

African Bank Funeral Plan: Terms and Conditions

Underwritten by Guardrisk Life Limited

1. Introduction

The application for insurance made by the Main Member in respect of the Assured Life (lives) named in the Policy Schedule has been accepted by Guardrisk, subject to the terms and conditions set out herein, which constitutes the policy agreement in respect of the African Bank Funeral Plan (“**the African Bank Funeral Plan**”).

Unless otherwise stated, capitalised words and expressions used in this African Bank Funeral Plan shall have the meaning ascribed to them in this document. In the event of a conflict between the provisions of this African Bank Funeral Plan and the Policy Schedule, the provisions of this document will prevail.

2. Definitions

The following terms shall bear the meaning ascribed to them in the corresponding clauses, unless the context indicates a different meaning:

- “**Beneficiary**” - see clause 13;
- “**Benefits**” - see clause 17;
- “**Child**” - see clause 11;
- “**Extended Family Member**” - see clause 12;
- “**Exclusions**” - see clause 21;
- “**Grace Period**” - see clause 23;
- “**Guardrisk**” or “**the Insurer**” - see clause 4;
- “**Inception Date**” - see clause 18;
- “**Insured Event**” - see clause 13;
- “**Main Member**” - see clause 6;
- “**Maximum Ages of Inception of Cover**” - see clause 22;
- “**Policy Members**” or “**Assured Life (Lives)**” - see clause 8;
- “**Policy Schedule**” - see clause 5;
- “**Premium**” - see clause 14;
- “**Premium Payer**” - see clause 7;
- “**Reinstatement**” - see clause 25;
- “**Spouse**” or “**Partner**” - see clause 10;
- “**Waiting Periods**” - see clause 20.

3. What is the African Bank Funeral Plan?

The African Bank Funeral Plan is a long-term insurance policy that provides cover in respect of the Policy Members stipulated in the Policy Schedule. The Benefits provided for in terms of this African Bank Funeral Plan will be paid in the event of the death of a Policy Member to assist the Main Member (or the Beneficiary in the event of the death of the Main Member) to cover the costs of the funeral of the deceased Policy Member. This African Bank Funeral Plan provides full life cover in respect of the Policy Members.

4. Who is the Insurer of this African Bank Funeral Plan?

The Insurer of this African Bank Funeral Plan is Guardrisk Life Limited (Registration number: 1999/013922/06. FSP76.), referred to herein as “**Guardrisk**” or “**the Insurer**”.

Guardrisk is a registered long-term insurer in terms of the Long-term Insurance Act, 52 of 1998 (“**Long-term Insurance Act**”) with its registered place of business situated at 102 Rivonia Road, Sandown, Sandton.

African Bank Limited (Registration number: 2014/176899/06) (“**African Bank**”) acts as the intermediary in respect of this African Bank Funeral Plan and receives commission from Guardrisk for rendering such intermediary services.

5. What is the Policy Schedule?

The Policy Schedule is the document issued by Guardrisk to the Main Member no later than 30 (thirty) days after conclusion of this African Bank Funeral Plan, which summarises some of the material terms of this African Bank Funeral Plan, as prescribed in terms of section 48 of the Long-term Insurance Act.

The Policy Schedule also contains the Premiums and Benefits payable in terms of this African Bank Funeral Plan, as amended from time to time.

The Policy Schedule stipulates, amongst others, the identity of the Policy Members and the Beneficiary, the Benefits and Premiums payable in terms of this African Bank Funeral Plan and the Waiting Periods and Exclusions.

The Policy Schedule may be amended from time to time by Guardrisk as new Policy Members are added to this African Bank Funeral Plan, or in the event that the Premiums or Benefits or any of the terms of the African Bank Funeral Plan are changed or amended. A new Policy Schedule will be issued to the Main Member in such an event, which will replace the current Policy Schedule with effect from the effective date specified in the new Policy Schedule.

6. Who is the Main Member?

The Main Member is the person who applied for cover in respect of the Policy Members in terms of this African Bank Funeral Plan, and is indicated on the Policy Schedule as such.

The Main Member is also the policyholder entitled to the Benefits payable in terms of this African Bank Funeral Plan. The Main Member has the right to nominate the Beneficiary.

7. Who is the Premium Payer?

The Main Member as policyholder shall at all times be responsible for the payment of the Premiums stipulated in the Policy Schedule for cover in respect of the Policy Members as Assured Lives in terms of this African Bank Funeral Plan.

If another person makes the Premium payments on behalf of the Main Member, such person shall not become the policyholder, Main Member, Policy Member or have any right or entitlement to the Benefits payable in terms of this African Bank Funeral Plan by virtue of such Premium payment on behalf of the Main Member.

8. Who are the Policy Members?

The Policy Members are the Assured Lives in terms of this African Bank Funeral Plan and include and is limited to -

- the Main Member;
- Spouses, Partners, and Children in whose lives the Main Member has an insurable interest and in respect of whom the Main Member applied for cover in terms of this African Bank Funeral Plan and whose application for cover has been accepted by Guardrisk; and
- Extended Family Members and Guardian Children in whose lives the Main Member has an insurable interest and in respect of whom the Main Member applied for cover in terms of this African Bank Funeral Plan and whose application for cover has been accepted by Guardrisk.

Only persons listed in the Policy Schedule as Policy Members shall be covered in terms of this African Bank Funeral Plan, from the Inception Date specified in the Policy Schedule, provided the Main Member has paid the Premium in respect of such Policy Members.

The following limitations are applicable in respect of Policy Members in terms of this African Bank Funeral Plan:

- The Main Member as policyholder: Only 1 (one) Main Member may be covered per African Bank Funeral Plan;
- Spouses or Partners: Not more than 1 (one) Spouse or Partner may be covered per African Bank Funeral Plan;
- Children: Not more than 8 (eight) Children may be covered per African Bank Funeral Plan; and
- Extended Family Members: Not more than 8 (eight) Extended Family Members (including Guardian Children) may be covered per African Bank Funeral Plan.

The Main Member may apply for insurance cover and the Benefits in respect of additional Spouses, Partners, and Children in excess of the limitation on the number of Spouses, Partners, and Children specified above, or in respect of the parents of the Main Member, Spouse or Partner. If the application for cover in respect of such additional persons is accepted by Guardrisk against payment of additional Premiums, such persons will receive cover as Extended Family Members, subject at all times to the maximum number of Extended Family Members to receive cover in terms of this African Bank Funeral Plan, as stipulated above.

No Policy Member shall be covered in more than one African Bank Funeral Plan as a Main Member, or more than twice as Spouse, Partner, Child or Extended Family Member.

9. Can Policy Members be added after this African Bank Funeral Plan becomes of full force and effect?

Application for insurance cover by the Main Member in respect of

additional persons as Policy Members after the date on which this African Bank Funeral Plan became of full force and effect, shall be made by the Main Member by completing the prescribed application form.

If such application is accepted by Guardrisk, the additional Policy Members shall only receive cover in terms of this African Bank Funeral Plan -

- once their names are reflected on an amended Policy Schedule issued by Guardrisk to the Main Member, in their capacities as Assured Lives;
- from the effective date stipulated in the amended Policy Schedule; provided furthermore that the Main Member has paid the first Premium in respect of such additional Policy Members.
- from the expiry of any imposed waiting period for death due to natural causes.

Subject at all times to the Terms and Conditions of this African Bank Funeral Plan.

10. Who qualifies as a Spouse or Partner?

For purposes of this African Bank Funeral Plan, a Spouse or Partner is -

- married to the Main Member in terms of law, including a party to a customary marriage concluded in accordance with the applicable indigenous law as well as a union concluded between parties married in accordance with the doctrines of any recognized religion or tradition, as well as a partner to a civil partnership in terms of the Civil Union Act, 17 of 2006; or
- a common law spouse or life partner, provided that the Main Member provides satisfactory proof of the permanency of his/her relationship with his/her life Partner and provides proof that they have lived together for at least 12 (twelve) months before the Inception Date of cover in respect of such Partner.

Guardrisk may at all times request proof in such form as required by Guardrisk from the Main Member indicating that a person qualifies as a Spouse or Partner.

11. Who qualifies as a Child?

For purposes of this African Bank Funeral Plan, a Child is -

- a child born to the Main Member or his/her Spouse and/or Partner who is -
- under the age of 21 (twenty one) years, including a stillborn child (after 28 weeks of pregnancy and not as a result of any abortion of the mother's choice), as well as legally adopted children; or
- under the age of 25 (twenty five) years who is a full time student at any university, technicon or tertiary education institution registered in terms of legislation in the Republic of South Africa or such other institution as may be approved in writing by Guardrisk, and who is unmarried; or
- at the time of application, is under the age of 25 (twenty five) years and is permanently physically disabled or mentally ill. This Policy Member will remain covered as a Child for the duration of this Funeral Plan. A permanently physically disabled or mentally ill will not qualify as a Child if older than 25 years of age at date of application. Such a person may be covered as an extended family member as referenced in clause 12.

Subject to the maximum number of Children to enjoy cover in terms of this African Bank Funeral Plan as stipulated in paragraph 8 above.

Guardrisk may at all times request proof in such form as required by Guardrisk from the Main Member indicating that a person qualifies as a Child.

If the Main Member has a child after the date on which this African Bank Funeral Plan becomes of full force and effect, the Main Member must make an application in the prescribed manner for such a child to be covered in terms of this African Bank Funeral Plan as such a child will not be covered automatically. Such a child will only be covered in terms of this African Bank Funeral Plan if the application for cover has been made by the Main Member and accepted by Guardrisk, provided the Main Member has paid the first Premium in respect of such a child. The child will enjoy cover from the date specified in the amended Policy Schedule, subject to all Waiting Periods and Exclusions provided for herein.

A child who is less than one month old will be covered automatically. (i.e. A grace period of 30 (thirty) days will be given from date of birth. If the main member has not followed the above process within 30 (thirty) days, the child will not be covered.)

A child born to the Main Member or his/her Spouse and/or Partner who is -

- over the age of 21 (twenty one) years; or
- under the age of 25 (twenty five) years, a full time student at any university, technicon or tertiary education institution registered in terms of legislation in the Republic of South Africa or such other institution as may be approved in writing by Guardrisk and who is married;

accordingly does not qualify as a Child as stipulated above, but may, upon application in the prescribed manner and against payment of an increased Premium, be covered as an Extended Family Member in terms of this African Bank Funeral Plan, provided however, that the spouse or partner of such person may not be covered in terms of this African Bank Funeral Plan.

Such an Extended Family Member will receive cover from the date specified in the amended Policy Schedule, provided that no new Waiting Periods and/or Exclusions will be imposed but that the Premium in respect of such Extended Family Member will increase, subject to the terms of this African Bank Funeral Plan.

12. Who qualifies as an Extended Family Member?

Extended Family Members include any person nominated by the Main Member who qualifies as an extended family member -

Extended Family Members will enjoy cover from the date specified in the Policy Schedule, provided the Main Member has paid the first Premium in respect of such Extended Family Members and any imposed waiting periods has expired.

Guardrisk may at all times request proof in such form as required by Guardrisk from the Main Member as proof of the relationship between such Main Member and the Extended Family Member(s).

13. Who is a Beneficiary?

The Beneficiary is the person entitled to be paid the Benefits provided for in terms of this African Bank Funeral Plan on the happening of the Insured Event, which is, for purposes of this African Bank Funeral Plan, the death of a Policy Member ("**the Insured Event**").

For purposes of this African Bank Funeral Plan the Beneficiary shall be either -

- the Main Member in the event of the death of any of the Policy Members other than the Main Member, or
- the Beneficiary nominated by the Main Member and listed in the Policy Schedule in the event of the death of the Main Member.

It is the responsibility of the Main Member to nominate the Beneficiary and to keep the details of the Beneficiary up to date. The Main Member must notify Guardriks of any changes to the Beneficiary in order to avoid any disputes in the event of payment of a claim for Benefits.

If no Beneficiary is nominated by the Main Member or if the Beneficiary is deceased upon the occurrence of the Insured Event or cannot be located within a reasonable period of time, Guardrisk shall in its sole discretion be entitled to pay the Benefits to the following Policy Members in the order listed below -

- The Spouse and/or Partner;
- If the Spouse and/or Partner is deceased or no longer qualifies as a Spouse and/or Partner, any additional spouses or partners who qualify as Extended Family Members in equal proportions;
- If the additional spouses or partners who qualify as Extended Family Members are deceased or no longer qualifies as Extended Family Members, the eldest of the Children, provided such Child is over the age of 21 (twenty one) years and is financially responsible for the maintenance of the remaining Policy Members; or
- Such other person as Guardriks may in its sole discretion determine.

The Main Member has the right to change the Beneficiary at any time by way of written notice to Guardrisk. The change to the Beneficiary will only become effective from the date specified on the amended Policy Schedule, reflecting this change.

14. What Premiums are payable in terms of this African Bank Funeral Plan?

The Premiums reflected in the Policy Schedule shall be payable by the Main Member or Premium Payer on behalf of the Main Member in respect of the cover for the Policy Members, as amended from time to time and specified in an amended Policy Schedule, with effect from the effective date specified in the amended Policy Schedule.

15. When are the Premiums payable?

The Premium indicated in the Policy Schedule is payable to Guardrisk (or its duly appointed agent or representative) monthly in advance on or before the first day of each month for which insurance cover is granted, without deduction or set-off, for the duration of the African Bank Funeral Plan. In the event of a claim for Benefits, Guardrisk shall be entitled to

deduct any Premiums not yet received by Guardrisk from the claims payable by Guardrisk, provided that the African Bank Funeral Plan is still in force.

16. What is a Premium review and may Premiums be increased by Guardrisk?

Guardrisk shall at all times be entitled to review and increase the Premiums payable in terms of this African Bank Funeral Plan, in consultation with its Statutory Actuary. Notwithstanding the above, Guardrisk shall at all times, and at least annually be entitled to increase the Premiums payable in terms of this African Bank Funeral Plan by way of 30 (thirty) day written notice to the Main Member prior to the implementation of the increase. Should the Main Member fail to pay such increased Premium, Guardrisk may adjust the Benefits payable in terms of this African Bank Funeral Plan.

17. What Benefits are payable in terms of this African Bank Funeral Plan?

This African Bank Funeral Plan provides cover in the event of the death of a Policy Member by way of payment of a lump sum Benefit as specified in the Policy Schedule.

The Benefits for Extended Family Members will be capped as specified in the Policy Schedule.

The Benefits in terms of this African Bank Funeral Plan shall be payable to the Beneficiary in the event of the death of the Main Member, or to the Main Member in the event of the death of any of the other Policy Members. The Benefits will increase every six months by five percent but will be capped at two times the Benefit amount at application. This escalation benefit will only apply to the Main Member, Spouse and Children and will not apply to Extended Family Members. The 'Child's escalated value will be capped at specified legal limits.

18. When does cover in respect of the Policy Members commence?

The cover in respect of the Policy Members will commence on the date as stipulated on the Policy Schedule ("**Inception Date**"), provided that the application for insurance cover by the Main Member in respect of such Policy Members is unconditionally accepted by Guardrisk and the first Premium payable in respect of such Policy Members has been received by Guardrisk.

Cover shall remain in force unless lawfully terminated or cancelled in accordance with this African Bank Funeral Plan.

19. When does this African Bank Funeral Plan become of full force and effect?

This African Bank Funeral Plan will become of full force and effect on the Inception Date of cover in respect of the Main Member. If the Main Member cancels the policy within 30 (thirty) days from Inception Date all premiums paid will be refunded.

20. What are Waiting Periods and what Waiting Periods are applicable in respect of this African Bank Funeral Plan?

A waiting period is a period of time during which insurance cover commences, but an insurance company will not pay any benefits for the duration of such waiting period specified in the policy, and the premiums remain payable.

The Waiting Periods set out below are applicable to all Policy Members (irrespective when such Policy Members are included in this African Bank Funeral Plan). The Waiting Period for natural death shall commence from the Inception Date in relation to a Policy Member and shall endure for the duration of such Waiting Period.

The following Waiting Periods for natural death are applicable in terms of this African Bank Funeral Plan. During these Waiting Periods no insurance cover shall be granted or Benefits paid in the event of death (other than Accidental Death) and the Premiums shall remain payable:

- A 4 (four) month Waiting Period for natural death will apply in respect of the Policy Members whose age at Inception Date is below 65 (sixty five) years of age, at age last birthday, except for Extended Family Members; and
- A 12 (twelve) month Waiting Period will apply in respect of Policy Members whose age at Inception Date is between 65 (sixty five) and 75 (seventy five) years of age, at age last birthday, and
- A 12 (twelve) month Waiting Period for natural death will apply in respect of all Extended Family Members, subject at all times to the Maximum Ages of Inception of Cover as specified below.

No Waiting Periods shall be applicable in the event of an Accidental Death of a Policy Member provided that the first premium in respect of that member has been paid. Accidental Death means death caused directly or

resulting from injuries sustained due to a sudden and unforeseen event (an accident) which occurs at an identifiable place and time and has a visible, violent and external cause and which results in the death of a Policy Member, independent of any other cause.

If the Main Member increases the Benefits at any stage in respect of a Policy Member, a new Waiting Period for natural death will become applicable for the increased Benefit amount in respect of such Policy Member, which will be calculated with effect from the date of increase of the Benefits, stipulated in the amended Policy Schedule.

21. What are the Exclusions?

Exclusions are those circumstances under which no cover shall be granted or Benefits paid and the premiums remain payable.

The following Exclusions are applicable to this Funeral Plan provided that the first premium in respect of that member has been paid:

- No insurance cover shall be granted or Benefits paid in the event of death of any Policy Member as a result of, directly or indirectly or which is attributable to -
 - intentional self-inflicted injury or sickness, or
 - suicide, during the first 12 (twelve) months from the Inception Date of cover in respect of a Policy Member.
- If the Main Member applies for credit at African Bank and the African Bank Funeral Plan at once and the credit application is rejected for whatever reasons, Guardrisk may at its own discretion reject the African Bank Funeral Plan application.

22. What are the Maximum Ages of Inception of Cover in respect of the Policy Members?

The Maximum Ages for Inception of Cover in respect of the Policy Members provided that the first premium in respect of that member has been paid Funeral Plan are as follows:

- 65 (sixty five) years of age, at age last birthday in respect of the Main Member and the Spouse/Partner;
- 20 (twenty) years of age, at age last birthday, in respect of Children or Guardian Children; and
- 75 (seventy five) years of age, at age last birthday in respect of Extended Family Members.

23. When does this African Bank Funeral Plan Lapse?

If a Premium is not paid on the due date thereof, or within 30 (thirty) days from the due date thereof ("**the Grace Period**"), the cover shall cease and no Benefits shall be payable and this Funeral Plan shall lapse.

24. When does this African Bank Funeral Plan terminate or come to an end?

Provided that the first premium in respect of that member has been paid the Funeral Plan will terminate on, and the cover shall cease, in the event of -

- a failure by the Main Member to pay the Premiums in terms of this Funeral Plan provided that the first premium in respect of that member has been paid on the due date thereof and the Main Member fails to remedy such failure within the Grace Period; or
- the Main Member cancelling this Funeral Plan in accordance with its terms; or
- the death of the Main Member.

For the avoidance of doubt, the cover in respect of a Child shall cease if such person no longer qualifies as a Child in terms of this Funeral Plan.

25. May a lapsed African Bank Funeral Plan be reinstated?

A reinstatement takes place when the policy has lapsed and the insurer is requested to reinstate the policy, thereby reactivating the policy, subject to certain terms and conditions.

In the event of this Funeral Plan lapsing provided that the first premium in respect of that member has been paid, the Main Member may request Guardrisk in writing within 6 (six) months of the African Bank Funeral Plan lapsing, to reinstate the African Bank Funeral Plan.

If such request is approved by Guardrisk, the African Bank Funeral Plan will be reinstated with effect from the date on which the Premium payments are resumed ("**Reinstatement Date**"), provided that -

- the Policy Members shall enjoy no cover during the period from the policy lapsing until the Reinstatement Date and no Benefits will be paid during this period; and
- the Main Member shall not be obliged to pay any arrear Premiums due prior to the Reinstatement Date; and
- all terms and conditions set out in this African Bank Funeral Plan will remain applicable.

In the event of reinstatement, a new waiting period of 2 (two) months will apply, calculated from the Reinstatement Date, provided that all initial Waiting Periods have expired. If the reinstatement occurs during the

course of any existing Waiting Period, the new waiting period will be in addition to the previous Waiting Period to be completed.

26. How do you claim for Benefits?

Claims must be reported within 6 (six) months after the death of any Policy Member in the manner as prescribed herein.

Guardrisk shall pay out the claims within 24 (twenty four) hours of approval of a claim for Benefits - provided all requisite documentation as specified herein is received to the satisfaction of Guardrisk. Guardrisk retains the right to investigate claims for Extended Family Members for a longer period and will pay such Benefits within a reasonable period after approval of such a claim.

The following documentation has to be provided to Guardrisk when submitting a claim:

- Completed official claim form (available at any African Bank branch or on the African Bank website: www.africanbank.co.za);
- Certified copy of deceased Policy Member's South African identity document (or birth certificate in the case of Children or Guardian Children);
- Certified copy of the Main Member's South African identity document;
- Certified copy of deceased Policy Member's death certificate;
- The DHA1663;
- Certified copy of the Beneficiary's South African identity document;
- Copy of the Beneficiary's bank statement; and
- Any such other documentary proof as may be required by Guardrisk in its sole discretion.

Guardrisk will not pay or be liable for a claim unless the Main Member or the Beneficiary -

- complies with requirements for notification and lodgement of a claim for Benefits;
- notifies Guardrisk of a claim in writing and institutes the claim with Guardrisk in the prescribed manner within 6 (six) months from the date of the occurrence of the Insured Event and provides the necessary documentation within this 6 (six) month period. In the event that Guardrisk rejects a claim or disputes the amount of the claim, the Main Member or Beneficiary may make representations to Guardrisk within a period of 90 (ninety) days after receipt of Guardrisk's notification of rejection or dispute of the claim;
- institutes legal action in a court of law or lodges a complaint against Guardrisk with the Long-term Insurance Ombudsman or commences arbitration proceedings, within 12 (twelve) months of the date of the occurrence of the Insured Event, provided that the 12 (twelve) month period will be suspended by the 90 (ninety) day period mentioned above, and provided further that the Main Member or Beneficiary will at all times have at least 6 (six) months after the expiry of the 90 (ninety) day period to institute legal action in a court of law, lodge a complaint with the Long-term Insurance Ombudsman against Guardrisk or commence arbitration proceedings with regards to the claim.
- Guardrisk shall be entitled to apply set-off against any Benefits payable and any outstanding Premiums or other amounts payable to Guardrisk by the Main Member. In the event that Guardrisk is not able to apply set-off, Guardrisk shall be entitled to deduct any such amounts outstanding from the Benefits payable.

No claims of whatsoever nature shall be instituted or entertained in terms of this policy after the date of cancellation or termination of this African Bank Funeral Plan, unless the Insured Event giving rise to such claim occurred prior to the date of cancellation/termination.

Guardrisk reserves the right to cancel the cover and declare all Premiums paid as forfeited, should there be evidence of, or an attempted submission of a fictional claim, fraud or misrepresentation.

27. Medical Examinations

No medical examinations will be required in respect of any Policy Member for purposes of this African Bank Funeral Plan.

28. Cession and/or assignment of this African Bank Funeral Plan

This African Bank Funeral Plan and any Benefits payable in terms thereof may not be ceded or assigned by the Main Member without the prior written consent of Guardrisk.

29. Surrender or cash values

This African Bank Funeral Plan does not accumulate a cash or surrender value and may not be made fully paid-up.

30. Residency

This African Bank Funeral Plan is only available to South African

citizens with a South African bar-coded identity document and who is permanently resident in South Africa.

All Benefits shall be paid into a South African bank account.

31. Currency and Law

All payments under this African Bank Funeral Plan shall be in South African Rand and any question of law arising shall be decided according to the law of the Republic of South Africa.

32. Compliance with legislative requirements

Guardrisk shall have the right to do all things which in its opinion are necessary or appropriate to comply with the provisions or requirements of any legislation or any ruling by governmental and/or regulatory authorities.

33. Amendments

All amendments to this African Bank Funeral Plan shall be effected in writing and signed by Guardrisk.

34. Misrepresentation, non-disclosure and fraud

Certain representations are considered to be material for the purpose of assessing the risks. If any of such representations are incorrect or incomplete, Guardrisk shall be entitled to cancel this African Bank Funeral Plan and repudiate any liability or claim in terms of the policy.

Notwithstanding the above, Guardrisk reserves the right to cancel the cover granted to Policy Members and declare all premiums paid as forfeited, should there be evidence of or an attempted submission of a fictional claim, fraud or misrepresentation.

35. Whole agreement

This document together with the Policy Schedule constitutes the entire African Bank Funeral Plan as between Guardrisk and the Main Member.