

TFG

OPTIONAL INSURANCE TAKEN OUT AT THE PRINCIPAL INSURED'S CHOICE

Account Balance Protection Policy & Disclosure Notice

(collectively, the "POLICY")

1. INSURER:

This Policy is underwritten by Guardrisk Life Limited (1999/013922/06) ("Guardrisk" or "the Insurer").

2. TYPE OF POLICY:

Long-term insurance: Account Settlement in the event of death (accidental and natural death). This is a credit insurance product under the National Credit Act 34 of 2005.

3. ADMINISTRATOR:

Foschini Retail Group (Pty) Ltd (1988/007302/07) ("Administrator" or "TFG").

4. DEFINITIONS:

Words importing the singular shall include the plural and vice versa; words importing a gender shall include the other gender.

If any provision in the definitions below is a substantive provision conferring rights or imposing obligations on any party to this Policy, notwithstanding that such provision is only contained in this clause, effect shall be given thereto as if such provision were a substantive provision in the body of this Policy.

'ACCIDENT': means the sudden, unforeseen and uncertain event, which could not reasonably be expected to occur, which is caused by violent, external, physical and visible means at an identifiable time and place, resulting directly and independently of any other cause, in Bodily Injury;

'ACCIDENTAL DEATH': means Bodily Injury which (directly and independently of all other causes) results within 30 (thirty) days in the death of the Insured and shall exclude Natural Death;

'BALANCE OF INDEBTEDNESS': means the outstanding balance owed by the Principal Insured to TFG under and in terms of his/her TFG credit facility at the date of death of the Insured;

'BODILY INJURY': means physical bodily injury to the Insured caused by an Accident. Bodily Injury shall be deemed to include death by starvation, thirst and/or exposure to the elements;

'CLAIM EVENT': means the insured risk, namely the death of the Insured;

'COMMENCEMENT DATE': means the date when this Policy starts and is effective, being the date that the take-up of this insurance product is captured on TFG's credit facility system OR the date on which the 1st premium is received by the Insurer (whichever is the earlier);

'INSURED': means the Principal Insured and/or the Spouse;

'NATURAL DEATH': means death that is not Accidental Death;

'PRINCIPAL INSURED': means the adult, who is over the age of 18 (eighteen) years but not yet sixty (60) years of age, who has applied for insurance which has been accepted by the Insurer and who has an active and up-to-date TFG credit facility;

'SPOUSE': means (where the Spouse option has been selected by the Principal Insured and where the additional premium has been paid) the legal husband, wife or civil union partner of the Principal Insured and as nominated in writing by the Principal Insured. There may only be one Spouse insured under this Policy at any point in time. The Spouse's age at the Commencement Date must not exceed sixty (60);

'TFG': means the Administrator and any of its trading divisions or stores;

'WAITING PERIOD': means a period of 3 (three) months (i.e. 90 (ninety) days) commencing from the Commencement Date which is applicable in the event of Natural Death. Once this period has passed, Natural Death of the insured will be covered. There is no waiting period for Accidental Death.

In the event that the Policy lapses but is then re-instated, the waiting period for any claim will commence from the date of re-instatement and not the Commencement Date of the Policy.

Where the Spouse option has been selected after the Commencement Date and where the additional premium has been paid, the Waiting Period for any claim relating to the Spouse will commence from the date that the Spouse is captured by TFG;

'WELCOME LETTER': means the letter sent to the Principal Insured from the Administrator confirming *inter alia* that the Principal Insured's application for Account Balance Protection has been successful and that the Principal Insured has consented to taking out the insurance cover.

5. OPERATIVE CLAUSE:

In return for the timeous and prior payment of the required monthly premium by the Principal Insured and receipt thereof by Guardrisk and subject to the terms of this Policy, on the occurrence of the Claim Event, Guardrisk will settle the Balance of Indebtedness under the Principal Insured's TFG credit facility as at the date of death.

6. CLAIM EVENT:

BENEFITS PAYABLE:

Subject to the Waiting Period and the terms and conditions of this Policy, in the event of the death of the Insured during the currency of the Principal Insured's TFG credit facility, Guardrisk will settle the Balance of Indebtedness under the Principal Insured's TFG credit facility as at the date of death.

7. GENERAL EXCLUSIONS:

Guardrisk will not be liable to pay any benefit under this Policy if:

- i. the Insured commits suicide (whether sane or insane) or attempts to commit suicide within the first 2 (two) years from the Commencement Date, or re-instatement date;
- ii. a claim for a benefit arises directly or indirectly from or as a consequence to or from, or is traceable to:
 - ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel or from any nuclear weapons material. For the purpose of this exception only, combustion shall include any self-sustaining process of nuclear fusion;
 - war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power;

- the Insured's deliberate exposure to exceptional danger (except in an attempt to save human life) or the Insured's own criminal act;
- the Insured refusing medical treatment as recommended by a South African Health Professions Council registered medical doctor; or
- wilful self-injury or where the Insured is affected temporarily or otherwise, by alcohol, narcotics, insanity or drugs, unless the latter is administered by or prescribed by or taken in accordance with the instructions of a registered medical practitioner (other than herself/himself where the Insured is such a registered medical practitioner).

8. PREMIUM AND INTEREST PAYMENT:

The premium payable is 0.30c for every R100 (or any part thereof) which is outstanding on the Principal Insured's TFG credit facility. The premium will vary every month.

The premium payable for the Spouse option is an additional 0.25c for every R100 (or any part thereof) which is outstanding on the Principal Insured's TFG credit facility. The additional premium for the Spouse option will vary each month.

Disclosure in terms of Section 106(5)(b) of the National Credit Act 34 of 2005			
Please take notice that, in terms of Section 106 (5) (b) of the Act, the purchase of the credit insurance policy offered by TFG to you accrues the following:			
	Principal Insured	Additional premium if Spouse option selected	Total premium where the additional Spouse option has been selected
Costs of the credit insurance for which you are liable	R0.23 per R100.00	R0.19 per R100.00	R0.42 per R100.00
Commission and binder fee payable to TFG in relation to the policy	R0.07 per R100.00	R0.06 per R100.00	R0.13 per R100.00
Premium payable	R0.30 per R100.00	R0.25 per R100.00	R0.55 per R100.00

The Principal Insured has the right to substitute the above credit insurance policy with a credit insurance product of his/her choice.

The premium payable is the monthly amount specified in TFG's credit facility statement of account. The premium may be increased at any time during a calendar year, but the Principal Insured will be informed of any increases. The increased amount will be charged to the Principal Insured's TFG credit facility account from the date of the increase. The Principal Insured authorises the Administrator to debit and collect the premium from her/his TFG credit facility and to pay it over to Guardrisk on her/his behalf in the amount as specified, and TFG's credit facility terms and conditions will apply in addition to the terms and conditions of this Policy.

The premium will be debited monthly to the Principal Insured's TFG credit facility and the premium is due monthly. If payment of the full TFG credit facility instalment is not received by the Administrator by the due date, this Policy and its insurance cover shall end at midnight on the last day of the last month for which a full instalment has been received. Instalments due with effect from the second month of the currency of this Policy will be accepted if paid within 30 (thirty) days of the due date, failing which this Policy and its insurance cover shall end.

Where the TFG credit facility has a balance of zero or a credit balance, the premium will not be billed and cover/protection will end.

The premium payable will attract interest where the TFG credit facility payment plan attracts interest and such interest will be retained by the Administrator, and will be levied at the same rate applicable to the credit facility's payment plan.

9. CESSATION OF COVER:

Cover under this Policy shall automatically end at midnight on the day that:

- the full TFG credit facility instalment is not received by the Administrator by the due date (as provided for in clause 8 above) i.e. the Principal Insured's TFG credit facility is in arrears;
- the Principal Insured's TFG credit facility is frozen as provided for under the National Credit Act 34 of 2005;
- the Principal Insured's TFG credit facility is terminated or closed;
- the Principal Insured dies;
- the Policy terminates for any reason whatsoever; or
- the Principal Insured reaches the age of sixty-five (65); whichever of the aforementioned events first occurs.

Where the Spouse option has been selected and the additional premium paid and where the Spouse reaches sixty-five (65) years of age, cover in respect of the Spouse only shall end and cover for the Principal Insured shall not end until the latter reaches the age of sixty-five (65) or until any of the other events as above in this clause occur.

Where the Spouse option has been selected and the additional premium paid – upon divorce or the permanent separation of the Spouse from the Principal Insured, the insurance cover for that Spouse shall end. The Principal Insured must notify the Administrator in writing if the Principal Insured permanently separates from the Spouse, divorces or remarries, failing which any claim made will be affected negatively.

Guardrisk shall not be affected by any arrangements that may be made between the Administrator and the Principal Insured in any reduction of the number of instalments originally agreed on or extending the period for the repayment of the indebtedness beyond that originally agreed upon.

10. CLAIMS NOTIFICATION PROCEDURE:

Any claim under this Policy must be made within 3 (three) months of the Claim Event; otherwise the claimant will have to provide the Administrator with an affidavit, detailing the reasons for late submission of the claim. The claim may be rejected unless there are extenuating circumstances that prevented timeous notification.

Reference to "claim" or "claims" means the fully completed claim form with all required documentation attached. A claim form is attached to the Welcome Letter.

When making a claim, the claimant must go to the closest TFG store and hand in the fully completed claim form with the documents listed below. If the claim form that was attached to the Welcome Letter is lost, a copy may be requested from a TFG store.

The TFG store staff will help the claimant if needed.

The claimant must take the following documents to the TFG store:

- fully completed TFG claim form;
- certified copy of the deceased's death certificate;
- certified copy of the deceased's identity document;

- certified copy of the claimant's identity document;
- a certified copy of the police report if the death is caused by an Accident.

If required by Guardrisk, the Insured's representative/claimant shall provide Guardrisk with the deceased Insured's post-mortem examination and any other documentation (for example, affidavits) which may be required relating to the deceased Insured's death.

The TFG store staff will fax the claim documents to TFG's Insurance Claims Department. Contact details for the Insurance Claims Department are:

- fax number: 021 937 5274; and
- sharecall number: 0860 000 388; and
- email: Claimsadmin@tfg.co.za.

Please contact TFG's Insurance Claims Department for a copy of TFG's Claims Process.

In the event of general queries, the Claimant must call the Customer Care share call number which is: 0860 576 576.

Where the Claimant disputes Guardrisk's repudiation or rejection of her/his claim (which the Administrator does on behalf of Guardrisk), the Claimant has 90 (ninety) days from the date of receipt of the rejection letter to appeal this decision in writing to Guardrisk (contact details per the Statutory Notice attached to this Policy). If the appeal is not successful or the dispute is not resolved at the end of this 90 (ninety) day period then the Insured/claimant has an additional 6 (six) months to institute legal action against Guardrisk by serving summons on it, failing which Guardrisk is no longer liable in respect of the claim.

If any complaint to the Administrator or Insurer is not resolved to the Insured's/claimant's satisfaction, the Insured/claimant may submit a complaint to the Ombudsman for Long-term Insurance (see the Statutory Notice for the Ombudsman's contact details.)

Notification of all claims that are submitted to the Administrator under this Policy shall be made to Guardrisk by the Administrator, on behalf of the Insured or claimant.

A claim shall not be payable by Guardrisk, if the conditions set out in this paragraph 10 are not complied with.

11. MISREPRESENTATION:

This Policy shall be voidable in the event of misrepresentation, mis-description or non-disclosure by or on behalf of the Principal Insured of any particular which is material to Guardrisk's assessment of the risk, in which event any and all premiums so paid or payable shall be forfeited to Guardrisk.

It is the responsibility of the Principal Insured to let the Administrator know if any of her/his circumstances change and where this could affect the outcome of a potential claim and/or invalidate this Policy and its benefits.

12. SURRENDERS:

This Policy does not accrue a surrender, loan or paid-up value.

13. CONDITION PRECEDENT:

Strict compliance by the Insured with all the provisions, conditions and terms of this Policy shall be a condition precedent to liability on the part of Guardrisk hereunder.

14. CANCELLATION:

This Policy can be cancelled by the Principal Insured within 60 days of the date of receipt of this Policy and Disclosure Notice, or from a reasonable date on which it can be deemed that this Policy and Disclosure Notice was received (provided that no benefit has yet been paid or claimed or the event insured against has not yet occurred) by giving notice in writing to Guardrisk, care of the Administrator. In the event that this Policy is cancelled within this 60 day cooling off period, the Principal Insured will receive a refund of her/his premiums.

After this 60 day cooling off period, this Policy may be cancelled by the Principal Insured giving 30 (thirty) days notice in writing to Guardrisk, care of the Administrator or it may be cancelled by Guardrisk giving 30 (thirty) days notice in writing to the Principal Insured at the latter's last known address. Cover will end at midnight on the last day for which the premium has been paid. In the event that this Policy is cancelled after the expiry of the cooling off period, the premiums will not be refunded to the Principal Insured.

15. POLICY AMENDMENTS:

Guardrisk may amend, add to or change the terms and conditions of this Policy upon giving the Administrator written notice of such intention at least 30 (thirty) days before any premium rate adjustment, and 30 (thirty) days before any other Policy amendment, unless the amendment is to increase the Policy benefits without increasing the premium, in which case no advance notice will be required. The Administrator must inform the Principal Insured of any material amendment of the terms and conditions. Any variations and/or changes will be binding on Guardrisk, the Administrator and the Insured and can be applied at any time to the existing terms and conditions after written communication of these changes has been sent to the Principal Insured.

16. FRAUD:

If any claim under this Policy is in any respect fraudulent, or if any fraudulent means or devices are used by the Principal Insured or anyone acting on her/his behalf to obtain any benefits under this Policy, all benefits including premiums paid under this Policy shall be forfeited.

In addition, in the event of misrepresentation, mis-description or non-disclosure by or on behalf of the Principal Insured of any particular material to the assessment of the risk, all benefits including premiums paid under this Policy shall be forfeited.

17. JURISDICTION AND GOVERNING LAW:

Only the courts of South Africa shall have jurisdiction to entertain any claims arising out of or in respect of this Policy and the law of South Africa shall apply to this Policy.

The parties hereby consent to the jurisdiction of the High Court of South Africa (South Gauteng Division, Johannesburg), in respect of all claims and causes of action between them, whether now or in the future, arising out of or in respect of this Policy.

18. INDULGENCE, LENIENCY OR EXTENSION:

No indulgence, leniency or extension of time which the Administrator or Guardrisk may grant or show to the Principal Insured, shall in any way prejudice the Administrator or Guardrisk, or preclude the Administrator or Guardrisk, from exercising any of their rights in the future.

19. COMMISSION OR OTHER REMUNERATION PAYABLE TO THE ADMINISTRATOR:

An intermediary fee of 7.5% and a binder fee of 15% of the total monthly premium is payable to the Administrator, which is included in the monthly premium.

20. ASSIGNMENT:

Except for the cession and assignment by you to the Administrator as per the Policy, neither the Policy nor any of the rights granted therein shall be capable of further assignment nor shall any claim under a Policy be capable of being further ceded. No person or company other than the Administrator, acting under the cession contained herein, shall be entitled to any rights against the Insurer in respect of a Policy nor shall any persons or company other than the Administrator acting as aforesaid, be entitled to make any claim or demand on the Insurer under or in respect of a Policy.

21. TREATING CUSTOMERS FAIRLY:

The Administrator has created a superior solution – encompassing products, processing and service – tailored to each of its customers’ requirements. The Administrator will, at all times, deliver a superior customer experience, simplifying and improving its customers’ lives. The Administrator will achieve this through a motivated team of skilled people, absolute fairness in its treatment of its customers and partners and complying with the principles and outcomes of Treating Customers Fairly. These are:

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- You are confident that your fair treatment is key to the Administrator’s culture
 - Products and services are designed to meet your needs
 - The Administrator will communicate clearly, appropriately and on time.
 - The Administrator is not licensed to give advice. Queries regarding advice must be referred to Guardrisk.
 - The Administrator’s products and services meet your standards and are of an acceptable level
 - There are no barriers to access the Administrator’s services or to lodge any complaints
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STATUTORY NOTICE TO LONG-TERM INSURANCE POLICYHOLDERS

IN TERMS OF THE GENERAL CODE FOR AUTHORISED FINANCIAL SERVICES PROVIDERS AND REPRESENTATIVES

FOSCHINI RETAIL GROUP (PTY) LTD

In terms of the Financial Advisory and Intermediary Services Act, you have the right to the following information:

PLEASE READ CAREFULLY

ABOUT THE ADMINISTRATOR

a) Name, physical address, postal address and telephone number

Foschini Retail Group (Pty) Ltd is a private company with limited liability, incorporated in terms of company laws of South Africa, bearing registration number 1988/007302/07 (hereinafter referred to as “TFG”).

Physical Address: Stanley Lewis Centre, 340 Voortrekker Road, Parow East, 7500

Postal Address: P O Box 6020, Parow East, 7501

Telephone: 021 938 1911

Fax: 021 937 5274

External Compliance Officer: Loren Basson, telephone: 0861 273 783

Website: www.tfg.co.za

Customer Services: 0860 576 576

b) Legal and Contractual Status of the Administrator

Foschini Retail Group (Pty) Ltd is an authorised financial services provider (FSP 32719) and registered credit provider in terms of the National Credit Act (NCRCP#36).

TFG performs services as an intermediary and binder holder under the Long-Term Insurance Act, the Financial Advisory and Intermediary Services Act and its Regulations, entering into Long-Term policies. It has an agreement with Guardrisk, a cell captive insurer, and has the necessary mandates to act on behalf of Guardrisk and acts in accordance with the mandate which is in place.

TFG holds Professional Indemnity Insurance and Fidelity Insurance Cover.

For a copy of TFG's Conflict of Interests Policy, please call Customer Services on 0860 576 576.

c) Complaints Department

Should you have a complaint, or if you would like a copy of the TFG Complaints Policy, kindly visit our website or call Customer Services on 0860 576 576.

For all complaints, please first write a letter of complaint to us, the Administrator, as we would like to try and resolve it. If we have not been able to assist satisfactorily, then you may elevate your complaint to Guardrisk.

If the complaint to Guardrisk is not resolved to your satisfaction, you may submit the insurance complaint to the Industry Regulators, whose details appear below.

d) Type of policy involved

TFG is authorised in terms of FAIS to render intermediary services pertaining to Long-Term Insurance Category B1 products. Please see your policy document for individual insurance details.

e) Extent of premium obligations you assume as policyholder

The Policy document and Welcome Letter details the frequency of premium payments and the amount which is due.

f) Manner of payment of premium, due date of premiums and consequences of non-payment

The Policy document and Welcome Letter detail the manner of payment of the premiums, their due date and consequences of non-payment.

ABOUT THE INSURER

a) Name, physical address, postal address and telephone number

Guardrisk Life Limited is a company incorporated in terms of company laws of South Africa, bearing registration number 1999/013922/06.

Guardrisk is an authorised financial services provider in terms of the Financial Advisory and Intermediary Services Act (FSP 76).

Physical Address: 3rd Floor, 102 Rivonia Road, Sandown, Sandton, 2196

Postal Address: P O Box 786015, Sandton, 2146

Telephone: + 27 (11) 669 1000

Email: info@guardrisk.co.za

Website: www.guardrisk.co.za

Guardrisk has a Professional Indemnity Cover and a Fidelity Guarantee Cover in place

b) Compliance Officer & Complaints department

The Compliance Officer is available on Tel: (011) 669 1104, email: compliance@guardrisk.co.za

Should you have a complaint, or if you would like a copy of the Guardrisk Complaints Policy, kindly visit our website on www.guardrisk.co.za or email: complaints@guardrisk.co.za

If the complaint to Guardrisk is not resolved to your satisfaction, you may submit the insurance complaint to the Industry Regulators, whose details appear below.

You can access our Conflict of Interest Management Policy at: www.guardrisk.co.za

OTHER MATTERS OF IMPORTANCE

- If any complaint to the Administrator or Insurer is not resolved to your satisfaction, you may submit the complaint to the Ombudsman for Long-Term Insurance.
- Polygraph or any lie detector test is not obligatory in the event of a claim and the failure thereof may not be sole reason for repudiating a claim.
- This is an optional and extra product that has been proposed by the Administrator to you (the Principal Insured), and you have taken it out voluntarily and have not been forced to do so. You have the right to refuse this proposal.
- It is your choice whether or not to take out this product and as a result, no needs analysis will be done by the Administrator.
- You will be informed of any material changes in the detail provided above about the Administrator and Guardrisk.
- If the information about the Administrator and Guardrisk was given orally, this disclosure notice serves to provide you with the information in writing. Should you not be satisfied with the policy, you are entitled to cancel your policy in writing for a period up to 30 days, at no cost. Cover will cease upon cancellation of the policy.
- Subject to the Policy terms and conditions and this disclosure notice, Guardrisk and not the Administrator must give reasons for repudiating your claim.
- Guardrisk may not cancel your insurance merely by informing the Administrator.
- If Guardrisk wishes to cancel your policy, this will be done in writing, to your last known address.
- You are entitled to a copy of this Policy free of charge.
- You confirm that you have read and understood the contents of this Policy.

WARNING

- Do not sign any blank or partially completed application form. Complete all forms in ink. Keep all documents handed to you.
- Make note as to what is said to you.

- Don't be pressurised to buy the product.
- Incorrect or non-disclosure by you may impact on any claims arising from your contract of insurance.

INDUSTRY REGULATORS

Particulars of Ombudsman who is available to advise you in the event of claims problems that are not satisfactorily resolved by the Administrator and/or the Insurer

The Ombudsman for Long Term Insurance

Private Bag X45, Claremont, Cape Town, 7735

Tel: (021) 657 5000/0860 103 236

Fax: (021) 674 0951

E-mail: info@ombud.co.za

Website: www.ombud.co.za

Particulars of the Financial Advisory & Intermediary Services (FAIS) Ombudsman (in respect of complaints about the selling of the insurance product by the Administrator or Guardrisk)

P O Box 74571, Lynwood Ridge, 0040

Tel: (012) 470 9080

Share call: 0860 324 766 / 0860 FAISOM

Fax: (012) 348 3447

E-mail: info@faisombud.co.za

Website: www.faisombud.co.za

Particulars of Registrar of Long Term Insurance (if any complaint to the Administrator or Guardrisk is not resolved to your satisfaction)

Registrar of Long Term Insurance (Financial Services Board)

P O Box 35655, Menlo Park, 0102

Tel: (012) 428 8000

Fax: (012) 347 0221

E-mail: info@fsb.co.za

Website: www.fsb.co.za

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