

**GROUP DEATH AND PERMANENT DISABILITY BENEFITS
POLICY NUMBER 0090002289/11
(the "Policy")**

issued to

**UNIVERSITY OF CAPE TOWN
(the "Employer")**

Insured by

**CAPITAL ALLIANCE GROUP RISK, a division of LIBERTY GROUP LIMITED
(Registration Number 1957/002788/06)**

1. CAPITAL ALLIANCE GROUP RISK, a division of LIBERTY GROUP LIMITED, ("Capital Alliance") has agreed to underwrite the Death and Permanent Disability Benefits described in this Policy on the basis of an application received and the written statements and declarations made in connection therewith and in reliance on which this Policy is issued to the Employer.
2. In consideration for the prior payment of premiums, Capital Alliance shall pay the Death and Permanent Disability Benefits described in the Schedule in the manner described in this Policy on satisfactory proof of the Member's death or Disablement.
3. All performance under this Policy shall be subject to the terms and conditions of the Policy.
4. This Policy is effective from the Policy Effective Date.

This Policy is signed in BRAAMFONTEIN on this 15 of October 2021 and replaces all previously issued Policies and Endorsements thereto.

For and on behalf of **CAPITAL ALLIANCE GROUP RISK.**



AUTHORISED OFFICIAL

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1. DEFINITIONS

In this Policy, where the context so permits, the masculine includes the feminine, and vice versa, and the singular includes the plural and vice versa. The following words where they appear in the Policy have the meanings assigned to them below.

“Accident” means a sudden, unexpected, unusual, specific event occurring at a particular moment and a particular place, which event the Member could not foresee, anticipate or envisage, and which results in visible, violent, external and traumatic physical injury to the body.

“Actively at Work” means an Employee being at his/her employment with the Employer (including working remotely) and attending to and/or capable of attending to all the usual and routine duties of his/her employment in accordance with his/her contract with the Employer. An Employee is deemed to be Actively at Work during Working Days if he/she was performing the usual and routine duties of his/her job on an active basis and/or capable to do so during such Working Days in accordance with the contract of employment;

“Alternate Occupation” means an alternate occupation with any employer in the open labour market for which a Member is reasonably suited or may become suited by virtue of his experience, knowledge, training, education or ability, even if the Member is not following such an occupation or is unable to secure such a position.

“Annual Renewal Date” means the date, as specified in the Schedule, that this Policy is annually renewed.

“Beneficiary” means the person nominated in writing by the Member to the Employer to receive part or all the Member’s Death Benefits.

“Capital Alliance” means Capital Alliance Group Risk, a division of Liberty Group Limited, (Registration No. 1957/002788/06) whose principal office is at Libridge, 25 Ameshoff Street, Braamfontein.

“Commencement Date” means the date specified in the Schedule, upon which this Scheme commenced.

“Continued Cover” means that a Member’s Insurance will continue if the Member becomes an income disability claimant and is in receipt of a disability income benefit or is in a disability income benefit claim waiting period, provided by a separate group policy of insurance.

“Conversion Option” means the option, if selected in the Schedule, which is available to a Member upon his leaving Service to take out a Personal Policy in his personal capacity, subject to the provisions of clause 2.13.

“Date of Disablement” means the date Capital Alliance determines to be the date the Member was last capable of fulfilling his Own Occupation or an Alternate Occupation, taking into account objective medical or professional evidence, the date that the Member was last Actively at Work, the Member’s sick leave record and any other evidence Capital Alliance may reasonably request or consider relevant.

“Date of Discontinuance” means the date on which any of the events described in clauses 8.1.1 to 8.1.4 (inclusive) occurs, or the date advised in writing by the Employer or Capital Alliance to the other, that the Policy will be terminated.

“Death Benefit” means the benefit set out in the Schedule or, if less, the amount of cover for which the Member has been accepted by Capital Alliance, which is payable if the Member’s death claim is admitted as a valid claim by Capital Alliance.

“Disabled” means:

that Capital Alliance considers the Member to be disabled because he is, from the Date of Disablement, continuously, totally and permanently unable to perform the material and substantial duties of his Own Occupation or an Alternate Occupation with his Employer or in the open labour market, due to injury, disease or illness. The Member will only be considered to be ‘Disabled’ if the injury, disease or illness results in the Member experiencing a loss of earned income and Capital Alliance is satisfied that the disability will remain continuous, total and permanent and such impairment cannot be removed by any form of treatment that the Member can reasonably be expected to undergo;

or

the Member suffering the severance or permanent loss of use at or above the wrists or ankles of both hands or feet or one of each, all use of one foot or one hand and all sight in one eye or the permanent loss of sight in both eyes.

“Disability” has a corresponding meaning.

“Eligibility Conditions” means the conditions specified in the Schedule that an Employee must satisfy in order to be eligible for Death and Permanent Disability Benefits.

“Eligible Employee” means an Employee who satisfies the Eligibility Conditions.

“Employer” means the employer described in the Schedule to whom this Policy is issued and such other associated or subsidiary employer that, with the prior written agreement of Capital Alliance, participates in this Scheme.

“Entry Date” means the date that an Eligible Employee’s Insurance under this Policy commences, which shall not be later than the Employee attaining the upper eligibility age limit specified in the Eligibility Conditions.

“Evidence of Health and Insurability” means medical or non-medical information, which gives details of a Member’s health and/or risk profile and which is accepted by Capital Alliance as satisfactory evidence of the Member’s health and insurability.

“Free Cover Limit” means the amount, as determined by Capital Alliance in terms of clause 2.6, of Death and Permanent Disability Benefits automatically granted to Members without Evidence of Health and Insurability.

“Full–Time” means an Employee devoting at least 20 hours a week to the business of the Employer.

“Insurance” means the insurance in terms of which Capital Alliance provides Death and Permanent Disability Benefits for Members in terms of this Policy.

“Insurer” means Liberty Group Limited, registration number 1957/002788/06, a public company incorporated and registered in terms of the Companies Act, 71 of 2008, and licensed as an insurer in terms of the Insurance Act, having its principal place of business at Liberty Centre, 1 Ameshoff Street, Braamfontein.

“Interim Accident Cover” means the cover in excess of the Free Cover Limit or in excess of the Member’s previously accepted amount of cover, if greater, which Capital Alliance provides to a Member during the underwriting assessment period and which is paid out only if a claim arises due to an Accident during that period.

“Maximum Cover Age” means the last day of the month in which the Member reaches the maximum cover age specified in the Schedule, subject to a maximum age of 70 years in respect of the Death Benefit and 65 years in respect of the Permanent Disability Benefit.

“Member” means an Eligible Employee who is insured under this Policy for the Death and Permanent Disability Benefits. “Membership” has a corresponding meaning.

“Notification Period” means

- (i) in the case of a Death Benefit claim, the 12 month period immediately following the date of death; and
- (ii) in the case of a Permanent Disability Benefit claim, the 9 month period immediately following the earlier of the occurrence of the event giving rise to the claim or the Member’s last working day,

and within which the Employer must notify Capital Alliance of a claim or a potential claim in accordance with Section 6.

“Own Occupation” means, if selected in the Schedule, the Full-Time, usual and routine duties of the occupation that a Member was engaged in immediately before the Date of Disablement. If the Member’s occupation is that of a miner, who is either wholly or partly employed underground, a pilot, diver, driver, seaman, security person, sportsperson, performing artist or anyone who participates in a special occupation designated as such by Capital Alliance, which information is available on enquiry at the Member’s Entry Date, then the Member’s Own Occupation will mean an Alternate Occupation from the onset of Disablement.

“Permanent Disability Benefit” means the benefit, as set out in the Schedule, which is payable if the Member’s Permanent Disability claim is admitted as a valid claim by Capital Alliance.

“Personal Policy” means a policy of insurance providing similar insurance to that provided under this Policy and which is issued to a person who has exercised any Conversion Option that may be available in terms of this Policy.

“Policy” means this policy of Insurance, any endorsements thereto and the Schedule, issued by Capital Alliance to the Employer.

“Policy Effective Date” means the date specified in the Schedule upon which this Policy becomes effective.

“Policyholder Protection Rules” means the policyholder protection rules described in the Insurance Act, 2017.

“Pre-Existing Condition” means:

- (a) any illness or bodily injury which occurred; or
- (b) any condition for which the Member sought or received medical treatment, or of which the Member was aware

during the 6 months prior to his Entry Date or, during the 6 months prior to an increase in the Member’s Insurance as a result of an endorsement to this Policy, and which results in a Member becoming Disabled during the 12 months following the Member’s Entry Date or, if later, during the 12 months following the date of an increase in the Member’s Insurance as a result of an endorsement to this Policy. If a Member was covered for a similar permanent disability benefit with another Insurer immediately prior to the Commencement Date, membership under the Previous Scheme will be taken into account to determine if the above-mentioned 6 month or 12 month periods have passed, respectively.

“Previous Scheme” means the group policy of insurance (if any) underwritten by the Insurer specified in the Schedule, in force immediately prior to the Commencement Date and in terms of which Members of this Scheme were covered immediately prior to this Scheme’s Commencement Date.

“Retirement Age” means the last day of the month in which the Member attains the age specified in the Schedule.

“Salary” means the annual rate of salary or wages paid to a Member, advised to Capital Alliance by the Employer, and used for the purpose of establishing the Member’s level of cover under this Policy. Where a Member is paid an irregular income, the Salary will be the average income over the 12 months immediately preceding the event which gives rise to a claim.

“Schedule” means the Schedule which is attached to and forms part of this Policy and which describes the Death and Permanent Disability Benefits for Members in terms of this Policy.

“Schedule Effective Date” means the date specified in the Schedule upon which the provisions contained in that Schedule become effective.

“Scheme” means this scheme of Insurance, as specified in the Schedule.

“Service” means active, regular and Full-Time employment on the Employer’s permanent staff. Persons employed in terms of either a fixed-term and/or part time employment contract are not deemed to be in service.

“Tapering Period” means the number of years, as specified in the Schedule, prior to the Member’s Retirement Age during which the amount of the Member’s Permanent Disability Benefit reduces.

“Temporary Absence” means:

- (i) a Member’s lawful absence from work for any lawful reason, including maternity leave and childbirth, but excluding disability; and
- (ii) which is recognised by the Employer as temporary; and
- (iii) for which the Member receives full, or temporarily reduced or no remuneration during such absence.

“Temporarily Absent” has a corresponding meaning.

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

“Waiting Period” means the period specified in the Schedule which immediately follows the Date of Disablement and during which no Permanent Disability Benefit is payable.

"Working Days" means the days which an Employee is required to be at his/her employment with the Employer, or working remotely and attending to all the usual and routine duties of his/her employment".

2. MEMBERSHIP CONDITIONS

2.1 Commencement of Insurance

Insurance provided in terms of this Policy will, subject to the provisions of clauses 2.4 and 2.6, commence on the Eligible Employee's Entry Date. An Employee is not eligible for the Death and/or Permanent Disability Benefit if he has attained the upper age limit specified in the Eligibility Conditions at the date on which his cover under this Policy would otherwise commence.

2.2 Compulsory Membership

Membership of this Scheme is compulsory for all Eligible Employees.

2.3 Admission to Membership

Any person who becomes eligible for membership after the Commencement Date shall become a Member on the day on which he first satisfies the Eligibility Conditions.

2.4 Actively at Work Requirements

2.4.1 If an Eligible Employee is not Actively at Work on the date on which his cover under this Policy is otherwise due to commence or, if later, the date on which a Member's Death and/or Permanent Disability Benefit/s under the Policy is/are increased as a result of a change to the Death and/or Permanent Disability Benefit structure applicable to the Member, his cover or the increased amount of cover, as the case may be, will not be available until the earlier of the date on which Evidence of Health and Insurability has been submitted to and assessed by Capital Alliance or Eligible Employee's or Member's completion of 60 consecutive days' Service.

2.4.2 If the Member was a member of the Previous Scheme, Capital Alliance will waive the Actively at Work conditions if the Eligible Employee previously satisfied "Actively at Work" provisions similar to those contained in 2.4.1 of this Policy under the Previous Scheme.

2.4.3 Capital Alliance will not under any circumstances waive the Actively at Work conditions or accept any liability for an Employee's pending claim for any similar benefit under the Previous Scheme if

2.4.3.1 the Employee died prior to the Commencement Date of this Scheme; or

2.4.3.2 the event giving rise to a Permanent Disability Benefit claim occurred prior to the Commencement Date of this Scheme; or

2.4.3.3 the Employee is in a waiting period under a permanent disability arrangement under the Previous Scheme.

2.5 Transfer of Cover

2.5.1 Where the Insurance under this Policy is transferred from a Previous Scheme, Capital Alliance will grant cover under this Policy on terms as similar as possible to the underwriting terms granted to those Eligible Employees who enjoyed cover under the Previous Scheme. The granting of this cover by Capital Alliance in terms of this clause is subject to:–

2.5.1.1 any limit which Capital Alliance may apply in respect of a Member's cover; and

2.5.1.2 the cover under the Previous Scheme which is in excess of the Free Cover Limit under this Policy having been medically underwritten by the Insurer of the Previous Scheme in line with acceptable underwriting practice approved by the Association for Savings and Investment South Africa (ASISA); and

2.5.1.3 cover under the Previous Scheme which has not been medically underwritten by the Insurer of the Previous Scheme being taken over up to a maximum of the Previous Scheme's free cover limit; and

2.5.1.4 written proof of such cover, on the previous Insurer's letterhead, being submitted to Capital Alliance at the date of transfer of the Insurance.

2.5.2 Any future increases in cover may, if Capital Alliance agrees in writing, be underwritten based on all available evidence, including copies of any medical evidence made available by the previous Insurer, and no cover in excess of the cover granted under the Previous Scheme immediately prior to the Commencement Date will be granted unless the Employer and/or any other person entitled to access such evidence, has granted Capital Alliance access to such evidence.

2.5.3 The free cover limit that applied to the Previous Scheme immediately prior to the Commencement Date will not automatically be taken over by Capital Alliance.

2.6 Free Cover Limit

- 2.6.1 A Member's Death and Permanent Disability Benefits are limited to the Free Cover Limit, which Capital Alliance will review from time to time. Cover in excess of the Free Cover Limit will only be granted if Evidence of Health and Insurability is submitted to the satisfaction of Capital Alliance and Capital Alliance has agreed in writing to provide an amount of cover that is in excess of the Free Cover Limit.

- 2.6.2 The Employer is responsible for ensuring that Evidence of Health and Insurability is supplied to Capital Alliance as soon as is reasonably possible. Evidence of Health and Insurability must be accepted as satisfactory by Capital Alliance within the timeframes as indicated on Capital Alliance service level agreement communicated from time to time, prior to the earlier of the Member's death, Disablement or the event which gives rise to a claim. Upon receipt of the evidence of health and insurability, Capital Alliance reserves the right to request further medical evidence if the initial evidence received is insufficient for Capital Alliance to make an informed decision.

- 2.6.3 If, in Capital Alliance's opinion, the Evidence of Health and Insurability shows that a Member's life or health is subject to a particular risk or hazard, or if, in Capital Alliance's opinion, a Member engages in professional or semi-professional activities that render his health or his life susceptible to a particular risk or hazard, Capital Alliance will either:
 - 2.6.3.1 agree to provide the amount of cover in excess of the Free Cover Limit or in excess of the Member's previously accepted amount of cover, as the case may be, with or without special terms and conditions; or
 - 2.6.3.2 decline to provide the amount of cover which is in excess of the Free Cover Limit or in excess of the Member's previously accepted amount of cover, as the case may be.

- 2.6.4 Capital Alliance will advise the Employer in writing of any decision described in clause 2.6.3.

- 2.6.5 Capital Alliance will bear the cost of any Evidence of Health and Insurability requested by it, such cost being determined by Capital Alliance.

2.6.6 Capital Alliance may, at its unfettered discretion, allow increases in the Death and/or Permanent Disability Benefits for 5 consecutive years or impose a monetary maximum, without any further Evidence of Health and Insurability being required.

2.7 Late Notification of Eligible Employees

If Capital Alliance is notified of an Eligible Employee 12 months or more after the date on which the Eligible Employee should have been admitted to membership of this Scheme, the Eligible Employee will not be covered for any Death or Permanent Disability Benefit under this Policy until Evidence of Health and Insurability has been submitted to Capital Alliance and Capital Alliance has confirmed its acceptance of the Eligible Employee for Death and/or Permanent Disability Benefits.

2.8 Interim Accident Cover

2.8.1 From the date that a Member first applies for cover in excess of the Free Cover Limit (or the Member's higher amount of cover which has already been granted by Capital Alliance), the Member will be granted Interim Accident Cover for a period of 6 months.

2.8.2 If Evidence of Health and Insurability is submitted to Capital Alliance within the above-mentioned 6-month period, but Capital Alliance is unable to finalise an underwriting decision based on this evidence, the Interim Accident Cover will be available for a further 6 months or, if earlier, until Capital Alliance has finalised its underwriting decision.

2.8.3 If Evidence of Health and Insurability had previously been requested in respect of a Member but such evidence has not been submitted to Capital Alliance or if a Member has not been granted cover in excess of the Free Cover Limit, Interim Accident Cover is not available to the Member. If the Member subsequently submits Evidence of Health and Insurability or Capital Alliance grants the Member cover in excess of the Free Cover Limit, the Member will again be eligible for the Interim Accident Cover, subject to the same conditions as those described in 2.8.1 and 2.8.2 above.

2.8.4 The amount of Interim Accident Cover will be restricted to the lesser of either the maximum amount of Interim Accident Cover determined by Capital Alliance and advised to the Employer in writing or the difference between the Free Cover Limit (or the Member's higher amount of cover which has already been granted by Capital Alliance) and the Member's full potential Death and/or Permanent Disability Benefit.

2.9 Temporary Absence

If a Member is Temporarily Absent, the following applies:

- 2.9.1 the Member's cover for Death and Permanent Disability Benefits will continue uninterrupted for the permissible period of the Temporary Absence subject to:
 - 2.9.1.1 the ongoing payment of premiums in respect of the Member's Death and Permanent Disability Benefits; and
 - 2.9.1.2 the remaining terms and conditions of this Policy continuing to be met;
- 2.9.2 cover shall continue for a maximum period of 12 consecutive months' Temporary Absence;
- 2.9.3 if the Employer requires Capital Alliance to provide cover for a Member for a period in excess of 12 consecutive months' Temporary Absence, the Employer must specifically request the provision of such cover in writing prior to the expiry of the 12-month period. If it agrees to provide such cover, Capital Alliance shall advise the Employer in writing of any terms and conditions that it will impose for the continuance of such cover for the period in excess of the above-mentioned 12 months, as well as the maximum period that Capital Alliance will provide cover for the Member concerned;
- 2.9.4 if a Member's cover does not continue during any period of Temporary Absence, his cover will be reinstated upon his return to work subject to the following conditions:
 - 2.9.4.1 payment of premiums in respect of the Member's cover is resumed, and
 - 2.9.4.2 the Member's cover during the first 60 consecutive days back at work will be subject to the provisions of clause 2.4;
- 2.9.5 if a Member dies or suffers an event which may give rise to a Permanent Disability Benefit claim during any period of Temporary Absence during which the Member's cover continued, the Employer must notify Capital Alliance of the Member's death or potential Disablement within the Notification Period and the normal claims procedure will apply.

- 2.9.6 Absences from work that are separated by intervals of less than 3 consecutive months will be added together to determine whether or not the above-mentioned 12-month period (or such longer period as may be permitted in terms of clause 2.9.3) has elapsed.

2.10 Territorial Limitations

If a Member is temporarily absent from the Territories, the following provisions apply subject to the remaining terms and conditions of this Policy being met:

- 2.10.1 the Employer will continue to pay premiums in respect of the Member's cover for a maximum period of 12 months, after which cover shall cease until the Member returns to the Territories;
- 2.10.2 the cover available to a Member who is absent from the Territories and the premium payable during the 12-month period of such absence in respect of that cover will be that which applied to the Member immediately prior to his absence from the Territories;
- 2.10.3 if the Employer requires Capital Alliance to provide cover for a Member for a period in excess of the above-mentioned 12 months, the Employer must specifically request the provision of such cover in writing prior to the expiry of the permitted period of absence outside the Territories. If it agrees to provide such cover, Capital Alliance shall advise the Employer in writing of any terms and conditions that it will impose for the continuance of such cover for the period in excess of the above-mentioned 12 months, as well as the maximum period that Capital Alliance will provide cover for the Member concerned;
- 2.10.4 the Employer will continue to pay premiums in respect of the Member's Death and Permanent Disability Benefits for any period that cover is granted in excess of the 12-month period of permitted absence from the Territories at the rate determined by Capital Alliance and advised to the Employer;
- 2.10.5 if a Member's cover does not continue during any period of absence from the Territories, his cover will be reinstated his return to the Territories subject to the following conditions:
- 2.10.5.1 payment of premiums in respect of the Member's cover is resumed, and
- 2.10.5.2 the Member's cover during the first 60 consecutive days back at work will be subject to the provisions of clause 2.4;

- 2.10.6 absences from the Territories that are separated by intervals of less than 6 consecutive weeks will be added together to determine whether or not the above-mentioned 12-month period (or such longer period as may be permitted in terms of clause 2.10.3) has elapsed;
- 2.10.7 the Employer will provide monthly schedules reflecting which Members are temporarily absent from the Territories or who are expected to be temporarily absent from the Territories for a period exceeding 12 months. The Employer's failure to provide the schedules entitles Capital Alliance to terminate Insurance for the Member/s concerned.
- 2.10.8 if a Member whose cover continues during any period of absence from the Territories experiences any deterioration of health which may give rise to a claim or if the Member dies or becomes Disabled whilst outside the Territories, the Employer must notify Capital Alliance of this within the Notification Period and the normal claims procedure will apply.

2.11 Membership May Not Cease

- 2.11.1 A Member may not resign from or cease Membership of the Scheme whilst he remains eligible for Membership and is under Retirement Age. If a Member who is in Service ceases to be eligible for Membership, no further premiums shall be paid and his Insurance under this Policy shall cease.
- 2.11.2 In the event of a Member's absence from Service in any manner other than as described in clause 2.9 or in the event of him ceasing or resigning from Service, he shall be treated as a new Employee for the purposes of Membership of the Scheme on re-entering Service.

2.12 Continuance of Membership During Disablement

A Member who is in receipt of a disablement benefit under any income protection arrangement provided by his Employer shall, if this option has been selected in the Schedule, continue to be a Member of the Scheme provided that:

- 2.12.1 Capital Alliance has been notified; and
- 2.12.2 premiums in respect of the Member's Death and Permanent Disability Benefits continue to be paid in terms of this Policy at the rate applicable to his Salary as declared in terms of this Policy immediately prior to the occurrence of the event giving rise to the disablement.

For the purposes of determining the Death and Permanent Disability Benefits under this Policy in respect of a Member whose cover continues during a period of disablement as described above, the Member's Salary may, subject to any evidence (including medical evidence) required by Capital Alliance being received and accepted by Capital Alliance, be deemed to increase at a rate not exceeding the rate of increase (if any) in his disability income benefit. Any deemed increases in the Member's Salary shall take effect on the date on which the Disability Benefit increases or Annual Renewal Date coincident with or, if not coincident with immediately following, any increase in the Member's disability income benefit.

A Member whose Membership of the Scheme is suspended during a period of disablement in terms of this clause shall be reinstated as a Member upon the Member's return to active employment with the Employer.

2.13 Conversion Option

2.13.1 Subject to the appropriate premium for this option having been paid by the Employer and if the Conversion Option has been selected in the Schedule, a Member may exercise the Conversion Option in respect of his Death Benefit in the event of him leaving Service:

2.13.1.1 at least 5 years prior to his Retirement Age for any reason other than retirement; or

2.13.1.2 up to and including the earlier of his Retirement Age and the Maximum Cover Age

in accordance with the selection indicated in the Schedule.

2.13.2 If the Conversion Option has been selected in the Schedule, a Member may exercise the Conversion Option in respect of his Permanent Disability Benefit in the event of him leaving Service for any reason other than for reasons of ill health, up to and including the earlier of his attaining the age of 64 years or the Maximum Cover Age. The Conversion Option for the Permanent Disability Benefit is only available if the Member also exercises the Conversion Option in respect of his Death Benefit.

2.13.3 The Conversion Option is also available to a Member who leaves Service as a result of the Scheme terminating, provided that the Employer ceases to operate as a going concern and the Employer is not transferring the Members of this Scheme to another arrangement which provides permanent disability and/or death cover.

- 2.13.4 In terms of the Personal Policy:
- 2.13.4.1 no evidence of insurability shall be required other than Liberty Group Limited's requirements in respect of Acquired Immunodeficiency Syndrome (AIDS), Human Immunodeficiency Virus (HIV) and Cotinine tests;
 - 2.13.4.2 a standard rate of premium for the Member's age and risk class shall apply;
 - 2.13.4.3 any Pre-Existing Conditions provisions that apply in terms of this Policy shall continue to apply to the Personal Policy;
 - 2.13.4.4 any waiting period under the Personal Policy shall not be shorter than the Waiting Period that applies to the Member under this Policy;
 - 2.13.4.5 the maximum cover age under the Personal Policy shall not be later than the Maximum Cover Age that applies to the Member under this Policy;
 - 2.13.4.6 any other terms and conditions that are not specifically excluded in terms of this clause and which are usually applied by Liberty Group Limited to the type of Personal Policy selected by the Member shall also apply to the Personal Policy;
 - 2.13.4.7 the amount of cover available in terms of the Personal Policy shall exclude any amount that was subject to special terms and conditions in terms of clause 2.6 of this Policy.
- 2.13.5 If the Member wishes to exercise the Conversion Option, he must do so in writing within 60 days of the date of his Insurance under this Policy ceasing.
- 2.13.6 If premiums for the Conversion Option commence after the Commencement Date, the Conversion Option may only be exercised by a Member once premiums for the Conversion Option have been paid for 12 consecutive months and the Member has been a Member of this Scheme for at least 12 consecutive months after the premiums for the Conversion Option commenced.

2.14 Cover After Leaving Service

If a Member who qualifies for the Conversion Option dies or becomes Disabled within 30 days of the termination of his Service as envisaged in clause 2.13 above, the amount of cover that he would have obtained in terms of a Personal Policy shall be paid to the Member/Beneficiaries (as the case may be), his nominees or estate, as decided by Capital Alliance, irrespective of whether the Member had exercised the Conversion Option or not.

2.15 Extended In-Service Death Benefit

2.15.1 If a Member remains actively in Service after his Retirement Age, such Member's Death Benefit may, subject to the appropriate premium having been paid and if this option has been selected in the Schedule, remain in force until the earlier of the Member's actual retirement from Service and age 70 years.

2.15.2 The Death Benefit cover in respect of a Member who remains actively in Service in terms of clause 2.15.1 will remain in force at the level for which he was accepted immediately prior to his Retirement Age. No increases in cover in excess of the average increase in cover for the Scheme shall be permitted after the Member's Retirement Age until such time as satisfactory medical evidence has been accepted by Capital Alliance. The cost of any such medical evidence shall be borne by the Member.

2.15.3 If such a Member goes on Temporary Absence, for whatever reason, after his Retirement Age, his cover shall terminate immediately upon the commencement of such Temporary Absence, and no further benefits will be payable in respect of such Member.

2.16 Reinstatement of Death Cover

If Capital Alliance admits and pays a critical condition benefit to a Member in terms of a critical condition policy issued to the Employer by Capital Alliance, then provided the appropriate premium has been paid and this option has been selected in the Schedule, such portion of the Death Benefit as was paid as a critical condition benefit shall be reinstated for the purpose of the Member's Death Benefit, provided that the Member survives a period of 31 days from the date of:

2.16.1 the occurrence of the event giving rise to such critical condition benefit claim,
or

2.16.2 diagnosis of the event giving rise to such critical condition benefit claim,
whichever is applicable.

2.17 Termination of Membership

- 2.17.1 Capital Alliance may terminate a Member's Insurance without notice, if the Member does not comply with any of the provisions of this Policy.
- 2.17.2 A Member's Insurance will end on the earliest of:
 - 2.17.2.1 the end of the period for which the last premium has been paid for the Member, subject to Clause 2.13 if applicable;
 - 2.17.2.2 the date the Member reaches the Maximum Cover Age;
 - 2.17.2.3 the date upon which the Member ceases to be eligible for Insurance in terms of this Policy;
 - 2.17.2.4 the date upon which the Member ceases to be in Service for reasons other than being Disabled;
 - 2.17.2.5 the date Capital Alliance admits a Permanent Disability claim equal to the Member's Death Benefit;
 - 2.17.2.6 the date the Member's Temporary Absence or absence from the Territories exceeds the periods permitted by Capital Alliance in terms of this Policy.

2.18 Adjustment to Benefit

- 2.18.1 If the amount of a Member's Insurance has increased by more than 20% in one or more increments between the last Annual Renewal Date and the date of the event which gives rise to a claim or, in the case of a Death Benefit claim the date of the Member's death, and the Member was not Actively at Work on the date on which any such increase was effective, the maximum benefit payable in respect of the Member will be the lesser of the amount of Insurance for which the Member has been accepted by Capital Alliance and the amount of the Member's Insurance as at the last Annual Renewal Date plus 20%.
- 2.18.2 If the Employer provides written proof to Capital Alliance's satisfaction that there has been no deterioration since the last Annual Renewal Date in the risk profile in respect of the Member to whom the provisions of 2.18.1 above applies, the amount of Insurance payable in respect of the claim in question will include the amount of the increase which is in excess of the abovementioned 20%.
- 2.18.3 The total of the benefit in terms of clause 2.18.1 and 2.18.2 above will not exceed the amount of Insurance for which the Member has been accepted by Capital Alliance.

3. PREMIUMS

3.1 Capital Alliance Determines the Premiums

- 3.1.1 Unless otherwise agreed in writing by Capital Alliance, premiums due in terms of this Policy are determined by the sum insured for the Member multiplied by a monthly uniform rate determined by Capital Alliance at the Commencement Date and each Annual Renewal Date thereafter, or such other date as may be specified in this Policy.
- 3.1.2 Capital Alliance will advise the Employer of the premium rate applicable as at the Commencement Date prior to any Insurance under this Policy taking effect. The premium rate so quoted will be valid for the "Guaranteed Period" specified in the Schedule.

3.2 Employer to Pay Premiums

The Employer shall pay all premiums to Capital Alliance at its principal office in the currency of the Republic of South Africa.

3.3 Premium Review

- 3.3.1 Capital Alliance shall review the premium rate at least once a year on the Annual Renewal Date and will give the Employer 1 calendar month's written notice of any revised premium rate.
- 3.3.2 If the Annual Renewal Date does not fall on the anniversary of the Commencement Date, Capital Alliance will attempt to align the annual premium review date with the Annual Renewal Date. If such alignment does not take place, the premium rate will be reviewed on the anniversary of the Commencement Date.
- 3.3.3 Despite any contrary provision contained in this Policy, Capital Alliance reserves the right to change the premium rate on a date other than the annual premium review date or Annual Review Date upon 1 calendar month's written notice to the Employer if:-
- 3.3.3.1 the number of Members to be covered in terms of this Policy either increases or decreases by more than 15%; or
 - 3.3.3.2 a new associated or subsidiary company of the Employer commences participation in this Scheme; or
 - 3.3.3.3 there is a change to the Death and/or Permanent Disability Benefit structure under this Policy; or

- 3.3.3.4 the business activities of the Employer change to an extent that, in Capital Alliance's opinion, Capital Alliance's risk under this Policy changes in any material respect or;
- 3.3.3.5 the Employer commences business activities in another region of the Territories to an extent that, in Capital Alliance's opinion, Capital Alliance's risk under this Policy changes in any material respect.

3.4 Premium Due Date and Payment Frequency

- 3.4.1 Premiums are payable monthly in arrears on the first day of the month, and must be paid to Capital Alliance within 15 days from the end of the month in which the premium is due.
- 3.4.2 A further 15-day grace period is permitted for the payment of premiums. If the Employer fails to pay any premium by the end of the grace period this Policy will terminate unless Capital Alliance specifically agrees in writing to revive the Policy by permitting the Employer to resume payment of premiums. Any such revival of the Policy and the resumption of premium payments will be subject to terms and conditions determined by Capital Alliance and advised to the Employer in writing.
- 3.4.3 If an event giving rise to a claim occurs during the grace period or the extended grace period permitted for the payment of premiums, the claim will not be considered until all outstanding premiums have been paid.

3.5 Rates Based on Incorrect Information

If it is discovered that there has been a material and significant error or discrepancy in the data supplied to Capital Alliance when the premium was last determined, which information would have had a material effect on the assessment of the premium, Capital Alliance is entitled to change the premium with retrospective effect to the last Annual Renewal Date.

3.6 Duration of Premium Payments

The premium in respect of each Member is payable from the 1st of the month coincident with or, if not coincident with, immediately preceding, the Member's Entry Date until the last day of the month in which his cover under this Policy ceases.

4. EXCLUSIONS

4.1 General Exclusion

Capital Alliance will not pay any Death or Permanent Disability Benefit if the Member's death or Disablement was directly or indirectly caused by, or resulting from or was in connection with any of the following:

- (a) a Member's active involvement in any war, riot or civil commotion related incident. Active involvement will mean but not be limited to the instigation or perpetration of any or all of the acts mentioned, or voluntary association with or participation in any illegal mass and/or terrorist activities, riot and/or civil commotion and/or war related incident/s;
- (b) war – notwithstanding any other contrary provision in this Policy, no Death or Permanent Disability Benefit will be payable in the event of any claim that is incurred as a direct or indirect consequence of active participation in 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;
- (c) riot and/or civil commotion – no claim will be paid if the insured event directly or indirectly occurs or is traceable to active participation in civil commotion, riot, rebellion, sedition or any activity associated with the foregoing, or the defence, quelling, investigation or containment thereof; not applicable to security staff employed directly by the Employer performing their usual duties.
- (d) terrorism – any claim that results as a direct or indirect consequence of active participation in an act of terrorism (including but not limited to the use of force or violence) by any individual or individuals acting alone or on behalf of or in connection with any group committed to public fear and/or overthrow of the legal government, will not be covered;
- (e) atomic, biological or chemical warfare or terrorism – any claim that is incurred as a direct or indirect consequence of the use of nuclear, biological and chemical weapons or attacks on or sabotage of facilities and storage depots, which lead to the release of radioactivity or nuclear, biological or chemical warfare agents will not be covered. In particular, Insurance cover shall not exist when these attacks and sabotage have been performed with the specific use of information technology.
- (f) Capital Alliance will give the Employer written notice of the imposition of any further exclusions or the alteration of any of the above exclusions to the extent

that the imposition or alteration are required by Capital Alliance's reinsurer's, from any date upon which such exclusion is imposed or altered by the reinsurer.

4.2 Disability Benefit Exclusions

Capital Alliance will not recognise any Permanent Disability claim which is directly or indirectly caused by or attributable to:

- 4.2.1 the Member's commission of a crime, or
- 4.2.2 a Pre-Existing Condition.

5. DISABILITY BENEFIT

5.1 Benefit

- 5.1.1 Capital Alliance shall regard a Member as having become Disabled if, prior to the attainment of Member's Retirement Age, due to an injury, illness or a disease, he is totally and permanently prevented from following:
- 5.1.1.1 his Own Occupation; or
 - 5.1.1.2 an Alternate Occupation
- in accordance with the selection indicated in the Schedule.
- 5.1.2 The claim must be proved to the satisfaction of Capital Alliance in accordance with clause 6.
- 5.1.3 Disablement must have endured totally and continuously throughout the Waiting Period.
- 5.1.4 The Member is not expected to work during the Waiting Period.
- 5.1.5 Capital Alliance reserves the right to defer its decision to admit or repudiate a claim if it is of the opinion, and such opinion is supported by credible evidence, that the Member's condition can reasonably be expected to improve within a reasonable period of time after the expiry of the Waiting Period.
- 5.1.6 If a Tapering Period of 10 years is indicated in the Schedule and the onset of Disability occurs within such Tapering Period, the amount of the Permanent Disability Benefit payable will be equal to 10% for each complete year by which the onset of Disability precedes the Member's Retirement Age.
- 5.1.7 If a Tapering Period of 5 years is indicated in the Schedule and the onset of Disability occurs within such Tapering Period, the amount of the Permanent Disability Benefit payable will, in accordance with the selection indicated in the Schedule, be equal to either:
- 5.1.7.1 20% for each complete year by which the onset of Disability precedes the Member's Retirement Age; or
 - 5.1.7.2 1.667% for each complete month by which the onset of Disability precedes the Member's Retirement Age.

5.1.8 If Capital Alliance is of the opinion that a Member's condition renders him "Disabled" in terms of this Policy prior to the expiry of the Waiting Period, Capital Alliance may, in its absolute discretion, admit a claim for a Permanent Disability Benefit in respect of such Member prior to the expiry of the Waiting Period.

5.2 Aggregation of Benefits

Capital Alliance may limit any Permanent Disability Benefit payable to the Member in terms of this Policy in accordance with ASISA's Code of Good Practice for disability insurance, taking into account the total of all benefits from all sources in respect of the same disability event.

5.3 Administration Fee

Capital Alliance reserves the right to charge an additional administration fee in the case of a Permanent Disability claim which has been submitted in respect of a Member who is domiciled outside the Republic of South Africa.

5.4 Balance of Death Benefit

If a Member who has received a Permanent Disability Benefit in terms of this Policy remains in active Service with his Employer after Disablement, the balance, if any, of his Death Benefit in terms of this Policy will remain in force in accordance with the normal provisions of this Policy regarding the provision of Death Benefits.

6. CLAIMS PROCEDURE

The following procedures shall be followed in order to obtain payment of Death and Permanent Disability Benefits under the Scheme:-

6.1 Death Claims

6.1.1 The Employer shall give written notice to Capital Alliance of any Death Benefit claim within the Notification Period. If a Death Benefit claim is notified to Capital Alliance after the expiry of the Notification Period, Capital Alliance will reject the claim.

6.1.2 Capital Alliance shall require the following documentation:

- 6.1.2.1 a completed, signed and stamped "Death Claim Form";
- 6.1.2.2 a copy of the Member's death certificate;
- 6.1.2.3 a copy of the Member's Identity Document;
- 6.1.2.4 a copy of the Beneficiary's Identity Document or birth certificate;
- 6.1.2.5 a copy of the Member's latest payslip;
- 6.1.2.6 a completed nomination of Beneficiary form;
- 6.1.2.7 such other documentation that Capital Alliance may reasonably require.

6.2 Disability Claims

6.2.1 The Employer shall give written notice to Capital Alliance of any impending Permanent Disability Benefit claim within the Notification Period. If a Permanent Disability Benefit claim is notified to Capital Alliance after the expiry of the Notification Period, Capital Alliance will reject the claim.

6.2.2 Capital Alliance requires the following documentation:

- 6.2.2.1 a fully completed "Notification of a Death or Disability Claim Form";
- 6.2.2.2 Section A – Member's personal statement (part 1);
- 6.2.2.3 Section A - Employer's statement (part 2);
- 6.2.2.4 Section B – a confidential medical report by the Member's attending physician;
- 6.2.2.5 all available clinical evidence relevant to the claim;
- 6.2.2.6 a copy of the Member's identity document;

- 6.2.2.7 a copy of the Member's most recent payslip;
- 6.2.2.8 such other documents that Capital Alliance may reasonably require.
- 6.2.3 Upon receipt of the written notice referred to in clause 6.2.2, Capital Alliance shall advise the Employer of further requirements (if any) in order to consider the claim. If the additional information requested is not submitted to Capital Alliance within 60 days of Capital Alliance's request, the claim in question will be rejected.
- 6.2.4 The Member shall submit to medical examination by medical referees nominated by Capital Alliance or other expert opinion as frequently as Capital Alliance may reasonably require.
- 6.2.5 Upon submission of a Permanent Disability Benefit claim, the Employer shall furnish Capital Alliance with a full and updated report that shall include the necessary test results furnished by the specialist/s.
- 6.2.6 The cost of the evidence required in terms of clause 6.2.5 shall be borne by the Employer and/or the Member.
- 6.2.7 The cost of any further medical evidence or the expert opinion required by Capital Alliance in order to consider a Permanent Disability Benefit claim shall be borne by Capital Alliance.

6.3 Repudiation of Permanent Disability Claim

Capital Alliance may reject a Member's claim for a Permanent Disability Benefit if:

- 6.3.1 Capital Alliance has not been notified of the potential claim within the Notification Period; or
- 6.3.2 any additional information requested by Capital Alliance has not been submitted to Capital Alliance within 60 days of Capital Alliance's request; or
- 6.3.3 Capital Alliance does not consider the Member to be "Disabled" in terms of this Policy; or
- 6.3.4 the Member does not undergo reasonable medical treatment within 30 days of the injury or illness which may give rise to a claim when there is a reasonable likelihood that the medical treatment would improve the Member's ability to perform the duties of the occupations referred to in the definition of "Disability".

6.4 Reassessment of Permanent Disability Benefit Claim

If Capital Alliance rejects a claim for a Permanent Disability Benefit, the Member or Employer may resubmit the claim with new evidence or submissions. Such resubmission shall be made within 90 days of the repudiation. If Capital Alliance again rejects the claim, no further resubmission of the claim will be considered by Capital Alliance.

6.5 Cost of Medical Evidence to Reassess a Permanent Disability Benefit Claim

If a Permanent Disability Benefit claim is rejected and either the Member or the Employer submits new medical evidence in order to have the claim reassessed, the cost of such medical evidence shall be borne by the Employer and/or the Member. However, if such new evidence results in the claim being admitted, Capital Alliance shall reimburse the Employer and/or the Member for the cost of such new evidence.

6.6 Death during the Waiting Period/Claim Assessment Period

If the Member dies during the Waiting Period and/or while the claim for a Permanent Disability Benefit is being assessed, the claim will be treated as a Death Benefit, on condition that the Employer continued to pay the premiums in respect of the Member's Death Benefit from the commencement of the Waiting Period until the date of the Member's death. The amount of the Death Benefit will be determined using the deceased Member's Salary at the beginning of the Waiting Period.

6.7 Employer to Ensure Documentation Received by Capital Alliance

A fax/electronic mail transmission sheet is insufficient proof that Capital Alliance has received the requisite notification or any other documents or information referred to in clause 6. The Employer must take reasonable steps to ensure that Capital Alliance has received the relevant correspondence or documentation.

7. PAYMENT OF BENEFITS

7.1 Payment of Death Benefit

All Death Benefits payable in terms of this Policy shall be paid to the Member's Beneficiaries without deduction except as may be required or entitled to by law. If no valid nomination of a beneficiary exists, the Death Benefit shall be paid into the Member's estate or, if no inventory in respect of the Member has been received by the Master of the Supreme Court, into the Guardian's Fund where it may be claimed by the Member's dependants at some future time.

7.2 Nomination of Beneficiary

The Member may nominate a Beneficiary to receive the Death Benefit subject to the following terms and conditions:

- 7.2.1 such nomination is made in writing and is recorded by the Employer;
- 7.2.2 the Member may change or withdraw the nomination at any time provided that such change or withdrawal is made in writing;
- 7.2.3 the appointment of a Beneficiary will not confer any rights on the Beneficiary whilst the Member is alive;
- 7.2.4 the appointment of a Beneficiary will automatically be cancelled in the event of the Beneficiary predeceasing the Member;
- 7.2.5 no provision in any will or testamentary instrument will have the effect of appointing, varying or invalidating the appointment of a Beneficiary unless the provision specifically does so.

7.3 Payment of Permanent Disability Benefit

Any Permanent Disability Benefit payable in terms of this Policy shall be paid to the Member;

- 7.3.1 at the expiry of the Waiting Period or upon admission of the claim, whichever is later; or
- 7.3.2 if Capital Alliance has admitted the Permanent Disability Benefit claim in terms of clause 5.1.8, upon admission of the claim.

7.4 Payment to Trustee or Guardian

Should the Beneficiary or Member, as the case may be, be considered by the Employer to be incapable of competently managing his own affairs due to financial, legal, mental or other deficiency, Capital Alliance shall pay the Death or Permanent Disability Benefit, as the case may be, to the guardian, tutor, curator, trustee or such other suitable legal or natural person and in such manner as the Employer deems equitable.

8. DISCONTINUANCE

8.1 Discontinuance of the Scheme

Unless otherwise agreed by Capital Alliance and the Employer, the Scheme shall be discontinued upon the happening of any one of the following events:

- 8.1.1 if the Employer for any reason ceases to pay premiums in terms of clause 3.4 and Capital Alliance declines to revive this Policy;
- 8.1.2 if the Employer ceases to operate (other than for the purpose of amalgamation or reconstruction);
- 8.1.3 if the Employer is placed under final judicial management or liquidation or has effected a compromise with its creditors;
- 8.1.4 if the Employer fails to comply with any material conditions of this Policy or persists, despite demand, in failing to comply with any condition of this Policy;
- 8.1.5 Capital Alliance gives 2 calendar month's and the Employer gives 1 calendar month written notice to the other party of its intention to terminate this Policy.

8.2 Cooling-Off Period

The Employer is entitled to cancel this Policy from inception within the 31-days cooling-off period provided for in Rule 6 of the Policyholder Protection Rules provided no Death or Permanent Disability Benefit has yet been paid or claimed. The Employer must pay the premium due for any risk cover enjoyed between the Insurance commencing and the Policy being cancelled in terms of this clause.

8.3 Employer's Participation

- 8.3.1 The participation of an employer and the Members entered by that employer in the Scheme shall be discontinued upon the happening of any one of the following events:
 - 8.3.1.1 if the employer for any reason ceases to pay its share of the premium in terms of clause 3.4 and Capital Alliance declines to revive the Policy in respect of this employer;
 - 8.3.1.2 if the employer ceases to operate (other than for the purpose of amalgamation or reconstruction);
 - 8.3.1.3 if the employer is placed under final judicial management or liquidation or has effected a compromise with its creditors;

- 8.3.1.4 if the employer fails to comply with any material conditions of this Policy or persists, despite demand, in failing to comply with any condition of this Policy;
 - 8.3.1.5 if either Capital Alliance or the employer gives 1 calendar month's written notice to the other party of the discontinuance of such employer's participation.
- 8.3.2 If any one employer ceases premium payments, then the Death and Permanent Disability Benefits of the Members in Service with that employer shall cease.

8.4 Benefits on Discontinuance of the Scheme

If the Scheme is discontinued then:

- 8.4.1 any Permanent Disability Benefit in the course of payment under the Scheme at the Date of Discontinuance will remain in full force in accordance with the provisions of the Policy;
- 8.4.2 all claims admitted prior to the Date of Discontinuance will be met in accordance with the provisions of the Policy;
- 8.4.3 all claims notified to Capital Alliance before the Date of Discontinuance and before the expiry of the Notification Period will be considered and if admitted will be met in accordance with the provisions of this Policy;
- 8.4.4 all claims notified to Capital Alliance not more than 3 months after the Date of Discontinuance and within 3 months of the Member's death or Disablement will be considered and, if admitted, met in accordance with the provisions of this Policy;
- 8.4.5 no Death Benefit claim will be considered if the Member died after the Date of Discontinuance and no Permanent Disability Benefit claim will be considered if the Date of Disablement is after the Date of Discontinuance.

8.5 Discontinuance of Cover

Risk cover will be discontinued on the last day of the month in respect of which the most recent premium due in accordance with Section 3 of the Policy was payable to Capital Alliance.

9. GENERAL CONDITIONS

9.1 Methods and Procedures

Capital Alliance at all times retains the right to use the methods and procedures it deems necessary for the efficient administration of the Scheme. Where any event that affects the administration of the Scheme has not been expressly provided for in this Policy, Capital Alliance shall deal with the event as it deems fit.

9.2 Proposal and Policy Constitute Entire Contract

The Employer's application for Insurance, this Policy, the Schedule and any endorsements to this Policy constitute the entire contract between Capital Alliance and the Employer. Capital Alliance is not bound by any alteration or amendment unless such alteration or amendment has been reduced to writing and signed by the managing director of Capital Alliance or his duly authorised representative and is made an endorsement of this Policy. No contract between Capital Alliance and any other person other than the Employer is hereby constituted or implied.

9.3 Currency and Law

9.3.1 Amounts payable in terms of this Policy are payable in the lawful currency of the Republic of South Africa at Capital Alliance's head office.

9.3.2 Any question arising under this Policy will be decided according to the laws of the Republic of South Africa.

9.4 Members' Particulars and Related Information

The Employer shall supply all data, information and evidence that Capital Alliance may reasonably request. Such data, information and evidence shall be supplied on an annual basis or on a more frequent basis if required by Capital Alliance. Capital Alliance will maintain all necessary records of information received from the Employer concerning the identity of each Member and the benefits under the Scheme for the duration of the Scheme's existence and for such further period prescribed by law. Capital Alliance shall have the right to inspect any material records of the Employer which relate to the Scheme.

9.5 Amendment of Terms and Conditions

- 9.5.1 Capital Alliance may amend the terms and conditions of this Policy on any Annual Renewal Date. Any changes to the terms and conditions at a date other than an Annual Renewal Date will be subject to 1 calendar month's written notice to the Employer of such change.
- 9.5.2 Where any change to the terms and conditions of this Policy is necessary at any time as a result of legislative or regulatory changes, Capital Alliance may alter the provisions of this Policy to take into account such changes from the date that the legislation or regulation takes or took effect.
- 9.5.3 Unless specifically indicated by Capital Alliance to the contrary, amendments to the terms and conditions of this Policy:
- 9.5.3.1 will be prospective; and
 - 9.5.3.2 benefit improvements/reductions will not apply in respect of Death or Permanent Disability Benefit claims which have been received by Capital Alliance but not yet paid or are in the course of payment.

9.6 Notice Required for Change of Risk and/or Occupations

The Employer must give Capital Alliance written notice of any material change in the nature of an Employer's business or changes to the occupations of Members within 1 calendar month of such change.

9.7 Discharge and Extent of Capital Alliance's Obligations

Payment of a Death Benefit by Capital Alliance to a Beneficiary in terms of this Policy or payment of a Permanent Disability Benefit to a Member in terms of this Policy will be a full and final discharge of Capital Alliance's obligations in terms of this Policy in respect of the Death or Permanent Disability Benefit concerned. Capital Alliance's liability in this regard will not exceed the amount of the Death or Permanent Disability Benefit for which premiums have been paid and received or, if less, the amount of cover for which the Member has been accepted by Capital Alliance.

9.8 Indemnity

- 9.8.1 The Employer indemnifies Capital Alliance, the Members and/or Beneficiaries against any claim in respect of a loss or disadvantage incurred by any party as a result of a premium payment not being received by Capital Alliance on the due date reflected in this Policy.
- 9.8.2 The Employer further indemnifies Capital Alliance, the Members and Beneficiaries against any other loss, liability, damage or expense which Capital Alliance, the Members and/or Beneficiaries may incur as a result of an act or omission of the Employer, or that of the Employer's agent or other intermediary appointed by the Employer or any of their respective directors, employees, agents, contractors or representatives.

9.9 Address

- 9.9.1 The Employer's chosen address is specified in the Schedule.
- 9.9.2 Either party may change its chosen address by delivering written notice of the new address to the other party.

9.10 Communication

- 9.10.1 All legal communication and notices sent in connection with this Policy will be in writing to the registered street address of the addressee.
- 9.10.2 Any other communications to be given, sent or made under this Policy shall be in writing.
- 9.10.3 Any such notice or communication addressed to the Employer shall be delivered or sent by post to the Employer at the address last notified in writing to Capital Alliance.
- 9.10.4 If the Employer deals with Capital Alliance through an intermediary, any notice or communication in connection with this Policy that is addressed to the intermediary shall be deemed to be addressed to and received by the Employer. Any notice or communication received by Capital Alliance from that intermediary shall be deemed to have been sent by the Employer.
- 9.10.5 For the purposes of this Policy, "in writing" shall include e-mail provided that in the event of a dispute concerning the contents of e-mail correspondence, it must be proved that the contents of the e-mail have not been tampered with for such e-mail communication to be considered "in writing".

9.10.6 Digitally or electronically generated delivery notification in the sender's possession is insufficient proof of an instruction being received by Capital Alliance. Capital Alliance will not be liable for any communication or information sent to but not received by it via any electronic form of communication or hard copy, unless the appropriate steps were taken by the sender at the time of sending such communication or information to confirm receipt thereof by Capital Alliance.

9.11 Custody of Policy

The Employer and Capital Alliance will each hold a copy of this Policy and Capital Alliance may issue any relevant Schedules to be attached to this Policy from time to time. In the event of any discrepancy arising, the Policy and Schedules held by Capital Alliance will constitute prima facie proof of the applicable terms and conditions in force at any specific point in time.

9.12 Decisions Not a Precedent

No latitude, extension of time or other indulgence which may be given or allowed, whether by agreement or inadvertently, by Capital Alliance to the Employer in respect of the performance of any obligation in terms of this Policy shall under any circumstances whatsoever be construed to be implied consent or operate as a waiver or novation of, or otherwise affect any of Capital Alliance's rights or prevent Capital Alliance from enforcing, at any time and without notice, strict and punctual compliance with each and every obligation of the Employer.

9.13 Benefits Non-Assignable

The Death and Permanent Disability Benefits under this Policy cannot be ceded, pledged, or assigned in any way.

9.14 Surrender Value

This Policy will not participate in Capital Alliance's profits nor will it have any surrender value.

9.15 Fraud and Misrepresentation

9.15.1 Where the Employer, a Member or any other person acting on behalf of the Employer or Member has acted fraudulently towards Capital Alliance, whether at the time of entering into the Policy agreement, lodging a claim with Capital Alliance or at any other time, and whether Capital Alliance has suffered prejudice resulting therefrom or not, no cover shall be available in respect of any Member under the Policy to whom the fraudulent act relates and Capital Alliance may terminate such Member’s Membership, or terminate this Policy on written notice to the Employer.

9.15.2 Where the Employer, a Member or a Beneficiary has made a negligent or innocent misrepresentation to Capital Alliance, whether at the time of entering into the Policy agreement, lodging a claim with Capital Alliance or at any other time, Capital Alliance may in its sole and absolute discretion determine whether or not it will pay any Death or Permanent Disability Benefit under the Policy, as the case may be, in respect of the Member or Members concerned, and if so, whether the entire Death or Permanent Disability Benefit or only a portion thereof should be paid, and if a portion thereof, what portion and such payment shall discharge the obligation of Capital Alliance.

9.15.3 Where a Beneficiary or any person acting on behalf of a Beneficiary has acted fraudulently towards Capital Alliance at any time, and whether Capital Alliance has suffered prejudice resulting therefrom or not, no Death Benefit shall be payable to such Beneficiary.

9.15.4 In all instances where Capital Alliance has been the victim of fraud or misrepresentation, whether such misrepresentation is fraudulent, negligent or innocent (the “conduct”), where the conduct has resulted in prejudice to Capital Alliance, Capital Alliance reserves the right to claim from the Employer:

9.15.4.1 any excess Death or Permanent Disability Benefit paid by Capital Alliance by reason of the conduct; and/or

9.15.4.2 arrear premiums if the conduct has resulted in Capital Alliance’s charging a lower premium than it was entitled to claim.

This clause will not be applied should the party who commits such fraud or misrepresentation be employed by Capital Alliance.

9.16 Recovery of Overpayments

- 9.16.1 Capital Alliance reserves the right to recover any amount that is determined by it to be an overpayment. An overpayment occurs if Capital Alliance determines that:
- 9.16.1.1 the total amount Capital Alliance has paid in respect of a Member's claim is more than the total of the Death or Permanent Disability Benefit due in respect of the Member, or
 - 9.16.1.2 a payment Capital Alliance made should have been made by another Insurer under another group insurance policy.
- 9.16.2 If an overpayment occurs, the Member or the Beneficiary has an obligation to reimburse Capital Alliance.
- 9.16.3 Capital Alliance may recover the overpayment from the Member or Beneficiary by:
- 9.16.3.1 stopping the payment or reducing the amount of any Death or Permanent Disability Benefit payment; and/or
 - 9.16.3.2 demanding an immediate refund of the overpayment from any person to whom payment was made or who benefited therefrom; and/or
 - 9.16.3.3 taking legal action.
- 9.16.4 If the overpayment is a payment Capital Alliance made that should have been made by another Insurer under another group insurance policy, Capital Alliance may in its own name or in the Employer's or Member's name recover the overpayment from the other Insurer, and/or any person to or for whom or for whose benefit Capital Alliance made payment.

9.17 Liability for Tax

If Capital Alliance is required to account to and/or pay any taxing authority for any tax in respect of a Death Benefit or Permanent Disability Benefit which is payable in terms of this Policy, Capital Alliance will be entitled to deduct the amount of the tax from any Death Benefit or Permanent Disability Benefit payable.

9.18 Discrepancies

In the event of any difference or discrepancy arising between the Sections of the Policy and the Schedule, the latter shall prevail.

9.19 Profit-Sharing

This Policy will not participate in the profits of the Scheme.

9.20 No Beneficial Interest

The Employer shall have no interest in any benefits under this Policy.

9.21 Subsidiary Employers

Any subsidiary or associated firm or company of the Employer admitted to the Scheme shall observe and be governed by the provisions of this Policy.

9.22 Variations in Salary

Changes to a Member's Salary will, for the purposes of this Policy, be effective from the first day of the month following the month in which Capital Alliance is advised of the change to the Member's Salary.

9.23 General

9.23.1 None of Capital Alliance's directors or employees will be personally liable in terms of or for matters arising out of this Policy.

9.23.2 Capital Alliance is not liable for the payment of any benefit which has not been selected by the Employer in the Schedule.

10. DISPUTE RESOLUTION

10.1 Disputes Referred to Ombudsman

The Employer and Capital Alliance will attempt to resolve any dispute between them that arises from the interpretation or implementation of this Policy. If the parties are unable to resolve the dispute, the matter will be referred to the Ombudsman for Long-term Insurance (the “Ombudsman”), and the parties to the dispute will abide by the rules of the Ombudsman.

10.2 Arbitration

If the dispute is not resolved by the Ombudsman or if the parties to the dispute are not satisfied with the Ombudsman’s determination, the dispute will be referred to arbitration within 36 months of the event giving rise to the dispute or within 3 months of the publication of the Ombudsman’s determination (or such longer period if the affected parties agree), failing which any claim against Capital Alliance shall cease.

10.3 The Arbitrator

If the dispute is:

- 10.3.1 primarily a medical matter, the arbitrator shall be a practising medical practitioner of not less than 10 years’ standing
- 10.3.2 any other matter, the arbitrator shall be a practising attorney or advocate of not less than 10 years’ standing.

10.4 Matter Under Dispute

- 10.4.1 If the parties are unable to agree within 7 days whether the matter is primarily a medical matter or not, this question shall be resolved at the instance of either party by an attorney or advocate of not less than 10 years’ standing, agreed to by the parties, or failing agreement between them, appointed by the President for the time being of the Law Society of the Northern Provinces or its successor.
- 10.4.2 Where the parties, after the nature of the dispute has been agreed upon or determined, are unable to agree within 7 days of such determination upon an arbitrator, then in the case of a medical dispute the arbitrator shall be appointed at the instance of either party by the president of the Health Professions Council of South Africa (HPCSA) or its successor, and in the case of any other dispute, by the Chairman of the Johannesburg Bar Council, or its successor.

10.5 Arbitration

The arbitration shall be held in Johannesburg, remotely or at a venue mutually agreed by both parties by first assessing the claims experience on the fund and the value of the claim before a decision can be taken. Arbitration shall be in accordance with the formalities and procedures to be settled by the arbitrator, subject to the provisions of the Arbitration Act 1942. It may be held in an informal and summary manner, on the basis that it shall not be necessary to observe or carry out the usual formalities or procedures, pleadings and/or discovery, or the strict rules of evidence. In this regard the arbitrator shall have plenary powers to decide procedure, and in particular:

10.5.1 the question of liability for costs of the arbitration;

10.5.2 the question of the mechanical transcription of the proceedings.

The arbitration shall be held as quickly as possible with a view to it being completed as soon as possible after it has been referred.

10.6 Decision of the Arbitrator

Any decision made by the arbitrator:

10.6.1 shall be final and binding;

10.6.2 will be carried into immediate effect;

10.6.3 may be made an order of court to whose jurisdiction the parties to the dispute are subject.