mail to compliance@blackcygnet.co.za. A copy of Black Cygnet Life's Complaints Resolution Policy is available on request.
5. Please ensure that you understand the terms and conditions applicable to this Black Cygnet Life Bond Protection Endurance Policy that are included in the quote, application form and policy document. A copy of the telephonic recordings can be made available to you upon your request
6. If you are unsatisfied with any aspect of this insurance policy, you may request a cancellation within 31 days of acceptance of the application by OMART, and we will refund your premiums in accordance with the policy wording. (cooling-off period).
7. Non-payment of the premiums will lead to the policy lapsing and all benefits being lost. If the first premium is not received the policy will lapse.

The following further important information is drawn to your attention:

8. The policy is underwritten by Old Mutual Alternative Risk Transfer Limited (OMART), a licensed life insurer.

9. Binder Holder Disclosure

Black Cygnet Life has been appointed as a binder holder by OMART to perform certain binder functions on its behalf in terms of a written Binder Agreement. These functions include the claims settlement and

policy administration on your policy. Black Cygnet Life is paid a binder fee of up to 19% for performing these functions.

10. Fees

Commission, as disclosed in the quotation is paid to the Intermediary, Black Cygnet Life. All fees are included in the premium, which includes binder fees of up to 19% of the premium, paid to Black Cygnet Life.

11. Conflict of Interest Disclosure

- 11.1. OMART has no ownership in Black Cygnet Life.
- 11.2. Black Cygnet Life is a duly appointed representative of OMART in terms of the Long-Term Insurance Act allowing Black Cygnet Life to sell OMART products only.
- 11.3. Black Cygnet Life receives more than 30% of its income from the insurer OMART.
- 11.4. Black Cygnet Life has not provided you with any form of advice or guidance, although we do a product comparison for you, please understand that it is your responsibility to review the information provided and to decide which product is best suited to your needs.
- 11.5. Black Cygnet Life is related to the party that shares in the profits and losses arising from the insurance product that you have purchased. Please see point 12 below for more detail

12. Cell Captive Disclosure

OMART has a number of shareholders, of which Black Cygnet Group (Pty) Ltd is one. As a preference shareholder Black Cygnet Group (Pty) Ltd shares in the profits and losses which arise from all insurance business under this Policy. This is commonly referred to in the insurance industry as a cell structure. Black Cygnet Group (Pty) Ltd has certain Directors in common with Black Cygnet Life.

- 13. Black Cygnet Life and its Sales Consultant have not tried to obtain competing quotes for similar products in the market, or investigated alternative products for you. You have only been presented with the Black Cygnet Life Bond Protection Endurance Policy with a view to OMART providing you with cover under that specific product.

14. Protection of Personal Information - Intermediary Disclosure

Black Cygnet Life takes the protection of your personal information very seriously. By accepting the terms and conditions, you consent to the sharing of your information knowing that this will be kept confi-

dential. Collection and processing of this information will help us give you better service and create products tailored to meet your needs. We may use your information or obtain information about you for the following purposes, Deeds office searches, tracing and tracking you in the event we cannot contact you on the information provided, underwriting, assessment and processing of claims, credit searches and/or verification of personal information, claims checks, tracing beneficiaries, fraud prevention and detection, market research and statistical analysis, audit & record keeping purposes, compliance with legal & regulatory requirements, verifying your identity, sharing information with service providers who we engage with to process such information on our behalf and/or who render services to us and sharing your information with other affiliated companies for marketing of similar or related products including financial services, insurance and wills.

You may access your personal information that we hold and may also request us to correct any errors or to delete this information. In certain cases you have the right to object to the processing of your personal information.

You also have the right to complain to the Information Regulator, whose contact details are:

<http://www.justice.gov.za/infoereg/index.html>

Tel: 012 406 4818

Fax: 086 500 3351

Email: infoereg@justice.gov.za

Please note that while your policy is issued by OMART, the administration is done by Black Cygnet Life, and any policy servicing requirements should therefore please be addressed to the Black Cygnet Life offices (the contact details of which appear at the end of the policy document). All queries and disputes must be routed via Black Cygnet Life.

If you have any questions regarding the sale and product information received in terms of this policy, please contact Black Cygnet Life. Contact details are displayed below:

Nature of Enquiry	Company Address	Contact Details
General enquiries <ul style="list-style-type: none"> Policy Information Policy Changes Product Information 	Black Cygnet Life (Broker) Office 104, First Floor The Boulevard Umhlanga, 19 Park Lane Parkside, Umhlanga Rocks, 4319	Telephone: 087 232 7014 Fax number: 087 232 7013 Email: clientservices@blackcygnet.co.za

OMART has outsourced the administration of the Bond Protection Endurance Policy to Black Cygnet Life. Please find the relevant contact details below for policy administration and claims

Nature of Enquiry	Company Address	Contact Details
General enquiries (policy administration)	Black Cygnet Life (Administration) Office 104, First Floor The Boulevard Umhlanga, 19 Park Lane Parkside, Umhlanga Rocks, 4319	Telephone: 087 232 7014 Fax number: 087 232 7013 Email: clientservices@blackcygnet.co.za
Claims Notifications and Enquiries	Black Cygnet Life (Claims) Office 104, First Floor The Boulevard Umhlanga, 19 Park Lane Parkside, Umhlanga Rocks, 4319	Telephone: 087 232 7014 Fax number: 087 232 7013 Email: claims@blackcygnet.co.za

Please find the relevant contact details below for our product supplier and licensed life insurer

Nature of Enquiry	Company Address	Contact Details
General enquiries regarding the product supplier	Old Mutual Alternative Risk Transfer Limited (OMART) (Product Supplier) Mutualpark Pinelands Cape Town 8001	Telephone: 021 821 4921 Email: OMARTADM@oldmutual.com

Nature of Complaint	Company Address	Contact Details
Financial Service Sales	Black Cygnet Life (Broker) Office 104, First Floor, The Boulevard Umhlanga, 19 Park Lane Parkside, Umhlanga Rocks, 4319	Telephone: 087 232 7014 Fax number: 087 232 7013 Email: complaints@blackcygnet.co.za
Policy Administration Claims	Black Cygnet Life (Administration) Office 104, First Floor, The Boulevard Umhlanga, 19 Park Lane, Parkside, Umhlanga Rocks, 4319	Telephone: 087 232 7014 Fax number: 087 232 7013 Email: complaints@blackcygnet.co.za

Should your complaint not be resolved to your satisfaction, please feel free to contact the relevant Compliance Officers below:

Nature of Complaint	Company Address	Contact Details
Financial Service Sales Black Cygnet Life Compliance Officer	Office 104, First Floor, The Boulevard Umhlanga, 19 Park Lane Parkside, Umhlanga Rocks, 4319	Telephone: 087 232 7014 Fax number: 087 232 7013 Email: complaints@blackcygnet.co.za
Policy Administration Claims Black Cygnet Life Compliance Officer	Office 104, First Floor, The Boulevard Umhlanga, 19 Park Lane Parkside, Umhlanga Rocks, 4319	Telephone: 087 232 7014 Fax number: 087 232 7013 Email: complaints@blackcygnet.co.za
OMART Complaints Compliance	Old Mutual Alternative Risk Transfer Limited (OMART) (Product Supplier) Mutualpark, Pinelands, Cape Town, 8001	Telephone: 010 055 7701 Email: OMARTComplaints@oldmutual.com Email: OMARTcompliance@oldmutual.com

If your complaints are not resolved, OMART supports the resolution of unresolved disputes through the National Financial Ombudsman (NFO). The contact details for the NFO who oversee the insurance industry are:

Nature of Complaint	Company Address	Contact Details
Complaints in respect of claims or other matters not resolved satisfactorily	Old Mutual Alternative Risk Transfer Limited (OMART) (Product Supplier) Mutualpark, Pinelands, Cape Town, 8001	Old Mutual Office of Internal Arbitration Telephone: 021 509 1770 Fax: 021 504 7700 Email: arbitrator@oldmutual.com
Complaints in respect of product and claims not resolved satisfactorily by OMART Internal Arbitrator	NFO Ombud Office JHB: 110 Oxford Road, Houghton Estate, Illovo, Johannesburg, 2198 or CPT: Claremont Central Building, 06th floor, 6 Vineyard Road, Claremont, 7708	Telephone: 0860 800 900 Email: info@nfosa.co.za
FAIS complaints (relating to financial service provided)	FAIS Ombud Office PO Box 41, Menlyn Park, 0063	Telephone: 0860 OMBUDS / 0860 662837 Fax: 021 674 0951 Email: info@ombud.co.za