

ABACUS HANDSET COVER

TERMS AND CONDITIONS

1. GENERAL INFORMATION

The relevant parties to this Policy are:

- 1.1. The Insurer: Abacus Insurance Limited ("Abacus Insurance") (registration number 2007/035136/06/06), a registered short-term insurer and the underwriter of Abacus Handset Cover (the "Policy");
- 1.2. The Intermediary: iSmart (Proprietary) Limited (registration number 2004/024118/07), an authorised Financial Services Provider (FSP Number: 45337) that sells the Policy on behalf of Abacus Insurance ("iSmart")
- 1.3. The Policyholder: the owner of the Handset covered in terms of this Policy.
- 1.4. The premium payable in terms of this Policy is set out in Annexure A.

2. POLICY SCHEDULE

You will receive your personalised policy schedule together with these Terms and Conditions that will specify the following:

- 2.1. The Abacus Handset Cover indicating the make, model and IMEI number of the Handset that you selected.
- 2.2. Full name, surname and Identity Number of the Policyholder.
- 2.3. The monthly premium payable and to be collected by debit order including the date upon which the debit order will be collected, and
- 2.4. Your Policy number.

Please ensure that all these details are correctly recorded. In the event of any errors, please contact Abacus immediately.

3. BENEFIT(S)

- 3.1. Your Handset is covered in the event of theft, loss or damage.
- 3.2. If you experience any one of the above mentioned insured events, your Handset will either be repaired or replaced with the same or a similar Handset or Original Purchase Value paid in cash at the discretion of the Insurer.

4. PREMIUM

- 4.1. The table in Annexure A clearly indicates the premium payable for the different Original Purchase Value(s) of the Handset.
- 4.2. Premium are due monthly.
- 4.3. The debit order will be collected on the date selected by the Premium Payer. The Premium Payer's choice of debit order date is limited to a day within 30 (thirty) days from the acceptance of the Policy.
- 4.4. In the event that the premium is not received we will notify the policyholder or premium payer within 15 (fifteen) days after the due date of the premium that the premium has not been received.

4.5. Consequences of non-payment of premiums

4.5.1. Where the **first premium** is not paid / collected the benefits under the Policy will automatically lapse 15 (fifteen) days after due date of first premium.

4.5.2. Thereafter, if 1 (one) month is not paid the policy do not lapse but is suspended for 31 (thirty-one) days, but may be reactivated upon the payment of all outstanding premiums within that 31 (thirty-one) days of the due date of the outstanding premium and reinstated upon payment.

4.5.3. If 1 (one) month's debit order is not paid, a double debit instruction will be submitted in the following month.

- 4.6. The Policy will cancel/ lapse if premiums are outstanding for 2 (two) months. The Policy will lapse 15 (fifteen) days after due date of the

second outstanding premium.

- 4.7. Your premium will be reviewed annually in the event that it is required due to inflation, increase in benefits, unexpected increases in expenses, loss ratios worse than anticipated and any new regulatory requirements that directly affect this Policy. If a premium escalation is required, Abacus will give you 31 (thirty-one) days written notice thereof and will furnish you with detailed reasons as to why the escalation is necessary and any impact this may have on you.

4.8. BANK DEBIT ORDER PROCEDURE

- 4.8.1. The debit order will be collected on the date selected by the Policyholder on the Policy.
- 4.8.2. The Cover will only start after payment of the first Premium has been received.
- 4.8.3. The Policyholder or Premium Payer's choice of debit order date is limited to 30 days from the acceptance of the Policy.

5. COVER EXCLUSIONS

You will not be able to submit a claim in terms of this Policy in the following circumstances:

- 5.1. If you were negligent in safeguarding the Handset against loss, theft or damage. The Handset must in all circumstances be reasonably safeguarded by you against theft, loss or damage being incurred. Any negligence by you in this regard will lead to the rejection of a claim in terms of this Policy;
- 5.2. If the Handset is stolen from any premises unless such theft is accompanied by unauthorised entry to or exit from such premises;
- 5.3. If the Handset is stolen from any unattended vehicle unless:
 - 5.3.1. the Handset is contained in a completely closed and securely locked portion of the vehicle so as to be out of sight of any visual inspection from outside the vehicle; or
 - 5.3.2. the vehicle is locked and housed in a securely locked building of substantial construction;
- 5.4. If the damage of the Handset is caused by inherent vice, wear and tear, gradual deterioration, depreciation, or during the process of repairing or restoring of the Handset;
- 5.5. Any amount recoverable under any guarantee, warranty or other insurance;
- 5.6. If you deliberately or negligently immerse the Handset in any liquid, powder, or soil;
- 5.7. If the Handset is confiscated, detained, or nationalised whether by customs or any other authority; or
- 5.8. If the damage to the Handset is caused by riots, war, civil war or warlike operations.

6. WHAT WON'T BE COVERED

- 6.1. The cost of repairing or replacing any damaged external casings or cosmetic fittings;
- 6.2. Consequential loss or damage of any description;
- 6.3. The cost of repairs and/or maintenance carried out by anyone other than an authorised repairer;

7. THE POLICY

The Cover, Period, Terms and Conditions of this Policy are:

- 7.1. The purchase of the Policy will be electronically recorded via telephone, or other media. A written copy of the Policy will be sent to the Policyholder

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within 31 (thirty-one) days after the inception thereof by way of email or by SMS or post whichever medium preferred by the Policyholder.

- 7.2. This Policy can only be bought via iSmart and the Policy is only available to permanent residents of South Africa.
- 7.3. Upon payment of the premium applicable to the Original Purchase Value of your Handset, this Policy will be linked to a specific Handset.
- 7.4. Only 1 (one) Handset can be linked to this Policy.
- 7.5. If your Handset is lost or stolen or if it is damaged, the Insurer shall, at its own discretion, either arrange for:
 - 7.5.1. the repair of the Handset by a reputable service provider, or
 - 7.5.2. a replacement Handset of similar specification and/or value
 - 7.5.3. a settlement of the Original Purchase Value, the settlement will be paid into a verified and active South African bank account in your name.
- 7.6. Handsets older than 90 (ninety) days may not be covered in terms of this Policy.
- 7.7. NO RIGHTS TO OTHER PERSONS

Nothing in this Policy shall give rights to any person other than the Policyholder and the Policyholder may not cede or assign his rights in terms of the Policy to any person without the written consent of the Insurer.

8. POLICY INCEPTION DATE

- 8.1. The Policy will commence upon receipt of the first premium payment.

9. LAPSE RULE

The Policy will cancel/lapse if 2 (two) premiums are outstanding.

10. REINSTATEMENT RULE

- 10.1. The Policy cannot be reinstated after lapsing.
- 10.2. In the event that you wish to continue with Abacus Handset Cover, a new Policy will be issued only if the Handset you wish to insure in terms of the Policy is not older than 90 (ninety) days.

11. COOLING-OFF PERIOD/TERMINATION

- 11.1. The Policyholder can cancel the Policy within the first 31 (thirty-one) days of inception of the Policy if no claim has been received prior to the cancellation.
- 11.2. The Policyholder must submit this instruction in writing to Abacus within 31 (thirty-one) days of inception of the Policy.
- 11.3. All premium payments made in respect of the Policy so cancelled will be refunded in full provided there has been no claim submitted and paid before receipt of the cancellation notice.

12. EXCESSES

- 12.1. The following excesses will apply in the event of a claim:
- 12.2. The Insurer may request a once-off debit order mandate/authorisation in order to collect excess payable, alternatively the excess amount will be deducted from the settlement amount.
- 12.3. The claim will only be settled upon successful collection of the excess payable.

Claim	1 st claim	2 nd claim	3 rd or subsequent claim
More than 90 days from policy inception (1 st claim) / more than 90 days since previous claim (2 nd , 3 rd or subsequent claim)	10%	30%	50%
Between 30 days and 90 days from policy inception (1 st claim) / between 30 days and 90 days from previous claim (2 nd , 3 rd or subsequent claim)	40%	60%	80%
Within 30 days from policy inception (1 st claim) / within 30 days of previous claim (2 nd , 3 rd or subsequent claim)	60%	80%	90%

13. CLAIM PROCEDURES

- 13.1. The claims procedure must be carefully followed in order to avoid a delay in the payment of benefits.
- 13.2. If your Handset is lost or stolen, you must immediately notify your Network Provider and request them to blacklist the Handset, to deactivate your Handset's MSISDN number and to issue you with an ITC number.
- 13.3. Once an ITC Reference Number has been allocated, you must report the loss or theft of the Handset to your nearest police station and obtain a police case number stating how, what when and where the incident happened. No claim will be considered by the Insurer without a police case number. Please note that no police case number will be provided without an ITC number.
- 13.4. If your Handset is damaged, you need to obtain an estimate of the repair cost of the Handset from a reputable service provider.
- 13.5. After you have completed the steps in 14.2 and 14.3 or 14.4, you must notify the Insurer of your claim. (see contact details below)
- 13.6. You must notify the Insurer of your claim within 14 (fourteen) days of the theft, loss or incident that caused the damage to the Handset by phoning the Insurer (see contact details below); failure to do so may delay the assessment of the claim.
- 13.7. The Insurer will provide you with a claim form which you must complete correctly in full.
- 13.8. You must submit a copy of your identification document with the claim form and on the claim, form you will find a list of the documents that must be submitted to the Insurer together with the claim form.
- 13.9. The claim form together with your identification document and the additional documentation referred to in 13.7 may be submitted to the Insurer through one of the following channels:
 - 13.9.1. Email: claims@abacus-insurance.co.za;
 - 13.9.2. Facsimile: 010 211 1090.
 - 13.9.3. Postal Address: PO Box 4208 Johannesburg 2000
- 13.10. Claims will be processed provided that all required documentation has been submitted to the Insurer.
- 13.11. You will at all times be kept informed of the progress of your claim by sms to the cellular telephone phone number or email address that you provided on the claim form.
- 13.12. In the event of a claim, Abacus Insurance will within 2 (two) business days after all required documents in respect of the claim have been received, inform the claimant if the claim is valid, rejected or disputed.
- 13.13. Abacus Insurance reserves the right to cancel any benefits if there is any evidence of, or attempted submission of, a fictional claim, fraud or material misrepresentation.
- 13.14. Claims must be submitted to Abacus Insurance within 6 (six) months of the Incident. Failure to do so will result in the benefit being lost.

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13.15. In the event that your claim is rejected, the Insurer will furnish you with reasons for the rejection.

13.16. You may make representations to Abacus if you disagree when your claim is rejected or if you disagree with benefits approved within 90 (ninety) days of receipt of the notice that your claim is rejected, or the benefits approved.

13.17. In the event of your claim being rejected and you do not make any representations within the 90 (ninety) day period after the rejection notice, all benefits in respect of that claim shall expire.

13.18. In the event of a claim being rejected and legal action not being commenced within 6 (six) months after the expiry of the 90 (ninety) day representation period, all benefits afforded under this policy in respect of any such claim shall be forfeited.

13.19. All claims must be accompanied by the following clearly legible documents:

- 13.19.1. Sworn Affidavit detailing what, when where and how the incident took place (including Police case number)
- 13.19.2. Handset reported to Network Provider
- 13.19.3. Invoice of Purchase (original & reprinted copy)
- 13.19.4. Quotation for the repair of damage of device
- 13.19.5. Confirmation of Handset Blacklisted: M-Tel, Cell C or Vodacom
- 13.19.6. ID Copy

13.20. Abacus reserves the right to request any other additional documents that it, in its sole discretion, deems necessary to accurately assess the claim.

13.21. CLAIM RECOVERY

- 13.21.1. If, after the payment of a claim for a stolen or lost Handset, the whereabouts of the Handset is identified, you shall render all reasonable assistance to the Insurer to recover the Handset.
- 13.21.2. In the event of a claim for a Handset that is Uneconomical to Repair, you will after receipt of the replacement Handset, hand the damaged Handset to the Insurer.

14. COMPLAINTS PROCEDURE

14.1. Should you have any complaints regarding this Policy, the Insurer, the Intermediary, please contact the Insurer (see contact details below) and have the following information ready:

- Policy Number;
- Identity Number; and
- Nature of Enquiry.

14.2. If your complaint is not resolved within 30 (thirty) days, you may refer it to the Ombudsman for Short-term Insurance or the Registrar of Short-term Insurance. Please see contact details below.

15. TERMINATION OF BENEFITS

The Cover terminates on the earlier of:

- The non-payment of premiums for 2 (two) months.

16. CHANGE OF DETAILS

Should you wish to change the details please contact Abacus (see contact details below) and have the following information available:

- Name and Surname
- Identity Number
- Contact Details

17. REPLACEMENT OF POLICY

If this Policy is being purchased to replace another Policy that has been cancelled or will be cancelled in the near future, the Policyholder should be aware that it may change the extent of their applicable cover. The Policyholder must contact their financial advisor in order to be informed of the consequences of the changes.

18. OTHER INSURANCE

If the Policyholder has other insurance providing the same cover as per this Policy, then in the event of a claim in terms of this Policy, the Insurer shall not be liable to pay or contribute more than their rateable proportion of the total claim.

19. EXPLANATION OF IMPORTANT WORDS

- 19.1. **"Handset"** means the cellular phone, tablet or handheld device identified by an International Mobility Equipment Identity ("IMEI") number or valid proof of purchase and covered in terms of this Policy;
- 19.2. **"MSISDN"** means the Mobile Station International Subscriber Directory Number allocated to your Handset by your Network Provider;
- 19.3. **"Network Provider"** means the provider of the MSISDN number linked to the Handset covered in terms of this Policy;
- 19.4. **"Original Purchase Value"** means the purchase price that you paid for your Handset on the day that you purchased it;
- 19.5. **"Period of Cover"** means the period, including any period of renewal, during which this contract remains in force or effect;
- 19.6. **"Policy"** means this Abacus Handset Cover; and
- 19.7. **"Valid Claim"** means a claim in terms of this Policy that complies with all the requirements as set out in 9 of this Policy.

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ABACUS HANDSET PREMIUM TABLE

IMPORTANT - PLEASE READ CAREFULLY - DISCLOSURE AND OTHER LEGAL REQUIREMENTS
(This notice does not form part of your insurance contract or any other document)

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- Your Handset is covered in the event of theft, loss or damage.
- If you experience any one of the above mentioned insured events, your Handset will either be repaired or replaced with the same or a similar Handset or Original Purchase Value paid in cash at the discretion of the Insurer.

PREMIUM TABLE

The premium payable by you for this Policy depends on the purchase value of your Handset: Please consult the table below for the premium applicable to your Handset.

Original Handset Value (R)	Monthly Premium (R)
0-499	34.95
500-999	39.95
1000-1499	44.95
1500-1999	54.95
2000-2499	64.95
2500-2999	69.95
3000-3499	74.95
3500-3999	79.95
4000-4499	89.95
4500-4999	99.95
5000 -5499	109.95
5500-5999	119.95
6000-6999	129.95
7000-7999	149.95
8000-8999	169.95
9000-9999	189.95
10000-11999	229.95
12000-13999	269.95
14000-16999	299.95