



PRIME LIVING LEGACY



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Dear Sir / Madam,

Additional Information: PRIME LIVING LEGACY PLAN

Thank you for requesting additional information on PRIME LIVING LEGACY PLAN. The attached information guide will help you and your family quickly understand and appreciate the valuable benefits available to PRIME LIVING LEGACY PLAN policyowners and how to get covered easily.

Some of the distinctive benefits provided by the PRIME LIVING LEGACY PLAN plan are:

- Immediate cover for both accidental death and death through illness - Terms and Conditions Apply.
- Terminal Illness benefits - get a 75 % advance of the sum insured.
- Automatic Inflation Protection.
- Optional Family benefits - where selected cover includes your spouse and dependants.



Summary of Benefits and Provisions

Congratulations on selecting the PRIME LIVINGLEGACY PLAN, one of South Africa's most innovative and cost effective personal insurance policies!

- **Why you selected the PRIME LIVINGLEGACY PLAN - Because:**

- It pays up to R 300,000 upon death through accident, illness or disease (see Policy Schedule for Sum Insured).
- The money can be used to pay for funeral expenses, to leave an inheritance or for anything else!
- Accidental death **and** death through natural causes is covered after the very first premium payment.
- There are no medical examinations!
- Pre-existing illnesses (i.e. those illnesses or conditions you already suffer from) are covered after 24 months.
- You can never lose! Even if death is from a pre-existing condition during the first 24 months, you get all your premiums back plus 6% p.a. compounded. Thereafter you get the full Sum Insured!
- The plan includes an automatic terminal illness benefit that pays 75% of the Sum Insured before death when a life insured is diagnosed with a terminal illness!
- The Family Plan allows you to include a spouse and up to four dependant children at no extra charge.

- **What you need to know:**

- Please read the policy document carefully, particularly the "Important Exceptions" and "Important Provisions" clauses and be sure to contact Prime Meridian Direct with any questions.
- By paying your monthly premium, you indicate your acceptance of the **written** Policy Terms and Conditions.
- If you selected a Prime Living Legacy Family Plan:
 - * 50% of the Sum Insured is payable where a child dies between the ages of 7 and 13.
 - * 25% of the Sum Insured is payable where a child dies below the age of 7.
- Some of the most important exclusions are:
 - * Suicide or attempted suicide within the first 24 months.
 - * Participation in any riot, strike, insurrection, terrorism, civil commotion, or crime.
 - * Participation in any extreme sports, motorised racing, private aviation, potholing, sky diving, scuba diving, kite surfing, mountaineering, police, military or paramilitary actions.

- **Duties of the Policyholder**

- It is your duty to ensure that the Insurer is fully informed of any medical conditions or illnesses that have affected any of the lives insured under this policy. It is important to disclose things like treatments, medications, surgeries or hospital visits during the past five years.

- **Claims Procedure and Information Provided:**

- All claims must be reported **within 48 hours** of the death of an insured life. Failure to report on time may lead to the rejection of your claim.
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- **Premiums**

- To avoid the lapse of the policy, premiums must be paid within 15 days of due date.

- **Advice:**

- This policy has been issued to you at your own request and without advice. Please read it carefully and ensure that it is appropriate to your needs.
- The completed application form included herein is a direct recording of the information supplied by you and forms part of this contract of insurance. Please ensure that it is correct and complete.



Terms and Conditions

The terms and conditions of your policy are as follows:

1. **Benefits and Cover Provided**

1.1. Death

In the event of your death through accident, illness or disease whilst this policy is in force, we will pay the Sum Insured to the Nominated Beneficiary stated in the Policy Schedule.

1.2. Terminal Illness

Where you are diagnosed with a terminal illness whilst this policy is in force, we will pay you 75 % of the Sum Insured. The remaining 25 % will be paid to the Nominated Beneficiary upon your death.

2. **Terminology - Describing What the Policy Words Mean**

2.1. "**Accident**" means an unforeseen, unintended and unexpected event that is external, violent and visible.

2.2. "**Consecutive premiums**" means premiums received each month when due without interruption. Monthly premiums are due on the first day of every month or within 15 days thereof, failing which this policy will lapse.

2.3. "**Financial Dependence**" means the dependence of a nominated beneficiary on the life insured for financial support, the loss of which will materially affect the financial position of the beneficiary concerned. Financial support includes *inter alia* regular financial contributions to personal living expenses like groceries, rent, school fees and debt repayments.

2.4. "**Fraudulent act**" includes you or a person associated with you providing the Insurer at any time with inaccurate, incomplete, dishonest, false, fabricated or exaggerated information.

2.5. "**Illness**" means bodily or mental sickness, disease, infection or infirmity or condition contracted and diagnosed whilst this policy is in force.

2.6. "**In force**" means that the Policy Commencement Date as shown on the Policy Schedule has been arrived at, that the first premium has been received on or before that date, that all subsequent premiums have been received when due or within 15 days thereof and that the policy has not been cancelled.

2.7. "**Pre-existing illness**" means any mental or bodily illness, disease, infection, infirmity, defect, disorder, addiction or condition that you contracted before this policy was issued and for which medical treatment, rehabilitation or advice by a qualified medical doctor should reasonably have been sought.

2.8. "**Spouse**" means no more than one person married by civil, customary, tribal or common law or by religious union to the Policy Owner and who is named in the Policy Schedule.

2.9. "**Child**" means your unmarried dependent biological child, stepchild or legally adopted child who is under 21 years of age next birthday and who is named in the Policy Schedule. In this context, dependent means that the child lives in the same home as the Insured and is entirely dependent upon the Insured for financial support.

2.10. "**Sum Insured**" means the amount shown as such in the Policy Schedule and as regulated below:

Should your death be due to a Pre-existing condition (that has been fully disclosed to the Insurer prior to the Policy Commencement Date) during the first 24 months and this policy is in force since commencement or re-instatement, the Sum Insured payable will be equal to a return of all premiums paid for this policy plus 6 % per annum compound interest.

In the case of a Family Cover Plan, 50 % of the Sum Insured is payable when an Insured Person dies between the ages of 7 and 13 and 25 % when under the age of 7.

2.11. "**Terminal Illness**" means an illness which in the opinion of the Insurer will result in death within 12 calendar months and which was contracted and diagnosed after the commencement or reinstatement date of this policy.

2.12. "**We**" or the "**Insurer**" means Constantia Insurance Company Limited whose details appear in the attaching documentation.

2.13. "**You**" or "**Your**" or "**the Insured**" means the Policyholder and Insured Persons shown as such in the Policy Schedule.

3. **Important Exceptions**

We will not pay:

3.1. If the policy was not in force at the time of your death or diagnosis of Terminal Illness.

3.2. Where the cause of death or Terminal Illness is directly or indirectly caused by, arises from, contributes to, is aggravated by, connected with or results from any Pre-existing illness not fully disclosed to the Insurer prior to the Policy Commencement Date.



Terms and Conditions Continued

- 3.3. Where, during the first 24 months following inception or most recent reinstatement of the policy, it is established that the cause of death was directly or indirectly related to the HIV/AIDS condition of the deceased and the deceased's CD4 or T-cell Count was below 300 at the time of or near to death, it will be assumed that the HIV/AIDS illness was pre-existing and that the deceased had contracted the illness prior to inception of the policy irrespective of when or whether the deceased had been diagnosed or not.
- 3.4. Should you or anyone acting for you knowingly or otherwise commit a fraudulent act or attempt to obtain a benefit under this policy by improper or dishonest means, all premiums paid and benefits of this policy will be forfeit and the policy cancelled with immediate effect without refund or compensation.
- 3.5. For death directly or indirectly arising from: Suicide or attempt thereof within 24 months of commencement or reinstatement of this policy, or participation in any extreme sports, motorised racing, private aviation, sky diving, scuba diving, kite surfing, mountaineering, riot, strike, civil commotion, labour disturbance, military action, war, invasion, martial law, mutiny, usurpation of power, insurrection, rebellion, revolution, act of terrorism or crime.
- 3.6. For death arising directly or indirectly from wilful exposure to needless peril. In this context "wilful exposure to needless peril" means a conscious decision to expose oneself to a potential risk of injury or death that the reasonable person would choose to avoid. Examples might include a decision to sit on the bonnet of a moving vehicle or a wilful decision to engage in a physical fight or altercation that could otherwise have been avoided or defaulting on prescribed medication or the use of narcotic substances.
- 3.7. For death arising directly or indirectly whilst on duty as a security guard, armed response unit, police officer, army unit or whilst on duty in any similar vocation where one is potentially exposed to the risk of violent death.

4. **Important Provisions**

These are items and matters of which you should be fully aware. They explain your responsibilities and any actions you are obliged to take in certain circumstances. To avoid any misunderstanding, please be sure to read and understand this section well.

- 4.1. This policy is provided to you at your own request without advice.
- 4.2. The payment of premiums indicates your acceptance of the Terms, Conditions and Notices of this policy. By entering into this contract of insurance you authorise the Insurer (or its nominee) to debit your account on your salary date each month. Where collection is unsuccessful, you further authorise the Insurer (or its nominee) to track the nominated bank account and re-present the instruction for payment at any time when sufficient funds are available. Should your salary date fall on a Saturday, Sunday or recognized South African public holiday, you authorise the Insurer (or its nominee) to debit your account on the following or previous ordinary business day.
- 4.3. You may elect to cancel this policy with immediate effect. In all other instances, your request for cancellation will take effect on the day immediately preceding your next debit order date. The Insurer may cancel this policy without giving reasons on 30 days' written notice sent to the last known postal address of either party. In the case of Family Cover this policy will terminate only on the death of the last Insured Person, provided premiums continue to be paid when due.
- 4.4. If your monthly premium is not received or only partially received within 15 days of due date, your policy will lapse and all policy benefits and cover will cease. During the aforementioned 15 day period, it is your responsibility to make payment to us by way of Electronic Funds Transfer or cash deposit into our bank account. We reserve the right to re-debit your account where we feel it appropriate or upon request from you. A lapsed policy may be re-instated at the option of the Insurer upon the receipt of all future premiums when due, but the extent of the benefits and cover will be subject to the re-commencement of the waiting period referred to below.
- 4.5. You must inform the Insurer of all facts about your health that are material to the assessment of the risks assumed under this policy. Failure to do so may result in the forfeiture of all benefits and premiums to date.
- 4.6. The Sum Insured will automatically increase by 6% per annum and the premium by 10% per annum compound on each policy anniversary, unless you request such increases to cease.
- 4.7. The Policyholder may nominate or change beneficiaries at any time by notice in writing to the Insurer before a claim arises. This is the only method of beneficiary nomination and no testamentary instrument will have the effect of changing such nomination.
- 4.8. This policy does not acquire any loan, surrender or encashment values.
- 4.9. Where, during the first 24 months following commencement or reinstatement of this policy (the "waiting period"), a pre-existing illness is directly or indirectly established to be the cause of death, the Sum Insured will be equal to a return of all premiums paid for this policy plus 6% per annum compound interest.
- 4.10. The benefits and cover provided in terms of this contract of insurance will continue until the life insured has attained the age of 75 years, at which point cover will cease and the policy will automatically cancel. Where more than one life is insured, benefits and cover will cease only for those lives that have attained the age of 75 years and not those lives still under this age. In such cases, the policy will continue for each life under the age of 75 and will finally cancel when the youngest life insured has attained the age of 75 years.
- 4.11. Should you elect to increase the sum insured at any time following the inception of this policy, you are required to inform us of all changes to your health and any treatments, diagnoses or hospitalisations that have occurred subsequent to the commencement of the policy. Any increase in the



Terms and Conditions Continued

sum insured will be subject to the waiting period. In other words, after the payment of one premium following the increase, you will be covered for the full Sum Insured in the event of accidental death. However, until such time as you have paid 24 consecutive premiums when due following the increase, the Sum Insured will be limited to its original amount and taking into account the waiting period as it applies to it.

- 4.12. In the event of a claim, the nominated beneficiary (other than in the case of a spouse) will be required to demonstrate financial dependence on the life insured to the satisfaction of the insurer.

6. ***Claims notices and procedures***

6.1.

- 6.2. Valid claims are paid after the submission by you of all forms and documentation requested by the Insurer and the completion of any necessary investigative and related work.

- 6.3. You have a period of 90 days after receiving any claim rejection notice to make representations in this regard to the Insurer and a further six months thereafter to institute any legal action. Thereafter you will not be entitled to make any claim under this policy.



Optional Benefits

Where selected, each optional benefit as set out below will form an integral part of your PRIME LIVING LEGACY policy and be subject to the same terms, conditions and definitions thereof. The following additional terms and conditions apply:

Optional Honourable Unveiling Rider (Refer to Policy Schedule)

Where this benefit has been selected and the underlying claim approved, the Nominated Beneficiary will receive, on the anniversary of the death of the life insured, an additional cash benefit as specified in the Policy Schedule. This benefit is designed to assist the Nominated Beneficiary in defraying any tombstone, unveiling or related expenses incurred.

Your premium is distributed as follows:

Insurer	35%
UMA (Binder Fee)	52.5%
Intermediary (Regulated Statutory Commission)	12.5%

Optional Retrenchment Indemnity Rider (Refer to Policy Schedule)

Definitions

"Loss of employment" means the Insured becoming and remaining unemployed as a result of redundancy or retrenchment and receiving no remuneration from any occupation during this time.

"Redundancy" means termination of the Insured's position by his or her employer as a result of the introduction of new technology or reorganisation of the employer's organisation.

"Retrenchment" means termination of the Insured's position by his or her employer based on adverse trading conditions or anticipation thereof, or upon any other business decisions of the employer resulting in a general reduction of its staff complement.

To Qualify

In order to qualify for the benefits in terms hereof, the Insured must have paid at least three consecutive monthly premiums when due and must have been formally employed for a period of at least six months prior to the loss of employment. The Insured's employer must have undertaken a formal and fully documented redundancy or retrenchment procedure and the Insured should not have known of the threat of redundancy or retrenchment prior to taking out this policy.

Benefits

In the event of the Insured losing employment through retrenchment or redundancy prior to the attainment of age 60, the benefits due in terms hereof shall be the settlement of any outstanding premiums due during the period of unemployment (for a maximum period of up to six months) on all then active and future policies of insurance purchased through Prime Meridian Direct (Pty) Ltd limited to a maximum of R 1,500 per month.

Exclusions

No benefits will be payable in terms hereof for loss of employment for any reason whatsoever other than redundancy or retrenchment.

No benefits will be paid where the Insured has been self-employed or employed by a family member at any point during the 6 months immediately prior to the lodging of the claim.

No benefits will be due in terms hereof where the Insured agrees to voluntary retrenchment.

Any policies that have lapsed or been cancelled prior to the loss of employment will not qualify for any benefits in terms hereof.

Notification

The Insured must inform the Insurer of a loss of employment at the earliest possible time in order that the Insurer can arrange for the payment of due premiums prior to the lapsing of cover. The Insured must provide proof satisfactory to the Insurer of prior employment including inter alia copies of payslips and bank statements for the six month period prior to loss of employment.

Your premium is distributed as follows:

Insurer	20%
UMA (Binder Fee)	67.5%
Intermediary (Regulated Statutory Commission)	12.5%



Optional Benefits Continued

Optional Extended Family Benefit (Refer to Policy Schedule)

Where selected, this optional benefit will form an integral part of your Prime Living Legacy Policy and be subject to the same terms, conditions and definitions thereof unless otherwise specified below. The following additional terms and conditions apply:

"**Extended family member**" means a directly and biologically related parent, aunt, uncle, sibling, first cousin, niece, nephew, biological child or a legally adopted child.

"**Sum Insured**" means the amount determined from the table below and in accordance with the option selected by the Policyholder - please refer to the Policy Schedule for detail.

Age of Extended Family Member at time of death	Sum Insured		
	Option 1	Option 2	Option 3
18 to 35	R 10,000	R 15,000	R 20,000
36 to 50	R 20,000	R 25,000	R 30,000
51 to 65	R 15,000	R 20,000	R 25,000
65 to 70	R 10,000	R 15,000	R 20,000
Children under 18	R 5,000	R 5,000	R 5,000

Nominations

Where this benefit has been selected, the Policyholder will be entitled to nominate up to two adults between the ages of 18 and 65, and two children under the age of 18 who are extended family members.

Death

In the event of the accidental death of an extended family member whilst the policy is in force, we will pay the Sum Insured as per the above table to the Nominated Beneficiary as stated in the Policy Schedule.

In the event of the death of an extended family member through illness or disease **and only** after the payment of 24 consecutive monthly premiums when due since inception, or most recent reinstatement of the policy, we will pay the Sum Insured as per the above table to the Nominated Beneficiary as stated in the Policy Schedule.

Exclusions

We will not pay any benefits in the event of the death of an extended family member through illness or disease prior to the payment of 24 consecutive monthly premiums when due since inception, or most recent reinstatement of the policy.

Your premium is distributed as follows:

Insurer	50 %
UMA (Binder Fee)	30 %
Intermediary (Regulated Statutory Commission)	20 %