Policy Document

Underwritten by Leppard and Associates (Pty) Limited
An Authorised Financial Services Provider (FSP274)
for and on behalf of
Lombard Insurance Company Limited,
An Authorised Financial Services Provider (FSP 1596)

PROFESSIONAL INDEMNITY INSURANCE
FOR INSURANCE BROKERS and FINANCIAL INTERMEDIARIES

INTRODUCTION

This **Policy** is subject to the **Laws** of the Republic of South Africa.

All words in **bold typeface** have a specific meaning.

The **Policy** number is: P72 071373

This **Policy** is entered into by the **Underwriting Manager** on **Our** behalf.

LEPPARD Digitally signed by Joel Baloyi Date: 2025.11.05 11:19:36 +02'00'

Authorised **Underwriting Manager** signature

DECLARATION

To enter into this **Policy**, **You** have given **Us Material Information** and **We** rely on the truth of this **Material Information**.

If **We** discover the **Material Information** is incorrect or incomplete **We** will agree with **You;**

1. the action required by **You** to correct or complete the **Material Information** and
2. any revised terms that **We** may require to continue with this **Policy**.

If there is no agreement or if **You** do not take the action required, then **We** reserve the right to cancel this **Policy** from a date **We** choose.

IMPORTANT

Ensure that **You** are aware of all the **Policy** provisions. Some important clauses and where endorsements apply, are:

1. **Outsource Agreement:** DEFINITION and WHAT IS NOT COVERED and ENDORSEMENT
2. **Systemic Occurrence:** DEFINITION and WHAT IS NOT COVERED
3. **Crypto Activities:** WHAT IS NOT COVERED
4. **Basic Risk Management** and **Deductible**: SPECIAL POLICY CLAUSE
5. Notification of **Claim** or **Circumstance:** COMPLIANCE
6. **Premium** payment: COMPLIANCE
7. Cancellation Rights: CONDITION
8. **Cyber Risk Protocols:** Cyber **Third Party** Liability ENDORSEMENT
9. Risk mitigation processes: Fidelity Insurance for **Third Party Money and Property** ENDORSEMENT
10. Risk mitigation processes: Fidelity Insurance for **Your Money and Property** ENDORSEMENT.

POLICY SCHEDULE

We, Your insurers, are:	Lombard Insurance Company Limited (Reg. No.1990/001253/06) (FSP No.1596) (Vat No. 4360121331) 22 Wellington Road, Parktown, Johannesburg, 2193, South Africa
Underwriting Manager:	Leppard and Associates (Proprietary) Limited (Reg. No.1991/002788/07) (FSP No.274) (Vat No. 4270124466) 13 Baker Street, Johannesburg, 2196, South Africa
The insured entities under this **Policy** are:	The Advisory Firm (Pty) Ltd
Your Value Added Tax number:	4130296868
Your Business:	**Your Professional Services** arising out of those categories and products as authorised in terms of **Your** Financial Service Provider Licence No. 48726 and as declared to and agreed by **Us**
Policy Period:	**Inception Date:** 1 December 2025 **Expiry Date:** 30 November 2026
Retroactive Date:	1 December 2017
Premium including 15 % **Value Added Tax:**	R 74,250.00 Annual but R 6,682.50 payable monthly with effect from the **Inception Date**
Limit:	R 25,000,000 for **Any One Claim** and in total for the **Policy Period**
Number of **Limit Reinstatements:**	One
Deductible:	R 65,000
Endorsements:	The following endorsements apply:

1. Cyber **Third Party** Liability
2. Data and Information Costs
3. Fidelity Insurance for **Third Party Money and Property**
4. Fidelity Insurance for **Your Money and Property**
5. Public Liability
6. Regulatory Enquiry Expenses
7. Statutory Defence Costs
8. **Outsource Agreement** Liability

This **Policy** is compliant with the Commissioner's directive in terms of section 20(7) or 21(5) (as the case may be) of the Value Added Tax Act 89 of 1991. Proof of payment of the premium (e.g. a bank statement) and the possession of this **Policy** will suffice as a valid tax invoice for the purposes of claiming an input tax deduction.

DEFINITIONS

1. **Any One Claim**: all **Claims** regardless

    1.1. of their number and

    1.2. the identity of the claimants,

    which relate individually or collectively to;

    1.3. one original **Event** or series of connected **Events** or

    1.4. the fraudulent, dishonest or malicious act committed by an **Employee** acting alone or in collusion with anyone else.

2. **Business**: the provision of **Professional Services You** perform as **You** have declared to **Us** and as summarised in the **Schedule.**

3. **Claim** or **Claims**: a claim by a **Third Party** that **You** have caused them a **Loss.**

4. **Circumstance** or **Circumstances**: **Your** knowledge of facts from which **You** ought reasonably to conclude **You** may receive a **Claim.**

5. **Compensation**: an amount that a **Third Party** is awarded by judgment, enforceable award or a settlement agreed to by **Us** as compensation for a **Loss.**

6. **Computer, Data, Electronic Systems:** information and communication technology devices, equipment and facilities for the electronic storage, transmission, receipt, retrieval and processing of computer software, information, data, voice communications and networking equipment or facilities which enable connection to other services or networks.

7. **Costs and Expenses**: all amounts **We** spend, or **You** spend with **Our** prior written approval, all paid as part of the **Limit**, to employ legal, specialist, forensic or other expert resources in:

    7.1. investigating a **Circumstance** or preventing a **Claim**

    7.2. investigating, defending, settling or mitigating the financial impact of a **Claim.**

8. **Cyber and Impersonation Event**: the unauthorised, malicious or fraudulent act of a **Third Party** who;

    8.1. accesses or attempts to access any **Computer, Data, Electronic Systems**, electronic mail, website or digital information data base,

    8.2. assumes or adopts the identity of or impersonates another party causing **You** to act with a presumption of the true identity of such party.

9. **Damage**: the:

    9.1. physical loss of or damage to any tangible property or

    9.2. loss of use or control of any tangible property which has not been physically lost or damaged provided such loss of use or control arises out of one original **Event** or series of connected **Events**.

10. **Data and Information**: any words, numbers, still or moving images or graphics maintained in or on any medium whether tangible or digital.

11.	**Deductible(s)**:	the amount to be borne by **You** at **Your** own cost in respect of the first part of any **Compensation** in relation to **Any One Claim**.
12.	**Employee**:	any person employed under a contract of employment or apprenticeship with **You,** or any other individual who is **Your** partner, director or member and any volunteer or part time worker under **Your** strict control and supervision.
13.	**Event(s):**	an act by **You** in the course of conducting **Your Business**.
14.	**Expiry Date**:	the date shown in the **Schedule.**
15.	**Inception Date**:	the date shown in the **Schedule.**
16.	**Infectious Disease:**	Coronavirus (COVID-19) including any mutation or variation or any pandemic or epidemic, as declared by the World Health Organisation or any governmental authority.
17.	**Injury**:	the death of or injury to or illness affecting any person.
18.	**Laws**:	laws formulated by any government or authorised authority.
19.	**Limit** or **Limits**:	the maximum amount shown in the **Schedule** or Endorsements **We** will pay **You** as indemnity plus **Value Added Tax** for a Claim.
20.	**Loss**:	**Injury, Damage** or any monetary loss.
21.	**Malicious Code:**	any virus, Trojan Horse, worm, spyware, malware, ransomware, time and logic code bombs or other disabling, invasive or destructive computer code.
22.	**Material Information**:	the description of **Your Business, Your** Financial Service Provider and if any Juristic Representative details, **Your** revenue, **Your** history of **Claims** and **Circumstances** and any other information which is likely to materially affect the assessment of **Our** risk at the time of issue of this **Policy**.
23.	**Misconduct:**	abuse, sexual assault, molestation, harassment, discrimination, bullying, hate speech and including related or similar acts or behaviours or the use of drugs or intoxicating substances or alcohol.
24.	**Money and Property:**	any money, property, asset or item with a tradable economic value.
25.	**Outsource Agreement**:	agreement granted to and authorising **You** to provide intermediary services, outsource or binder functions for any insurer or financial product supplier.
26.	**Policy:**	this contract of insurance, including any endorsements.
27.	**Policy Period**:	the period from the **Inception Date** to the **Expiry Date.**
28.	**Pollution**:	the escape of any gas, liquid, substance or noise.
29.	**Premium**:	the amount shown in the **Schedule** and paid to **Us** in return for **Our** undertaking to provide benefits.
30.	**Professional Services**:	any advice or services of a professional nature or activity performed for a fee or equivalent whether charged or not.
31.	**Public Liability**:	**Injury or Damage** which does not arise out of **Your Professional Services**.
32.	**Retroactive date**:	the date(s) shown in the **Schedule**.
33.	**Schedule**:	the particular terms of this **Policy**.

34. **Systemic Occurrence:** an event or circumstance occurring from a cause over which you have no control and of such proportion to affect multiple **Third Parties** simultaneously arising out of;

34.1. Force Majeure,

34.2. a failure of the Internet or national or international telephony or electronic media systems and infrastructures including telecommunications or satellite systems failure,

34.3. any national, regional, or private electrical power provider or **Your** own electrical power source:

34.3.1. failing to supply electric power, or

34.3.2. causing an electric power surge or whole or partial interruption, interference, or suspension or equivalent of any electrical power,

34.4. the failure of any financial systems including the failure or insolvency of a systemically important financial institution,

34.5. civil commotion, public disorder, strikes, riots and terrorism,

34.6. any pandemic or epidemic as declared by the World Health Organisation or any government authority,

34.7. a regional, national or international event or causally related events that cause environmental degradation.

35. **Third Party**: any party who is not **You** or **Us.**

36. **Underwriting Manager**: Leppard and Associates (Proprietary) Limited
PO Box 2730, Houghton, 2041, South Africa.
E-mail: pi@leppard.co.za

37. **Value Added Tax**: the tax applicable to goods and services in terms of the Value Added Tax Act, 1991, as amended.

38. **Vehicle**: any land, air, water, hover or space vehicle or trailer or craft including any attached machinery or apparatus and whether subject to registration or not or whether self-propelled or not and any locomotive or rolling stock.

39. **We, Our** and **Us**: Lombard Insurance Company Limited.
PO Box 1411, Killarney, 2193, South Africa
E-mail: general@lombardins.com

40. **You** or **Your**: the insured entities named in the **Schedule**.

WHAT IS COVERED

41. **We** agree, unless stated otherwise in this **Policy** and

    provided **You** have paid the **Premium**

    to indemnify **You**

    for **Your** legal liability to pay **Compensation**

    to a **Third Party**

    as a result of a **Claim**

    first made against **You**

    during the **Policy Period**

    up to the **Limit**

    subject to the **Deductible(s)**

    and to pay for **Costs and Expenses**

    arising out of **Your Business.**

WHAT IS NOT COVERED

42. **We** will not provide an indemnity nor pay for any legal liability or **Costs and Expenses**, directly or indirectly caused by, in connection with, involving or arising out of;

42.1. Companies Act 71,2008: the duties and responsibilities of any person as defined under Sections 77, 128 or as contemplated under Section 218 of the Companies Act, 2008.

42.2. Computer Virus: the introduction of **Malicious Code** by **You** or a **Third Party** into any **Computer, Data, Electronic Systems** resulting in the incapacity or failure correctly or at all to capture save retain or to process any data.

42.3. Contractual: an agreement by **You** to accept a legal liability,

42.3.1. to pay any amount,

42.3.2. to perform any undertaking other than **Professional Services,**

42.3.3. for any warranty or guarantee,

42.3.4. to pay liquidated damages,

for which, but for the agreement, **You** would not otherwise have a legal liability..

42.4. Custody and Control: the use of any premises or property leased hired by or loaned to **You** or in **Your** care custody or control other than:

42.4.1. for the purposes of **Professional Services** any premises and its contents temporarily occupied by **You** and any property temporarily in **Your** possession.

42.4.2. personal clothing and effects.

42.4.3. any premises **You** rent for the purpose of **Your Business** subject to 42.3.

42.4.4. any property belonging to any rail service provider or government, provincial or municipal authority whilst on any premises **You** occupy for the purpose of **Your Business**.

42.5. Crypto Activities: trading in Crypto currency, e-currencies and digital currencies.

42.6. Cyber and Impersonation: a **Cyber and Impersonation Event.**

42.7. Data and Information: **Data and Information.**

42.8. Deliberate Act: **Your** deliberate disregard of **Laws** including professional codes of conduct and standards applicable to **Your Business.**

42.9. Employee: or concerning**:**

42.9.1. an **Employee** contract of employment or apprenticeship with **You** or

42.9.2. an **Employee Injury** or

42.9.3. **Misconduct** by an **Employee.**

42.10. Financial Performance: each of the following happening separately or simultaneously;

42.10.1. the failure of investments to perform,

42.10.2. any warranty, guarantee or forecast given by **You** as to the potential performance of any investment,

42.10.3. the insolvency of an insurance or reinsurance company,

42.10.4. advice, warranty or guarantee **You** give in relation to the financial solvency of any company or institution.

42.11. Fines and Penalties: any:

42.11.1. fines, penalties imposed on **You** or

42.11.2. punitive or exemplary damages relating to or part of any **Claim.**

42.12. Fraud: **Your** involvement in or being party to a fraud committed against **Us.**

42.13. FSP Licence: the provision of **Professional Services** not authorised in terms of **Your** Financial Service Provider Licence issued by the Financial Sector Conduct Authority (FSCA).

42.14. Infectious Disease: **Infectious Disease** or actual or perceived threat of an **Infectious Disease**.

42.15. Insolvency, trading: **Your** insolvency or trading losses and liabilities.

42.16. Investments: any investments which are unregulated or prove to be illegal.

42.17. Money and Property: the theft, misappropriation, misdirection, malicious destruction of **Money and Property**.

42.18. Outsource Agreement: an **Outsource Agreement**.

42.19. Pollution: **Pollution** which

42.19.1. occurs because **You** did not take reasonable precautions to prevent **Pollution**,

42.19.2. damages any building or land **You** own or lease or previously owned or leased,

42.19.3. is not sudden, unintended and unexpected,

42.19.4. does not occur at a specific time and place,

42.19.5. is not directly as a result of **Your Professional Services.**

42.20. Previous Claims: a **Claim** or **Circumstance** which was or should reasonably have been disclosed to the **Underwriting Manager** prior to the **Inception Date** or the date **We** agree to incept this **Policy** whichever is the later date.

42.21. Property Manufactured: any tangible property, including any design, specification or formula inherent in such tangible property, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered, repaired or worked upon by **You** or a **Third Party** on **Your** behalf.

42.22. Public Liability: **Public Liability.**

42.23. Related Companies: any **Claim** made against **You** by any claimant;

42.23.1. with a shareholding in, monetary or other interest, administrative or managerial influence on **You** or

42.23.2. in which **You** have a shareholding, monetary or other interest, administrative or managerial influence,

unless such **Claim** is as a direct result of **Your Professional Services** provided to and rendered in terms of a written engagement agreement with the claimant.

42.24. Retroactive Date: any **Business** conducted or **Injury** or **Damage** that occurred prior to the **Retroactive Date.**

42.25. Sanctions: any act that would cause **Us** to breach any sanction, prohibition or restriction of the United Nations or the trade or economic sanction **Laws** of the European Union, United Kingdom or United States of America.

42.26. Systemic Occurrence: an actual or perceived **Systemic Occurrence** including the provision of, or failure to provide, any advice, consultancy or other services or any other activities relating to a **Systemic Occurrence.**

42.27. Transport: the ownership, possession, hire, lease or operation or use of any **Vehicle** or any airport or helicopter pad.

42.28. USA and Canada: any **Business** conducted in or **Claim** brought initially in any country or territory that operates under the **Laws** of the United States of America or Canada.

42.29. War, Nuclear, Asbestos: any;

42.29.1. war, foreign enemy action and hostility, invasion including cyber warfare of any sort,

42.29.2. civil unrest or domestic or international terrorism,

42.29.3. nuclear fuel, material or waste,

42.29.4. use or application of asbestos.

SPECIAL POLICY CLAUSES

43. Acquisitions and Establishments:

Entities acquired or established by **You** will be indemnified in terms of this **Policy** for 90 days from the date of acquisition or establishment provided:

43.1. the business conducted by the entity is materially the same as **Your Business**,

43.2. the entity has not experienced a **Claim** in the five years preceding the **Inception Date,**

43.3. the entity was not previously a State Owned Entity or a part of a State Owned Entity,

43.4. the revenue of any acquired entity did not exceed 15% of **Your** revenue for the 12 months prior to the **Inception Date**,

43.5. The **Retroactive Date** is the date of acquisition or if the acquired entity was insured when acquired the **Retroactive Date** applicable under that insurance.

In order for indemnity to continue beyond the 90 days **You** must:

43.6. advise **the Underwriting Manager** of the acquisition or establishment of the entity,

43.7. give **the Underwriting Manager** all the information about the entity which is likely to materially affect **Our** decision to continue to provide indemnity to the entity and

43.8. accept **Our** terms for indemnifying that entity.

44. Cross Liability:

If any insured entity as named in the **Schedule** incurs a **Loss** arising out of **Professional Services** rendered by another entity insured as named in the **Schedule,** the entity suffering the **Loss** will be treated as a **Third Party** provided **You** prove to **Us** that:

44.1. the **Professional Services** are rendered on a proper arm's length commercial basis, and

42.2 are set out in an agreement signed and dated prior to the commencement of the provision of any **Professional Services.**

45. Deductible:

If any **Claim** is caused by **Your** failure to implement or comply with the following **Basic Risk Management** then the **Deductible** shown in the **Schedule** will double.

For the purpose of this clause **Basic Risk Management** means a record of;

45.1. advice in writing and communicated to **Your** customer,

45.2. renewal and dated reminders to **Your** customer,

45.3. any renewal discussion with and decisions taken and instruction to **You** by **Your** customer,

45.4. all communication to **Your** customer about identifying and confirming uninsured risks and exposures and including **Your** customers decisions not to insure such risks and exposures,

45.5. any communication about **Your** customer's needs and exposures including instructions from **You** to any insurer.

46. Emergency Medical Expenses:

We will reimburse reasonable expenses incurred by **You** up to R250,000 plus **Value Added Tax** for the **Policy Period**, for emergency medical treatment to a **Third Party** following an accident occurring during the **Policy Period** causing **Injury** that may result in a **Claim**.

47. Indemnity to Others:

Subject to all the terms of this **Policy We** will indemnify but only at **Your** discretion:

47.1. any person who was an **Employee** at the date of the **Event** giving rise to a **Claim**.

47.2. any person or entity, for their liability to a **Third Party,** where **You** have agreed to such indemnity in terms of an agreement for the purpose of the **Business**.

47.3. any **Employee** for their legal liability up to the **Limit** subject to a maximum of R2,500,000 for the **Policy Period** arising out of and acting, in their personal capacity, as a trustee of a testamentary or inter vivos trust or executor/rix of the estate late of a natural person.

47.4. any **Employee** in their private capacity, arising out of the temporary engagement of another **Employee**,

47.5. any members of **Your** canteen, social, sports, medical, firefighting, security committees and **Your** welfare organisations and visiting sporting teams for the period of and in connection with their visit to **You**.

48. Limit Reinstatement:

Definitions:

48.1.	**Limit Reinstatement**	an amount equal to the **Limit.**
48.2.	**Exhaustion**	the partial or total exhaustion of the **Limit** as a result of any payments made by **Us** in terms of this **Policy.**
48.3.	**Contributing Insurance**	amount of insurance, indemnity or guarantee, **You** have in excess of, in addition to or in proportion to the **Limit.**

Agreement:

48.4. **We** agree to provide **You Limit Reinstatements** subject to the following;

48.4.1. the **Exhaustion** has occurred and

48.4.2. the **Contributing Insurance** has been fully exhausted and

48.4.3. the **Limit Reinstatement** will only apply to **Claims** or **Circumstances** unrelated to the **Claims** or **Circumstances** causing the **Exhaustion** or the exhaustion of the **Contributing Insurance** and

48.4.4. the number of reinstatements as stated in the **Schedule.**

49. Other Insurance:

In the event **You** are entitled to an indemnity under any other insurance, indemnity or guarantee, collectively named **Other Insurance**, then the indemnity provided by this **Policy** will only apply after the **Other Insurance** has been exhausted.

COMPLIANCE

50. **You** have to comply with the following and if **You** fail to do so it may, in **Our** sole discretion, result in no indemnity being due to **You**.

50.1. Notification: **You** must notify the **Underwriting Manager** in writing as soon as but in any event not later than 30 days after;

50.1.1. **You** become aware of a **Circumstance.**

50.1.2. **You** receive or want to make a **Claim.**

50.2. Admission: **You** must not admit to any liability for a **Claim** unless **We** agree in writing that **You** may do so.

50.3. Assistance and disclosure: **You** must

50.3.1. give all reasonable assistance, at **Your** own cost and

50.3.2. fully and truthfully disclose information to **the Underwriting Manager** and **Our** representatives

in relation to any notified **Claim** or **Circumstance.**

50.4. Material changes: **You** must notify **the Underwriting Manager** of material changes to **Your Business** as soon as possible.

50.5. Premium: **You** must pay the **Premium. You** must pay the **Premium** in full if **the Underwriting Manager** accepts a notification in terms of clause 50.1.

50.6. Deductible: **You** must pay **Your Deductible**.

50.7. Statutory requirements: **You** must comply with all **Laws** governing **Your Business.**

50.8. Juristic Representative: If **You** provide **Professional Services** as a Juristic Representative of a licenced **Third Party** Financial Service Provider or where any **Third Party** provides **Professional Services** as **Your** Juristic Representative then **You** must comply with all the requirements of the applicable **Laws**.

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CONDITIONS

51. Cancellation Rights: This **Policy** may be cancelled:

51.1. by **You** within 14 days after the date **You** receive the **Policy** (or a reasonable date deemed received by **You**) if **You** do not want to accept this **Policy** and **We** will refund the **Premium** within 31 days of **Your** cancellation notice provided **You** notify the **Underwriting Manager** in writing.

51.2. any other time by **You** on 31 days written notice to the **Underwriting Manager** subject to a return **Premium** calculated at pro-rata provided **You** have not made any notification in terms of 50.1.

51.3. immediately by the **Underwriting Manager** if **You** act fraudulently or dishonestly in seeking an indemnity or where cancellation is required by **Laws**.

51.4. automatically from the **Inception Date** if **You** do not pay the **Premium.**

52. Circumstance: Should a **Claim** arise out of any **Circumstance You** notified to and was accepted by the **Underwriting Manager** then this **Policy** will apply to that **Claim.**

53. Claim settlement or defence: **We** will decide whether to settle or defend a **Claim** but **You** will not be required to contest any legal proceedings unless a Senior Counsel confirms that there is a reasonable prospect of success.

If **You** disagree with any proposed settlement of a **Claim We** will pay **You** the applicable **Limit** or any lower amount acceptable to the **Third Party** to settle the **Claim.** If this occurs then **We** will have no further obligation in respect of such **Claim.**

54. Rights of recovery: **We** may recover any amount **We** pay in terms of this **Policy** from any **Employee** who commits a dishonest, fraudulent, criminal or malicious act causing **Your** liability and any **Third Party** causing **Your** liability unless 47.2 applies. Any amount recovered will be used firstly to reduce the amounts **We** have paid in terms of this **Policy** and secondly to reimburse **You.**

55. Disputes: If a dispute arises between **You** and **Us** then either:

55.1. it may be referred to **Us** at complaints@lombardins.com or the **Underwriting Manager** at complaints@leppard.co.za or

55.2. it may be referred in writing to an arbitrator with appropriate expertise who will conduct the arbitration in terms of the rules and be appointed by the Chairman of the Arbitration Foundation of South Africa and any decision will be final and binding or

55.3. **You** may sue **Us** in which case summons must be served at: 4th Floor, 22 Wellington Road, Parktown 2193, Johannesburg, South Africa.

ENDORSEMENT: CYBER THIRD PARTY LIABILITY

1. **Cyber Liability**: **Your** legal liability for a **Claim** first made against **You** during the **Policy Period** because of a **Cyber and Impersonation Event.**

2. **Cyber Risk Protocols**: a written formal policy, communicated by **You** to and adhered to by all **Your Employees** that sets out **Your** risk mitigation processes that match or exceed the following actions;

   2.1. establishing the identity, authenticity and authority of any person sending **You** instructions or to whom **You** send instructions and

   2.2. confirming that the banking detail from or to which funds are transferred are authentic and belong to the sending or receiving party, which must include a procedure to ensure a **Third Party** confirms and authenticates any instruction **You** give to the **Third Party** and

   2.3. ensuring an absolute non-acceptance of telephonic instructions to alter banking, personal, email, telephone or similar detail and

   2.4. verifying that any email instructions match and are identical to the applicable records **You** hold

   and protecting **Your Computer, Data, Electronic Systems** with at least the following;

   2.5. up to date security and security patches,

   2.6. data backup protocols in separate secure locations,

   2.7. authentication processes to allow only trusted connections,

   2.8. external firewalls to prevent external access,

   2.9. a password and access policy to maintain security and prevent unauthorised access.

3. **We** will indemnify **You** for **Cyber Liability** and **Costs and Expenses** up to and forming part of the **Limit**, subject to a maximum of R for the **Policy Period,** provided;

   3.1. The **Cyber and Impersonation Event** was committed:

   3.1.1. after the **Retroactive Date** but not more than 12 months prior to the **Inception Date,**

   3.1.2. and for the purpose of;

   3.1.2.1. the theft, loss, destruction, misappropriation or misdirection of **Third Party;**

   3.1.2.1.1. **Money and Property**,
   3.1.2.1.2. personal information including intellectual property,
   3.1.2.1.3. record, document or data,

   in **Your** possession and for which **You** had responsibility at the time of the **Cyber and Impersonation Event.**

   3.1.2.2. providing false, falsified or otherwise tainted instructions that causes **You** to fulfill the instructions to the fraudulent benefit of a **Third Party.**

3.1.2.3. taking control of **Your Computer, Data, Electronic Systems**, electronic mail or digital information data base and holding **You** to the payment of a ransom in lieu of the release of such control.

3.2. **You** notify the **Underwriting Manager** in writing as soon as **You** become aware of a **Cyber and Impersonation Event.**

3.3. **You** pay the **Deductible** of R 250,000 or 25% of the **Loss**, whichever is the greater.

4. **We** will not indemnify **You** if, prior to the **Cyber and Impersonation Event You** did not have or comply with all the **Cyber Risk Protocols**.

5. For the purposes of this **Policy** endorsement WHAT IS NOT COVERED: Cyber and Impersonation is deleted.

ENDORSEMENT: DATA and INFORMATION COSTS

1. **Data and Information**: any words, numbers, still or moving images or graphics maintained in or on any medium whether tangible or digital.

2. **Incident**: accidental loss, damage, destruction or theft by a **Third Party** of any **Data and Information**.

3. **Costs:** costs incurred by **You** in replacing or restoring **Data and Information** that belong to **You** or for which **You** are responsible**.**

4. **We** will reimburse **You** for **Costs** as a result of an **Incident**, provided;

   4.1. the **Incident** occurred during the **Policy Period** and at a specific time and place;

   4.2. the costs incurred are directly as a result of an **Incident**;

   4.3. **You** notify the **Underwriting Manager** in writing as soon as **You** become aware of an **Incident**;

   4.4. **Our** liability to reimburse **You** is limited to R 500,000 plus **Value Added Tax** in respect of each **Incident**;

   4.5. **You** pay the first R 20,000 of the costs incurred in respect of each **Incident**.

5. **We** will not reimburse **You** for any costs **You** incur in respect of an **Incident** which;

   5.1. arises out of or relates to;

      5.1.1. the failure of, loss of or loss of use of any **Computer, Data, Electronic Systems;** or

      5.1.2. a **Cyber** and **Impersonation Event.**

   5.2. occurred prior to the **Inception Date**.

6. For the purposes of this endorsement WHAT IS NOT COVERED: Data and Information is deleted.

ENDORSEMENT: FIDELITY INSURANCE FOR THIRD PARTY MONEY AND PROPERTY

1. **Money and Property Liability**: **Your** legal liability for a **Claim** first made against **You** during the **Policy Period** and **Costs and Expenses** as a result of a **Fraud** committed by an **Employee** or a **Third Party**.

2. **Fraud**: theft, misappropriation, misdirection or destruction of **Third Party Money and Property**.

3. **We** will indemnify **You** for **Money and Property Liability** up to the **Limit,** subject to a maximum of R for the **Policy Period,** and a minimum **Deductible** of R25,000 or as stated in the **Schedule**, whichever is the greater, provided:

   3.1. the intention of the **Fraud** was for the **Employee** or a **Third Party** to gain personally and financially and

   3.2. **You** discover the **Fraud** during the **Policy Period** and notify the **Underwriting Manager** in writing as soon as **You** discover the **Fraud** and

   3.3. the **Fraud** was committed after the **Retroactive Date** but not more than 12 months prior to the **Inception Date**.

4. **We** will not indemnify **You**:

   4.1. for any liability for any **Claim** arising out of or relating to

      4.1.1. a **Fraud** committed by an **Employee** identified as having previously committed a **Fraud**.

      4.1.2. a **Cyber and Impersonation Event.**

   4.2. if **You** do not inform the South African Police Force or other appropriate authority as may be required by any applicable **Laws**, unless by mutual agreement it is agreed not to so do, subject to compliance with the **Laws**.

   4.3. if **You** do not have a formal policy, communicated by **You** to **Employees** in writing, prior to the **Fraud**, that sets out **Your** risk mitigation processes that match or exceed the following actions:

      4.3.1. criminal and credit checks are performed on new **Employees** during the **Policy Period** and

      4.3.2. an enforced **Employee** leave policy is in place with a minimum of five consecutive days in a calendar year and

      4.3.3. segregation of duties and dual authority with regards to processing, loading, releasing and authorising payments and electronic funds transfers and

      4.3.4. payee's and/or beneficiaries' details on electronic funds transfers are verified against that of the accountholder and

      4.3.5. procedures are in place to control the creation of new payees and/or beneficiaries and changes to existing payees and/or beneficiaries including the telephonic confirmation of bank details and recording thereof and

      4.3.6. all bank tokens and bank access are cancelled on termination of employment of an **Employee**.

5. For the purpose of this **Policy** endorsement WHAT IS NOT COVERED: Money and Property is deleted.

ENDORSEMENT: FIDELITY INSURANCE FOR YOUR MONEY AND PROPERTY

1. **Direct Financial Loss**: a financial loss **You** incur as a result of an **Employee Fraud**.
2. **Employee Fraud**: theft or malicious destruction of **Money and Property**, belonging to **You,** by an **Employee**.
3. **We** agree to reimburse **You** for **Direct Financial Loss** up to R 250,000 plus **Value Added Tax** for the **Policy Period** provided:

   3.1. the intention of the **Employee Fraud** was for the **Employee** or a **Third Party** to gain personally and financially and

   3.2. **You** discover the **Employee Fraud** during the **Policy Period** and

   3.3. the **Employee Fraud** was committed after the **Retroactive Date** but not more than 12 months prior to the **Inception Date** and

   3.4. the amount of the **Direct Financial Loss** will be determined as at the date of the **Employee Fraud** and

   3.5. **You** notify the **Underwriting Manager** in writing within 30 days from the date **You** discover the **Employee Fraud** and

   3.6. **You** must pay the first R 25,000 of each **Direct Financial Loss** as a result of an **Employee Fraud**.

4. **We** will not reimburse **You**:

   4.1. if **You** do not notify the **Underwriting Manager** in writing within 30 days from the date **You** discover the **Employee Fraud** and

   4.2. for any loss of profit, opportunity or any consequential loss as a result of the **Employee Fraud** and

   4.3. for any salary, fees, commissions or any similar payments **You** make to any **Employee** and

   4.4. if **You** do not inform the South African Police Force or other appropriate authority as may be required by any applicable **Laws**, unless by mutual agreement it is agreed not to so do, subject to compliance with the **Laws**.

   4.5. if **You** do not:

      4.5.1. perform criminal and credit checks on new **Employees** during the **Policy Period** and

      4.5.2. enforce **Employee** leave with a minimum of five consecutive days in a calendar year and

      4.5.3. segregate duties and authority with regards to processing, loading, releasing and authorising payments and electronic funds transfers and

      4.5.4. verify payee's and/or beneficiaries' details on electronic funds transfers against that of the accountholder and

      4.5.5. control the creation of new payees and/or beneficiaries and changes to existing payees and/or beneficiaries including the telephonic confirmation of bank details and recording thereof and

      4.5.6. cancel all bank tokens and bank access on termination of employment of an **Employee**.

5. For the purposes of this **Policy** endorsement WHAT IS NOT COVERED: Money and Property is deleted.

ENDORSEMENT: OUTSOURCE AGREEMENT LIABILITY

1. **Outsource Agreement**: agreement granted to and authorising **You** to provide intermediary services, outsource or binder functions for any insurer or financial product supplier.

2. **Services**: scope of services, authority and activity as set out in the **Outsource Agreement**.

3. **Insurer**: party granting and authorising **You** to perform **Services**.

4. **Operational Protocol**: a written document that sets out and matches or exceeds the following;

    4.1.1. a description of the **Services** and parameters of the **Outsource Agreement** and

    4.1.2. a method of checks and balances to ensure the **Services** are not breached and

    4.1.3. **Your** methods and systems to maintain and retain accurate past and current records and

    4.1.4. a process that keeps the **Insurer** fully informed as required by the **Outsource Agreement**.

5. **We** will indemnify **You** for **Your** legal liability for a **Claim** first made against **You** during the **Policy Period** and **Costs and Expenses** arising out of **Your Services**;

    5.1. up to the **Limit** subject to the **Deductible**,

    5.2. provided **You** notify the **Underwriting Manager** in writing as soon as **You** become aware of a **Claim** or **Circumstance**.

6. **We** will not indemnify **You**;

    6.1. if the **Outsource Agreement** is not signed and dated by **Your** and the **Insurer's**, duly authorised representative prior to the provision of any **Services**.

    6.2. if the **Outsource Agreement** is not in compliance with any **Laws**.

    6.3. as a result of the failure to arrange any reinsurance on behalf of **Your Insurer**.

    6.4. If **You** did not communicate the **Operational Protocol** to and is not adhered to by every **Employee** that performs any **Services** prior to the performance of any **Services**.

7. For the purposes of this **Policy** endorsement WHAT IS NOT COVERED: Outsource Agreement is deleted.

ENDORSEMENT: PUBLIC LIABILITY

1. **Public Liability**: **Your** legal liability for **Injury** or **Damage.**

2. **We** agree to indemnify **You** for **Public Liability** provided:

   2.1. the **Injury** or **Damage** does not arise out of **Your Professional Services**,

   2.2. for the purposes of this endorsement WHAT IS NOT COVERED: Public Liability is deleted,

   2.3. the **Limit** is R25,000,000 for **Any One Claim.**

   2.4. the **Deductible** is R 10,000.

   2.5. **You** notify the **Underwriting Manager** in writing as soon as **You** receive a **Claim** or **You** become aware of a **Circumstance**.

3. **We** will not provide an indemnity nor pay for any legal liability or **Costs and Expenses** for which **You** are entitled to an indemnity under any other insurance, indemnity, more specifically insured or insurable in terms of a Contract Works, Engineering, Public or Product Liability insurance or guarantee.

ENDORSEMENT: REGULATORY ENQUIRY EXPENSES

1. **Expenses**: legal, specialist, or forensic costs **You** incur with the **Underwriting Manager's** prior written approval for the purposes of **Your** defence or representation in any **Regulatory Enquiry**.

2. **Regulatory Enquiry:** formal proceeding requiring **Your** attendance in relation to;

   2.1. **Your Professional Services** or

   2.2. a disciplinary process concerning **Your** professional conduct or

   2.3. an inquest or fatality inquiry.

3. **We** agree to pay for **Expenses** up to an amount of R 250,000 plus **Value Added Tax** in respect of each **Regulatory Enquiry** provided:

   3.1. the **Regulatory Enquiry** commences during the **Policy Period** and

   3.2. the act by **You** causing the **Regulatory Enquiry** was not a deliberate and intentional act on **Your** part;

      3.2.1. to breach **Professional Services** standards and conduct,

      3.2.2. to cause the death of a human being and

   3.3. **You** were unaware as at the **Inception Date** that **You** may face a **Regulatory Enquiry** as a result of any act on **Your** part and

   3.4. **You** notify the **Underwriting Manager** in writing as soon as **You** receive any notice of any **Regulatory Enquiry** and

   3.5. **You** pay the first R 20,000 of **Expenses** in respect of each **Regulatory Enquiry** and

   3.6. the **Regulatory Enquiry** does not relate to a **Claim** and

   3.7. in the event of a **Claim** during the **Regulatory Enquiry We** will not pay any **Expenses** incurred from the date of such **Claim.**

4. **We** will not pay for any fines or penalties including as contemplated under the Protection of Personal Information Act of 2013 or the Consumer Protection Act of 2008.

ENDORSEMENT: STATUTORY DEFENCE COSTS

1. **Statutory Defence Costs**: legal costs and expenses to defend **You** against a **Prosecution**.

2. **Prosecution**: criminal prosecution in the Republic South Africa for a **Breach** by **You**.

3. **Breach:** breach or alleged breach of any Statute that relates to a liability indemnifiable under this **Policy**.

4. **We** agree to pay for **Statutory Defence Costs** provided:

    4.1. the **Prosecution** commences during the **Policy Period** and

    4.2. the **Breach** by **You** was not committed intentionally or deliberately and

    4.3. **You** were not aware of any **Breach** as at the **Inception Date** and

    4.4. **You** notify the **Underwriting Manager** in writing as soon as **You** receive the **Prosecution** papers and

    4.5. **Our** liability to pay **Statutory Defence Costs** is limited to R 1,000,000 plus **Value Added Tax** in respect of each **Prosecution** and

    4.6. **You** pay the first R 20,000 of **Statutory Defence Costs** each **Prosecution**.

5. **We** will not pay for **Statutory Defence Costs**:

    5.1. in any appeal unless a senior counsel appointed by the **Underwriting Manager** confirms that such an appeal is likely to succeed.

    5.2. arising out of any **Breach** committed prior to the **Retroactive date**.

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