

**Underwritten by Mutual & Federal Risk Financing Ltd**

**OPERATIVE CLAUSE**

Mutual & Federal Risk Financing Ltd (The Insurer) agrees to provide insurance in terms of this policy during any period of insurance for which it accepts a premium.

**SCHEDULE**

Device ID: (e.g. Cell#)

User Name:

Account Name:

Make of Equipment:

Model:

Serial Number (IMEI):

Maximum limit of Equipment:

Period of Insurance: From date of payment of first premium to month end and any subsequent month period for which you shall pay and we shall accept a renewal premium.

**COVER SECTION**

<b>Maximum Limit Of</b>	<b>Premium</b>	<b>Administration Fees Payable</b>	<b>Total Amount</b>	<b>Choice</b>
<b>R</b> XXX	<b>R</b> XXX	<b>R</b> XXX	<b>R</b> XXX	<b>R</b> XXX

Premiums are payable via debit order

**DECLARATION BY INSURED**

I declare that I have applied for insurance cover in terms of the attached Policy of Insurance. I understand that the cover is only effective while the CELLPHONE is used together with the Cellphone Number listed on the Schedule forming part of this document and that I am aware of the First amount payable (Excess) in the event of a Claim.

I confirm that I am in possession of the equipment listed in the Schedule as at the date of inception indicated below.

I understand that I am solely responsible for ensuring that Telkom is apprised of any changes to the equipment listed as insured.

I accept that the responsibility rests on me, the Insured, to ensure that the premium has been added as a separate line item on my monthly account and that all premiums are paid timeously.

I understand that this declaration forms part of the Policy and that it should be read in conjunction with the Schedule and Policy.

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

## KEY COMPONENTS OF YOUR CELLPHONE INSURANCE COVER

These notes are for your information and do not form part of your insurance contract. Your insurance cover is more fully described in the attached Policy of insurance, please take the time to read the Policy wording and if anything is unclear, contact Insurance Administrators on 0861 005 674 or email address: [telkominsurance@finrite.co.za](mailto:telkominsurance@finrite.co.za)

You should however, be aware of certain points, which can affect the cover:

- The Schedule shows the Cellphone number and the Serial Number (IMEI number) of the Equipment. You are only covered when the two are used together at all times.
- If you are aware of any Claim, contact the insurer. You have to send the insurer a completed Claim form with the relevant documentation as required within 30 days of the event.
- You are liable to pay an Excess Fee with each and every claim that you lodge..
- Multiple Claims will attract a higher excess. A specific 12 month period will be calculated from the date of the first Claim.
- Claims will not be valid if premiums are not paid.
- Remember to take good care of your Equipment at all times.
- If leaving your vehicle unattended, please lock the vehicle and keep your Equipment hidden from view, preferably in a locked compartment. No Claim will be valid, unless proof of forcible entry can be produced.
- The Insurer is liable to indemnify you for any Loss, Stolen or Beyond Economical Repaired Device with the same make and model you insured. Should the Insured Device no longer be available, the insurer will replace the insured item with a model of similar specification and value.

## POLICY WORDING (TERMS AND CONDITIONS)

### DEFINITIONS

You/your/yourself means the person or entity as defined under Account Name in the schedule. We/Us/Our means the insurer Mutual & Federal Risk Financing Ltd. CELLPHONE means the DEVICE issued out to you with the specific Serial Number (IMEI) that must be used with the TELKOM Cellphone number listed in the schedule.

Cellphone number means the TELKOM number issued with the device, listed on the schedule. Should the device number not be available at the time of completion of this document, cellphone number refers to the number to be issued to you by TELKOM in terms of your Cellular Service Agreement. SIM card means the SIM card connected to the TELKOM Cellphone Number listed in the schedule

#### a) MATERIAL DAMAGE COVER

Equipment– Theft or sudden and unforeseen physical loss of or damage to the Equipment listed on the Schedule during the period of Insurance from any cause or event not excluded

#### b) UNLAWFUL USE OF SIM CARD

In the event of loss or theft of the SIM Card issued to you Telkom shall not be liable for any cost incurred for data usage or cellular phone calls made by use of the card.

### LIMITS OF INDEMNITY

#### a) MATERIAL DAMAGE

The maximum limit of indemnity payable in the event of a Claim in respect of the Equipment shall be the amount specified in the Schedule, which forms part of this Policy. The Equipment, used with the TELKOM SIM card at the time of the theft, loss or damage, will be replaced up to the value of the Equipment at the time of the theft, loss or damage, alternatively, to the value of the Equipment as indicated in the Schedule or the maximum sum insured whichever is the lesser.

#### b) UNLAWFUL USE OF SIM CARD

The excess payable in the event of a loss for a SIM Card is NIL.

#### c) FIRST AMOUNTS PAYABLE

Band	First Amount Payable/Excess	Second (2nd) Claim in 12 Month	Third (3rd) Claim in 12 Month
R0 - R1,000	R250.00	R700.00	R900.00
R1,001 - R3,000	R350.00	R750.00	R1,000.00
R3,001 - R5,000	R500.00	R800.00	R1,000.00
R5,001 - R7,500	R500.00	R800.00	R1,200.00
R7,501 - R12,500	R750.00	R1,000.00	R1,200.00
R12,501 - R15,000	R750.00	R1,200.00	R1,500.00
R15001 - R20,000	R1,000.00	R1,500.00	R2,000.00

## SPECIFIC CONDITIONS

### A) MATERIAL DAMAGE

Basis of indemnity - Subject to the Maximum limit of indemnity our liability is limited to the cost of repairs or replacement of the equipment at the insurer's sole options, as follows:

#### i) PARTIAL DAMAGE

In the event that Equipment is damaged, and the insurer is of the view that it could be repaired, the insurer will pay the costs reasonably incurred to restore the Equipment to its working condition. In the event that such costs exceed 50% of the value of the Equipment, it will be replaced, in the sole discretion of the insurer.

#### ii) TOTAL LOSS

At the insurer's discretion we will replace the equipment subject to the maximum limit of indemnity as follows:-

- with the same model; or
- should the Equipment no longer be available, we will replace with another model of the same or similar specification, value and availability at the time of indemnification.

The insurer will not replace the Equipment with another model if the Equipment is still available.

### B) UNLAWFUL USE OF SIM CARD

- i. It is a condition precedent to cover that you shall take all reasonable steps to safeguard sim card at all times.
- ii. You must report all losses to the insurer at the earliest opportunity and not more than 24 hours after becoming aware of such loss

## SPECIFIC EXCLUSION TO UNLAWFUL USE OF SIM CARD COVER

We will not indemnify you against any costs incurred as a result of use of such SIM card by a member of your household or fellow employees or any other person known to you.

## GENERAL EXCEPTIONS

### We will not indemnify you against:

1. any loss or damage resulting from political or non-political riot, strike or civil commotion, public disorder, war, invasion, terrorism or public violence or which is insurable by SASRIA (South African Special Risks Insurance Association); or
2. any costs of replacing, reinstating or making good wear and tear, gradual deterioration scratching or other superficial damage to outer casings, aerials or keypads; or
3. any loss or damage during the hire or loan of the Equipment listed on the Schedule to a Third Party; or
4. any loss of or damage to the Equipment listed on the Schedule resulting from theft or any attempt of theft from any unattended vehicle, unless such vehicle is locked and the Equipment is concealed out of sight

- and forcible and violent entry into the vehicle is made, necessitating repairs to such vehicle, and the original repairs invoice for such damage is supplied with the Claim; or
5. any loss or damage to batteries, other than when they are stolen or lost together with the Equipment listed on the Schedule, or
  6. any consequential loss or damage arising from not being able to use the Equipment or otherwise incurred; or
  7. any Claim arising from abuse, misuse or neglect of the Equipment; or
  8. loss, damage or failure for which the manufacturer or supplier is liable, or which is covered by a current maintenance contract; or
  9. erasure, corruption of data or defects in design or manufacture; or
  10. failure of batteries; or
  11. any Claim in respect of any additional equipment or accessories including carrying cases, battery chargers, hands-free kit or external antennae.
  12. Sanctions Exclusion: No insurer / reinsurer / co-insurer shall be deemed to provide cover and no insurer/ reinsurer/co-insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer / reinsurer / co-insurer to any sanction, prohibition or restriction under United Nations or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America

## GENERAL CONDITIONS

### i) OTHER INSURANCE

If you cover the Equipment against Material Damage provided for above, with another insurance company simultaneously with this Policy, we shall only be liable for a ratable proportion of the Claim

### ii) CANCELLATION OF COVER

You may cancel the policy at any time by letting us know. The insurer may cancel the policy at any time by giving 30 days' notice in writing to the last known address we have for you. Cover automatically ceases if the Equipment is blacklisted or the SIM Card is disconnected by TELKOM for whatever reason. If premium payments are not received, cover will be cancelled automatically and you would be required to re-apply for such cover.

### iii) CLAIMS

1. If the Equipment insured is irretrievably lost, stolen or damaged you must report the loss to TELKOM to have the airtime connection disabled and complete the standard Claim Form in full.
2. Stolen or lost Equipment must be reported to the South African Police Services and a case number or sworn affidavit must be obtained and provided to the insurer together with the Claim Form.
3. Claims must be reported to the insurer as soon as possible after discovery of the loss or damage and in any event within 30 days. Failure to submit a Claim Declaration within 30 days will result in rejection of your Claim.
4. You must give all reasonable assistance in the recovery of the lost or stolen Equipment and identification thereof.

5. Any damaged or stolen and recovered Equipment which is replaced by the insurer becomes the insurer's property and can be disposed of in any manner which it considers appropriate.
6. In the event of any Equipment found to be uneconomical to repair no Claim for a replacement Equipment will be entertained until the damaged Equipment is handed to the representative of the insurer.
7. In the event of rejection of a Claim, you will be informed of such an outcome in writing by the insurer, you will have 90 days after receipt of the written decision from the insurer advising of the decision to reject your claim to make representations with the insurer. Should you not be satisfied with the outcome of the representations, you will then have 180 days to institute a legal action against the insurer/ us from the date of the outcome of the representations. Should you not be satisfied with the outcome of the representations, you can refer your complaint to the Short-Term Insurance Ombudsman, whose details are provided for in this document.
8. Should you fail to collect the Equipment which has been repaired or replaced within 60 (sixty) days from date of the loss, you will forfeit the Claim and the Equipment will be sold or returned to stock to cover expenses.
9. In the event of the Equipment being lost or stolen the Equipment will be blacklisted or Grey listed on the GSM Network, at the sole discretion of the insurer. No Claim will be entertained unless this condition is complied with.
10. In the event where the Telkom account is in arrears, no Claim will be entertained

#### **iv) FRAUD**

If any Claim is in any respect fraudulent, all benefits under this Policy shall be forfeited and the insurer reserves the right to institute criminal proceedings against you for such fraudulent Claim.

#### **v) NO RIGHTS TO OTHER PERSONS**

Unless otherwise provided, nothing in this Policy shall give any rights to any person or organisation other than you and the insurer.

#### **i) PREMIUM PAYMENT**

Should payment not be received on due date, you will have 15 days after the due date to make a payment, however during this period your policy will remain active. Should a payment not be received after 15 day period?

1. This Policy will be suspended or canceled automatically, or
2. In the event that a premium is not paid on the due date and within the grace period, TELKOM will re-debit in the following month and should the outstanding premium not be paid when re-debited, the Policy will be cancelled from the date the first unpaid premium was due to be paid. No cover attaches during the period where your account is not paid in full.

#### **vii) CHANGES TO EQUIPMENT/USB MODEM ISSUED TO YOU IN TERMS OF THIS POLICY**

It is your duty to inform the insurer should you make use of a CELLPHONE other than that issued to you with the Cell phone number.

#### **viii) INSURANCE REQUESTED ON ANY SUBSCRIBER AGREEMENT**

A waiting period of 90 days shall apply from the date of inception of cover. Any new request for insurance on an existing subscriber agreement is subject to Equipment assessment from the insurer, which request shall be approved in the insurer's discretion.

## Disclosure Notice to Short Term Insurance Policyholders

This document, in conjunction with the policy document, provides important information about the short term insurance policy you have purchased. These documents will assist you in understanding your rights, obligations and whom to contact. Please read this document carefully and retain it with your policy documents.

Important Details about your (Financial Services Provider)	
Name	Telkom SA SOC Limited FSP Number: 46037
Contact Details	<b>Tel:</b> (012) 311 - 8006 <b>Fax:</b> (012) 311 - 8408 <b>Email:</b> <a href="mailto:fspcompliance@telkom.co.za">fspcompliance@telkom.co.za</a> <b>Web:</b> <a href="http://www.telkom.co.za">www.telkom.co.za</a>
Address (Postal & Physical)	Postal: Private Bag X148, Centurion, 0046 Physical: Telkom Park – The Hub, 61 Oak Avenue, Centurion, 0157
Legal Status	Company Registration Number: 1991/005476/30 Registered as a Financial Services Provider, FSP Number:46037 Telkom is authorised to render services in relation to Short-term insurance: personal lines policies and commercial policies. There are no restrictions on the FSP licensing conditions
Income earned by Telkom	Telkom has not earned at least 30% of its income in the last 12 months from this product supplier
Ownership interest in the Product Supplier	Telkom does not own more than 10% of the shares of the product supplier.
Professional Indemnity, Fidelity Insurance & Guarantees held	Yes
Other Matter of Importance:	
<ul style="list-style-type: none"> <li>You must disclose all material facts to Mutual &amp; Federal Risk Financing Limited. A material fact is one which is so important to Mutual &amp; Federal Risk Financing Limited that if it had known about it, Mutual &amp; Federal Risk Financing Limited may not have insured you or may have insured you on different terms and conditions.</li> <li>You must be completely honest in all your dealings with Mutual &amp; Federal Risk Financing Limited. It is your responsibility to ensure that all statements, answers or other information provided by you to Mutual &amp; Federal Risk Financing Limited are accurate and complete. If you do not provide complete and accurate information, it may affect the validity of your policy and any claim you submit may be rejected.</li> <li>Your duty of disclosure continues for the duration of your policy. You must inform Mutual &amp; Federal Risk Financing Limited of any changes to material facts or new material facts. This includes any losses you suffer whether or not you elect to claim for the loss.</li> <li>If you do not pay your premium on time as stipulated in your policy, your policy will lapse and you will not have any cover for losses suffered.</li> <li>Telkom has a binder agreement with Mutual &amp; Federal Risk Financing Limited. They are also authorised to perform binding functions on behalf of Mutual &amp; Federal Risk Financing Limited. The</li> </ul>	



product supplier is responsible for the product; Telkom is responsible for the sale of the product.

Important Details about your Product Supplier	
Name	Mutual & Federal Risk Financing Limited
Registration Number	1966/010741/06
Contact Details	<b>Tel:</b> (011) 374-9111 <b>Web:</b> <a href="http://www.mf.co.za">www.mf.co.za</a>
Address (Postal and Physical)	<b>Postal:</b> Private Bag X21, Bryanston, 2021 <b>Physical:</b> 152 Bryanston Drive, Bryanston, 2021
Professional Indemnity and Fidelity Insurance held	Yes
Legal Status	The product supplier is a short term insurer which underwrites and is authorised to issue personal lines policies and commercial policies.
Functions of the Insurer outsourced to another FSP	The Financial Services Provider may receive a fee {up to a maximum of 12% (twelve percent)} of your premium for outsourced services rendered by the Financial Services Provider on behalf of Mutual & Federal Risk Financing Limited. This fee does not increase the cost of your insurance. Furthermore, regulated commission of 12, 5% in respect of motor insurance and 20% in respect of non-motor insurance is paid to your Financial Services Provider.
Import Details about Insurance Administration	
Finrite Administrators (Pty) Ltd has been authorized to process your insurance policy fulfilment on behalf of Mutual & Federal Risk Financing Limited.	
Name	Finrite Administrators (Pty) Ltd
Registration Number	2014/270128/07
Contact Details	<b>Tel:</b> 086 100 5674 <b>Fax:</b> 086 457 5765 <b>Email:</b> <a href="mailto:telkominsurance@finrite.co.za">telkominsurance@finrite.co.za</a>
Address (Postal and Physical)	<b>Postal Address:</b> P O Box 22524; Helderkruijn; 1733 <b>Physical Address:</b> Property Park 389c ; Ontdekkers Road; Florida;
Professional Indemnity and Fidelity Insurance held	Yes
Legal Status	Finrite Administrators (Pty) Ltd is a licensed Financial Service Provider (FSP No.46042) mandated by Mutual & Federal Risk Financing Ltd to undertake certain duties on their behalf.
Fees payable to the administrator	Finrite Administrators (Pty) Ltd receives a recurring income of 8% of the monthly premium which you as a valued Telkom cellular client do not pay for.

<b>How to submit a claim</b>	
Finrite has been authorised to process your claim on behalf of Mutual & Federal Risk Financing Limited. You can submit your claim to your Finrite.	
<ul style="list-style-type: none"> <li>• In the event of any occurrence that could lead to a claim you must advise Telkom Ltd by contacting our Administrator namely Finrite Administrators (Pty) Ltd on 086 100 5674 as soon as possible, but no later than within 30 days of the event.</li> <li>• (The relationship between Telkom and Finrite Administrators (Pty) Ltd is explained later in this document.)</li> <li>• The Police must be advised within 48 hours.</li> <li>• The claim must be submitted in writing with all supporting documentation.</li> <li>• YOU MUST NOT ADMIT LIABILITY UNDER ANY CIRCUMSTANCES.</li> <li>• You must forward to Finrite any correspondence of the claim from any other person as soon as possible,</li> <li>• Finrite will inform you in the event that a claim is rejected, however, any recourse or enquiry must be addressed to the Insurer at the contact numbers given in your policy, or the address/telephone number given below and above.</li> </ul>	
Telkom Claims Department	<b>Contact Details</b> Email: <a href="mailto:telkominsurance@finrite.co.za">telkominsurance@finrite.co.za</a> Tel: 0861005674 Fax: 0864575765
<b>How to complain</b>	
If you are dissatisfied with the financial services provided to you, you have a right to complain. The details for the relevant complaints departments are detailed below. Please put your complaint in writing. If your complaint is not resolved to your satisfaction you can lodge your complaint with the Ombudsman. Their details are reflected in the next section. The complaints processes are published on the website of each of the providers.	
Product Suppliers Complaints Department	The complaints procedure is available on <a href="http://www.mf.co.za">www.mf.co.za</a> under "Contact Us" option. Email: <a href="mailto:complaints@mf.co.za">complaints@mf.co.za</a> Tel: 0860 634 357 Post: Mutual & Federal Customer Experience Centre, PO Box 1120, Johannesburg, 2000
Telkom Complaints Department	<b>Tel:</b> (011) 375 1888 <b>E-mail:</b> <a href="mailto:Complaints@finrite.co.za">Complaints@finrite.co.za</a> Postal: PO Box22524, Helderkruijn, 1733
<b>Important Details about the Ombudsman</b>	
FAIS Ombudsman:	<b>Email:</b> <a href="mailto:info@faisombud.co.za">info@faisombud.co.za</a> <b>Tel:</b> (012) 470-9080 or 0860 324 766 <b>Fax:</b> (012) 348-3447 or (012) 470 9097 <b>Web:</b> <a href="http://www.faisombud.co.za">www.faisombud.co.za</a>
Short Term Ombudsman:	<b>Email:</b> <a href="mailto:info@osti.co.za">info@osti.co.za</a> <b>Tel:</b> (011)726-8900 or 0860 726 890

	<b>Fax:</b> (011) 726-5501 <b>Web:</b> <a href="http://www.insuranceombudsman.co.za">www.insuranceombudsman.co.za</a>
<b>Compliance Departments</b>	
Mutual & Federal Compliance Department	<b>Email:</b> <a href="mailto:compliance@mf.co.za">compliance@mf.co.za</a> <b>Tel:</b> (011) 374-9111
Telkom FSP Compliance Department	<b>Email:</b> <a href="mailto:fspcompliance@telkom.co.za">fspcompliance@telkom.co.za</a>
Finrite Administrators (Pty) Ltd	Compliance officer: Ms. Sue Liebenberg Tel: 011 425 4603 Fax: 0866 706 265 Email: <a href="mailto:suel@mweb.co.za">suel@mweb.co.za</a> Key Individual: Karin Matthews.
<b>Conflict of Interest</b>	
<p>(TELKOM) shares in the profit generated by your short term insurance policy. TELKOM mitigates this conflict of interest by only providing one short term product option. You need to understand that you will not be provided with independent advice.</p>	
<p>The conflict of interest policy of the product supplier may be accessed at <a href="http://www.mf.co.za">www.mf.co.za</a> .</p>	
<b>Other Matters of Importance</b>	
<ul style="list-style-type: none"> <li>You must be informed of any material changes to the policy.</li> <li>If any complaint is not resolved to your satisfaction, you may submit your claim to the FAIS Ombudsman.</li> <li>Polygraph or similar tests are not obligatory and claims may not be rejected solely on the basis of a failure of such test.</li> <li>You must give the Financial Services Provider 30 days' notice in writing of its intentions to cancel your debit order.</li> <li>The Product Supplier (insurer) must give reasons in writing for the rejection of any claim submitted by you.</li> <li>The Product Supplier (insurer) must give written notice of its intention to cancel your policy</li> </ul>	
<b>Warnings</b>	
<ul style="list-style-type: none"> <li>Do not sign any blank or partially completed application form.</li> <li>Complete all forms in ink.</li> <li>Keep all documents handed to you.</li> <li>Make notes of as to what is said to you.</li> <li>Do not be pressurized into buying the product.</li> <li>Failure to provide correct or full relevant information may influence an insurer on any claims arising from your contract of insurance.</li> </ul>	
<b>Details of the relationship between Telkom and Finrite Administrators (Pty) Ltd</b>	
<p>The administrator for Telkom is Finrite Administrators (Pty) Ltd FSP: 46042. We have an agreement in</p>	

place with Finrite and they too have an agreement with the insurer, Mutual and Federal Risk Financing. This agreement between Finrite and MFRF is a Binder agreement and therefore they may receive a fee up to a maximum of 8% of your premium for the outsourced services it renders on behalf of Mutual and Federal Risk Financing Limited. The fee does not increase the cost of your insurance.

Declarations

**DECLARATION BY THE FINANCIAL SERVICES PROVIDER**  
 The employees of Telkom and any of Telkom’s business partners are NOT authorized to provide advice with respect to any insurance product. This implies that NONE of its EMPLOYEES are authorized to guide you concerning the suitability of any insurance product for your financial situation, needs and objectives or risk profile or recommend that you acquire any insurance product features.

**DECLARATION BY THE INSURED/CLIENT**

1. I was given the relevant policy terms of insurance containing comprehensive disclosures, including the benefits and contributions payable and further confirm that I will contact the Telkom authorised insurance representatives at the contact details above if i do need any advice on the related insurance product - or -
2. As a client of Telkom I decided NOT TO make use of the insurance product available.

**Client Signature:** ..... **Date:** ...../...../20.....