



**SUMMARY OF TERMS AND CONDITIONS OF
THE LIBERTY GROUP LIMITED CREDIT LIFE POLICY
OOS VRYSTAAT KAAP BEDRYWE BPK / OPERATIONS LTD
HANDELBEDRYWEND AS / TRADING AS OVK - NCRCP 619
LIFE INSURED SUMMARY AND DISCLOSURE DOCUMENT**

1. Description of the Liberty Group Limited Credit Life Policy

- 1.1 A long-term insurance agreement has been concluded between Liberty Group Limited and your Credit Provider. In terms of this insurance agreement, cover and Benefits are provided in respect of Lives Insured who have entered into a Credit Agreement with the Credit Provider to cover some or all of the outstanding liabilities towards the Credit Provider arising from the Credit Agreement to the value of the Balance of Indebtedness, subject to the Maximum Cover Amount, in the event of an Insured Event. This is subject to the terms and conditions of the Liberty Group Limited Credit Life Policy, hereinafter called "**the Policy**".
- 1.2 This document is a summary of the Policy and shows the main features of the Policy such as the Premiums payable, the Benefits and any Exclusions, Limitations applicable to the payment of Benefits as well as the representations made by the Credit Provider as the Policyholder which Liberty Group Limited consider material to the assessment of the risks.
- 1.3 The terms and conditions mentioned above are contained in the Policy document. Please take time to familiarise yourself with the content thereof. You can request a copy of the Policy from your Credit Provider.
- 1.4 This summary must be read together with the Disclosure Information and Acknowledgment Form, the Policy, all Annexures to the Policy and including the Schedule. Where there is a discrepancy between this summary document and the Policy, the provisions of the Policy will prevail.
- 1.5 Capitalised terms in this document shall bear the meaning assigned to it in the Policy.
- 1.6 Please note, in the event of an amendment or change to the Policy, an endorsement will be provided to the Credit Provider or made available and will become effective from the date specified in the amended documents. The Credit Provider will inform you of these changes.
- 1.7 This summary document also contains important disclosures. Please read through this document carefully and take note of these important disclosures.

2. How does the Policy work?

- 2.1 Various Benefits are available in terms of the Policy and may be selected and applied for by the Credit Provider, which is set out in the Schedule issued to the Credit Provider.
- 2.2 Cover commences once Liberty Group Limited has received the correct premiums;

2.3 Where cover is granted on the life of more than one borrower, reference to Life Insured shall apply to the first claimant of the borrowers named in the application form

2.4 All benefits are payable to the Credit Provider.

3. Benefits

Your Credit Provider can select and apply for a Benefit with certain product features. As such, some benefits, terms and conditions stipulated in the Policy will only be applicable if it forms part of the relevant selected Benefit features and will then be set out in the Schedule. The Benefit features are contained in the Policy and the Benefit applied for by the Credit Provider is indicated in the Schedule as it applies to the Group.

3.1 Death Benefit

- 3.1.1 If the Life Insured dies before reaching the Maximum Cover Age, Liberty Group Limited will pay the Death Benefit to the Credit Provider to the value of the Balance of Indebtedness, subject to the Maximum Cover Amount.
- 3.1.2 Liberty Group Limited will not pay any death benefit claim if death arises directly or indirectly or is traceable to suicide within the first 24 months of Inception Date.
- 3.1.3 The general exclusions listed in 6 below also apply to death benefits

3.2 Disability Benefit

- 3.2.1 If the Life Insured becomes disabled (no longer able to fulfil his/her normal employment duties in respect of any occupation), Liberty Group Limited will pay the Disability Benefit to the Credit Provider after a waiting period of 26 weeks.
- 3.2.2 Subject to the payment method shown in the Schedule, the Disability Benefit payable to the Credit Provider can be paid as a monthly payment equal to the monthly instalment (limited to the number of instalments set out in Schedule) or as a lump sum equal to the Balance of Indebtedness, subject to the Maximum Cover Amount.
- 3.2.3 Liberty Group Limited will not pay a disability benefit claim if disability results directly or indirectly from:
- attempted suicide or intentional self-inflicted injury within 24 months of the Inception Date; or
 - the Life Insured's refusal to undergo medical treatment, rehabilitation or other prescribed treatment; or
 - any pre-existing condition (applicable for the first 12 months from Inception Date).
- 3.2.4 The general exclusions listed in 6 below also apply to disability benefits.

3.3 Critical Illness Benefit

- 3.3.1 If the Life Insured suffers a Critical Illness as defined, before reaching the Maximum Cover Age, Liberty Group Limited will pay the Critical Illness Benefit to the Credit Provider to the value of the Balance of Indebtedness, subject to the Maximum Cover Amount.
- 3.3.2 Liberty Group Limited will not pay any critical illness benefit if the critical illness is caused directly or indirectly by or attributable to:
- attempted suicide or intentional self-inflicted injury within 24 months of the Inception Date; or
 - the Life Insured's refusal to undergo medical treatment, rehabilitation or other prescribed treatment; or
 - any pre-existing condition (applicable as set out in the Schedule)
- 3.3.3 The general exclusions listed in 6 below also apply to critical illness benefits.

3.4 Retrenchment Benefit

- 3.4.1 If the Life Insured is retrenched (as defined in the Policy), Liberty Group Limited will pay the Credit Provider a monthly amount equal to the value of the Instalment due under the Credit Agreement (excl. interest on arrears), for a maximum period as set out in the Schedule, or until the Life Insured resumes any occupation. The retrenchment benefit can only be claimed once in every 12-month period.
- 3.4.2 Liberty Group Limited will not pay any retrenchment benefit where loss of employment is due to ill health, misconduct, resignation, expiry of a fixed-term contract or nationalisation, confiscation or commandeering of the assets of the employer.
- 3.4.3 The general exclusions listed in 6 below also apply to retrenchment benefits.

4. Important Definitions

“Credit Provider” means the institution whose details are set out in the Schedule, who is a duly registered credit provider in terms of the National Credit Act

“Balance of Indebtedness” means the outstanding Loan Amount and/or Instalments due by the Life Insured in terms of the Credit Agreement, plus accrued interest (which shall not exceed interest accrued on the instalments due for a period of exceeding 90 days) but excluding additional interest (interest accrued on Instalments from date of occurrence of the insured event until date of payment of benefit), subject to the Maximum Cover Amount

“Group” means all Lives Insured that have concluded a Credit Agreement with the Credit Provider and who have elected participation in this Policy as provided for in terms of section 106 of the National Credit Act and who have accepted the terms and conditions applicable to the cover and Benefits granted in terms of this Policy

“Inception Date” means the date on which insurance cover in respect of a Life Insured starts.

“Instalment” means the regular payments the Life Insured is obliged to make in order to settle the Loan Amount due in terms of the Credit Agreement

“Insured Event” means the Disablement, Retrenchment, Critical Illness or death of a Life Insured.

“Pre-existing Condition” means in respect of Disability Benefits and Critical Illness Benefits, any illness, bodily injury or condition which occurred or for which the Life Insured sought, should have sought or received medical treatment or of which the Life Insured was aware within period specified in the Schedule prior to the Inception Date;

“Policyholder” means the Credit Provider –

“Life Insured” means a borrower to whom the Credit Provider extended credit in terms of a Credit Agreement and who satisfies the Eligibility Requirements for membership of the Group.

“Maximum Cover Age” means the maximum age of a Life Insured that Liberty Group Limited is willing to cover in respect of each Benefit as set out in the Schedule and amended from time to time;

“Maximum Cover Amount” means the maximum amount of cover and Benefits that Liberty Group Limited is willing to provide in respect of a Life Insured, irrespective of the Balance of Indebtedness, as set out in the Schedule and amended from time to time.

“Schedule” means the long-term insurance policy schedule issued to the Credit Provider and which Schedule sets out specific terms and conditions applicable to the Group.

“Territories” means Republic of South Africa, the Kingdom of Lesotho, the Republic of Namibia, the Republic of Botswana, Mozambique, Zimbabwe and the Kingdom of Swaziland.

5. Eligibility for membership to the Group

5.1 Membership to the Group is available to borrowers who have:

- a) elected cover from Liberty Group Limited to the extent of all or part of the Loan Amount due in terms of the Credit Agreement as provided for in section 106 of the National Credit Act
 - b) concluded a Credit Agreement with the Credit Provider;
 - c) completed the acknowledgement forming part of the Disclosure Information and Acknowledgement form.
- In the event that more than 1 (one) borrower is a party to the Credit Agreement and are jointly and severally liable for the Loan Amount in terms of the Credit Agreement, Liberty Group Limited shall make payment of the Benefits only once irrespective of i) the number of borrowers in terms of the same Credit Agreement; or ii) the number of Insured Events occurring in respect of the same or different borrowers. In this instance a 50% premium refund will be paid, which shall be calculated proportionality against all the deceased borrowers' premiums as at the most recent anniversary date to date of death,

6. General Exclusions

In addition to the exclusions listed above for the specific benefits:

- 6.1 Liberty Group Limited will not pay any benefit if the event giving rise to the claim was directly or indirectly caused by, resulting from or accelerated by any of the following:
- a) The negligence, recklessness, transgression of the law or intentional exposure to danger by the Life Insured;
 - b) The Life insured's involvement in any riot, civil commotion whether assuming the proportions of or amounting to, an uprising or not, infringement of martial law, or any act incidental to, or arising from, such an occurrence by the Life Insured;
 - c) war, invasion, acts of foreign enemies, hostilities, warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power by the Life Insured;
 - d) an Act of Terrorism or related activity by the Life Insured;
 - e) the use of nuclear, biological or chemical weapons, or attacks on, or sabotage of, facilities and storage depots, whether direct or remotely initiated, which lead to the release of radioactivity or nuclear, biological or chemical warfare agents by the Life Insured;

- f) consumption of alcohol or taking of poisons or drugs or the application of medications by the Life Insured except as bona fide prescribed by a Medical Practitioner;
 - g) participation in any form of aviation other than as a passenger travelling between licensed airfields in a licensed aircraft flown by a duly licensed pilot, or as a licensed pilot performing activities for which he/she is duly licensed to perform (e.g. flying a crop spraying aircraft)
 - h) recreational participation in any hazardous sport or pursuit, including but without limitation, rock climbing, scuba diving, hang-gliding and speed contests of any kind. For the sake of clarity, recreational participation refers to participation on a social basis and not as part of a profession for which any consideration or remuneration is earned.
- 6.2 No cover shall be granted or any benefits paid if the Insured Event occurs before the Inception Date, after the Life Insured has reached the Maximum Cover Age or after cancellation of the Policy.

7. Termination of Cover

Cover in terms of the Policy in respect of a Life Insured will end as soon as any of the below happens:

- a) The Policy is cancelled; and/or
- b) Any benefit (except for retrenchment) is paid in respect of that Life Insured, irrespective whether such payment is equal to the balance of indebtedness;
- c) The Credit Agreement is terminated for whatever reason;
- d) The loan repayment term as provided for in the Credit Agreement expires;
- e) The Life Insured fails to pay the premium when due and fails to remedy such failure within the Grace Period;
- f) The Life Insured fully settles the Balance of Indebtedness and the Credit Agreement is consequently terminated;
- g) The Life Insured reaches the Maximum Cover Age;
- h) The Life Insured no longer satisfies the Eligibility Requirements for membership of the Group;
- i) The Life Insured ceases for whatever reason to be a member of the Group;
- j) The Life Insured is deceased;
- k) The Life Insured is absent from the Territories for a period of more than 12 consecutive months.

8. Premiums

- 8.1 The Policyholder shall remit all premiums to Liberty Group Limited.
- 8.2 The Credit Provider will collect the premium as part of the monthly Instalment as provided in the Credit Agreement.
- 8.3 Monthly premiums are due and payable on the last day of the month in which the Credit Agreement is concluded and every month thereafter.

9. Annual revision of Premiums and Benefits

- 9.1 Liberty Group Limited will inform the Credit Provider of any new terms and conditions and revised benefits and premiums which will become effective from the Policy Anniversary Date.
- 9.2 The Credit Provider will inform the Life Insured of any such changes at least 30 days before such changes become effective.

10. Claims Notification

- 10.1 Liberty Group Limited must receive written notice of any death claim within 12 months of the Life Insured's death and within 6 months of the occurrence of Disability, Critical Illness or Retrenchment;
- 10.2 No claim will be recognized unless Liberty Group Limited receives notification within the above notification period on the prescribed claim form together with the prescribed supporting documentation. The Credit Provider and/or the Life Insured must complete such forms and give such details and assistance and furnish such proof in relation to any claims as Liberty Group Limited in its discretion may require.
- 10.3 Claims must be submitted in the manner prescribed in the Policy.
- 10.4 Liberty Group Limited reserves the right to at any time cancel the cover in respect of a Life Insured and declare all premiums paid as forfeited, should there be any evidence of or an attempted submission of a fictional claim, fraud or misrepresentation.

11. Repudiation

- 11.1 Where Liberty Group Limited repudiates liability for any claim the Credit Provider shall have 90 days from the date of notice of the repudiation within which to make written representations to Liberty Group Limited disputing the repudiation of the claim, failing which Liberty Group Limited shall not be liable to pay the claim and its liability in terms of such a claim will be extinguished.
- 11.2 The Credit Provider may institute legal action in a court of law or lodge a complaint with the Long-term Insurance Ombudsman against Liberty Group Limited but has to do so within a period of 3 (three) years from the date of the expiry of the 90 (ninety) day period, failing which any liability of Liberty Group Limited shall be extinguished and no Benefits shall be payable in respect of such claim and/or the Insured Event concerned.
- 11.3 If Liberty Group Limited again repudiates liability despite the representations of the Credit Provider, a notice confirming the decision will be sent to the Credit Provider. The Credit Provider has 3 (three) years from the date of this confirmation notice to institute legal action in a court of law or lodge a complaint with the Long-term Insurance Ombudsman against Liberty Group Limited. If the Credit Provider fails to do so, any liability of Liberty Group Limited shall be extinguished and no Benefits shall be payable in respect of such claim and/or the Insured Event concerned.

12. Changes to the terms of the Policy

- 12.1 Liberty Group Limited shall be at all times entitled to amend any provision of the Policy by giving 60 days written notice to the Credit Provider.

12.2 No amendment, waiver or cancellation of the Policy as a whole or of any term or condition thereof shall be of any force or effect unless such amendment, waiver or cancellation is in writing and signed by Liberty Group Limited.

13. Cancellation of Policy

13.1 Liberty Group Limited is entitled to cancel the Group Policy by way of:

13.1.1 2(two) month notice; or

13.1.2 2(two) month notice to the Credit Provider in the event that the number of Lives Insured falls below the minimum number that Liberty Group Limited is prepared to insure; or

13.1.3 1(one) month notice upon the occurrence of a legislative change impacting the Policy

13.2 Liberty Group Limited is entitled to immediately cancel the Group Policy if –

13.2.1 the Credit Provider is provisionally or finally liquidated or wound up or placed under curatorship or commences business rescue proceedings, or

13.2.2 the Credit Provider commits, attempts to commit or is involved in any act of terrorism related activity.

13.3 The Credit Provider is obliged to bring to the Life Insured's attention the cancellation of the Policy.

14. Effect of cancellation

14.1 Cancellation will not affect:

14.1.1 the Benefits payable where the Insured Event occurred prior to the date of cancellation; or

14.1.2 a claim for Benefits where the Insured Event occurred prior to the date of cancellation, provided that Liberty Group Limited received notice of the occurrence of the Insured Event within 90 days from the earlier of the date of the Insured Event or cancellation.

15. General Terms and Conditions

15.1 Replacements

If the Policy replaces a previous policy underwritten by Liberty Group Limited for the same Benefits, the terms and conditions of the Policy will become applicable and it will be deemed that the benefits are paid in terms of the Policy. In the event of a conflict, the most beneficial term will prevail.

15.2 Variation of terms and conditions

No variation or alteration may be made to the Policy other than in the manner stipulated in the Policy and unless it is made in writing and signed by a duly authorised official of Liberty Group Limited.

15.3 Set-off or deduction

Liberty Group Limited shall be entitled to apply set-off between any Benefits payable in terms of the Policy and any outstanding Premiums payable in terms of the Policy or any other amounts due and payable to Liberty Group Limited by the Credit Provider arising from whatsoever cause.

15.4 Non-disclosure

If any material information (health, medical history) has been withheld or any information (such as the date of birth), disclosed appears to be false or incorrect then any claim will be regarded as invalid. In addition, Liberty Group Limited reserves the right to cancel the cover in its entirety and declare all Premiums paid as forfeited.

15.5 Fraud

If any claim is fictional, fraudulent in any manner or contains any misrepresentation, all Benefits will be forfeited and Liberty Group Limited reserves the right to cancel the cover in respect of the Live Insured or the Group as the case may be and declare all Premiums as forfeited.

15.6 Territorial Limits

All Lives Insured in terms of this Policy must be permanently resident in the Territories with effect from the Inception Date (or at the Commencement Date in the event that the Group was underwritten in terms of a Previous Group Policy) and for the duration of cover in terms of this Policy. Please refer to the Policy for limitations regarding temporary absence from the Territories.

15.7 Jurisdiction

The laws of the Republic of South Africa, which Courts will have jurisdiction in any dispute arising hereunder, will govern the Policy.

15.8 Currency

Premiums and Benefits are shown and are payable in the South African currency (ZAR) and all Benefits shall be paid only into a South African bank account.

15.9 Surrender Value

No surrender or cash value is payable under this Policy and no loans will be allowed in terms of the Policy.

16. Consent to disclosure of Personal Information

16.1 Liberty Group Limited may be required to collect and share certain personal information of the Credit Provider and the Lives Insured in order to service, assess risks and consider claims for Benefits in terms of the Policy. Liberty Group Limited is limited by law to only collect, share and Process information that specifically relates and is relevant to the Policy. Liberty Group Limited undertakes to keep it confidential, secure and only for as long as it is needed.

16.2 The Credit Provider and Life Insured authorises Liberty Group Limited (their staff, representatives and certain subcontractors) to collect and Process certain personal, medical or financial information from any person(s) which

Liberty Group Limited deems necessary; and share information, in any related policy or other document, with other insurers, either directly or indirectly, at any time.

- 16.3 This authorisation is irrevocable and extends beyond death. It applies only for the above purposes. The Credit Provider and Lives Insured are entitled at any time to request access to the information collected, Processed or shared.

17. Queries/Complaints:

Complaints or comments should be directed in writing to:

The Complaints Resolution Manager
Liberty Corporate
P O Box 2094, Johannesburg, 2000
t: 011 408 2771
f: 011 408 4440
e: contactlcb@Liberty.co.za

Alternatively, complaints may be directed in writing to:

The Liberty Internal Ombudsman
P O Box 10499, Johannesburg, 2000
f: 011 408 3157
e: internalombud@Liberty.co.za

If your complaint is not resolved to your satisfaction by Liberty Group Limited, you may contact one of the legislative bodies that have been tasked to look after your interests as a customer.

17.1 Particulars of the Registrar of Long-term Insurance

Postal address	Financial Services Board
PO Box	35655, Menlo Park, 0102
Telephone number	012 428 8000
Facsimile number	012 347 0221

17.2 Particulars of the Long-term Insurance Ombudsman

Postal address	The Ombudsman for Long Term Insurance, Private Bag X45, Claremont, 7735
Telephone number	021 657 5000
Facsimile number	021 674 0951
Share call number	086 010 3236

17.3 Particulars of the FAIS Ombud

Postal address	The Office for the Ombud of Financial Service Providers P O Box 74571, Lynnwood Ridge, 0040
Telephone number	012 470 9080/99
Facsimile number	012 348 3447
Share call number	0860 324 766
Email	info@faisombud.co.za

17.4 Insurer / Underwriter

The insurer (also called an 'underwriter') of the Group Policy is Liberty Group Limited (Reg. no 1957/002788/06).

Physical address	Liberty Group Life Centre 1 Ameshoff Street Braamfontein 2001
Postal address	PO Box 10499 Johannesburg 2000
Telephone no	011 408 2999
Email	contactlcb@Liberty.co.za
Public Officer	Mr Ismail Mamoojee