



SACNASP

Professional Indemnity Insurance Scheme (‘SPIIS’)

Policy Documentation – General

For the period 1 April 2020– 31 March 2021

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CFP Brokers cc is an Authorised Financial Services Provider: FSP 42892

Phone No.’s: 011 794-6848 / 011 794-7770

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Sweet Thorn on Beyers, Block C, Ground Floor, 61 Bosbok Road , Randpark Ridge 2169

Suite No 44, Private Bag X11, Northriding, 2162



In association with **Hollard.**

2020 - 2021 MASTER POLICY SCHEDULE (V2)

Commercial Professional Indemnity

Hollard.

Underwritten by The Hollard Insurance Co. Ltd,
an authorised Financial Services Provider

www.itoo.co.za

ITOO is an Authorised Financial Services Provider. FSP number 47230

SACNASP PROFESSIONAL INDEMNITY INSURANCE SCHEME ('SPIIS') POLICY SCHEDULE FOR THE 2020 TO 2021 PERIOD OF INSURANCE

(DETAILS OF COVER OPTIONS PROVIDED UNDER THE POLICY)

Policy Number	SPL/SLFG/000013915																			
Type of Document	Master Policy Renewal Policy																			
Insured	<p>Cover is dependent on the information submitted on the online SPIIS System and is for a fully paid up Professional Natural Scientists, Candidate Natural Scientists or Certificated Natural Scientists of SACNASP, or for the Entity that they are employed by on the proviso that the Professionals are registered SACNASP Members. Professional Natural Scientists, Candidate Natural Scientists or Certificated Natural Scientists who have applied for SACNASP membership may also take up cover.</p> <p>A "Professional" for the purposes of this Insurance shall mean any person employed by the Company and having obtained any post matric degree/diploma/certificate or other qualification and acting within the course and scope of the business (being the practice of natural sciences) Cover is dependent on the information submitted on the online SPIIS System and is</p>																			
Insured VAT Number	N/A																			
Company Registration Number	N/A																			
Insured Business Description	<p>Cover is for Professional Natural Scientists, Candidate Natural Scientists and Certificated Natural Scientists who are registered members of SACNASP, and those who have applied for membership, who are involved in the following sub-categories:</p> <table border="0"> <tr> <td>Agricultural Science</td> <td>Environmental Science</td> </tr> <tr> <td>Animal Science</td> <td>Food Science</td> </tr> <tr> <td>Aquatic Science</td> <td>Geological Science</td> </tr> <tr> <td>Biological Science</td> <td>Materials Science</td> </tr> <tr> <td>Botanical Science</td> <td>Mathematical Science</td> </tr> <tr> <td>Chemical Science</td> <td>Microbiological Science</td> </tr> <tr> <td>Earth Science</td> <td>Physical Science</td> </tr> <tr> <td>Ecological Science</td> <td>Soil Science</td> </tr> <tr> <td></td> <td>Zoological Science</td> </tr> </table>		Agricultural Science	Environmental Science	Animal Science	Food Science	Aquatic Science	Geological Science	Biological Science	Materials Science	Botanical Science	Mathematical Science	Chemical Science	Microbiological Science	Earth Science	Physical Science	Ecological Science	Soil Science		Zoological Science
Agricultural Science	Environmental Science																			
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Chemical Science	Microbiological Science																			
Earth Science	Physical Science																			
Ecological Science	Soil Science																			
	Zoological Science																			
Brokers Postal Address	Suite No 44 Private Bag X11 Northriding 2162																			
Intermediary	CFP Brokers CC Broker Code: CFP01B FSP Number: 42892 VAT Number: 4620263808	Suite No 44 Private Bag X11 Northriding 2162																		

Insurer	The Hollard Insurance Company Limited (Reg No 1952/003004/06) A Licensed Financial Service Provider (FAIS license No 17698)	22 Oxford Road, Parktown Johannesburg, Gauteng, 2000 Tel: (011) 351-5000 Email: liabs@itoo.co.za
Period of Insurance	From: 01 April 2020 To: 31 March 2021 (both dates inclusive)	
Anniversary/Renewal Date of Scheme	01 April 2021	
Retroactive Date(s)	Retroactive Date per Expiry and subject to proof of first-joining date/prior claims made cover and continuous, unbroken cover for Professional Indemnity insurance in respect of each entity or professional individual.	
Type of Contract	Annual	
Effective Date	01 April 2020	
Payment Frequency	Annual	
Annual Premium	R0.01 - Per Selected Option Above as Quoted by the SPIIS Online System in accordance with agreed rating sheet. Premium Quoted is inclusive of VAT.)	

In terms of ruling issued by SARS, this document together with proof of payment of premium constitutes an alternative to a tax invoice, debit note or credit note as contemplated in sections 20(7) and 21(5) of the VAT Act respectively. Insured amounts are inclusive of VAT at 14%. VAT Registration number: 4450117405. Deductibles have no VAT consequence and are not subject to VAT when recovered by an insurer from an insured.

Excess Payments – to be made to iTOO

Banking Details

THIC-iTOO Special Risks - Premium Account

Nedbank

Reference Number: SPL/12821 followed by Certificate Number SPL/SLFG/000013915

Type: Current Account No: 1133 731619 Branch Code: 198765 Swift Code: NEDZAJJ

Annual Premium Payments – CFP Brokers invoices directly

Name of Bank: First National Bank

Name of Account Holder: IOM (Pty) Ltd - Epic 3

Account Number: 6219 2888 281

Branch Name: FNB Corporate Account Services, Johannesburg

Branch Number: 255 - 005

Account type: Current

All Premiums and Fees are VAT Inclusive; the total payment due for this transaction includes Broker Commission of 20% and 5% Binder Fee

Commercial Professional Indemnity Policy Schedule

Risk Details				
Basis of Limit		As reflected below		
Basis of Deductible		Each and Every Claim as reflected below		
Section Options		Option 1: R2,500,000.00 EEC to apply to the PI Section, and sub-limited as indicated below Option 2: R5,000,000.00 EEC to apply to the PI Section, and sub-limited as indicated below Option 3: R10,000,000.00 EEC to apply to the PI Section, and sub-limited as indicated below Option 4: R15,000,000.00 EEC to apply to the PI Section, and sub-limited as indicated below Option 3: R20,000,000.00 EEC to apply to the PI Section, and sub-limited as indicated below		
Retroactive Cover Charges		1 Year = R215 per annum, per SACNASP Member 2 Years = R320 per annum, per SACNASP Member 3 Years = R425 per annum, per SACNASP Member If retroactive cover is for a company, then the retro cover premium above is to be multiplied by the number of professional individuals to be covered who are registered with SACNASP.		
Territorial Limits		Worldwide excluding USA and Canada		
Policy Details				
Section Name	Limit of Indemnity	Basis of Limit	Deductible	Basis of Deductible
Professional Indemnity	R2,500,000 or R5,000,000 or R10,000,000 or	Each and Every Claim	R5,000	Each and Every Claim
	R15,000,000 or R20,000,000	Each and Every Claim	R10,000	Each and Every Claim



Extensions applicable:

Extension/s	Limit of Indemnity (Per Claim)	Limit of Indemnity (Per Policy Period)	Deductible / Excess (each & every claim)
Joint Ventures	Included in the Professional Indemnity Limit chosen	Included in the Professional Indemnity Limit chosen	Follows main professional indemnity Deductible
Sub-contractors	Included in the Professional Indemnity Limit chosen	Included in the Professional Indemnity Limit chosen	Follows main professional indemnity Deductible
Public Liability	R 1 000 000	unlimited	Follows main professional indemnity Deductible
Product Liability	R 1 000 000	R 1 000 000	Follows main professional indemnity Deductible
Statutory Defence Costs	R 250 000	R 250 000	R 2,500
Wrongful Arrest	R 250 000	R 250 000	R 2,500
Disciplinary Defence Costs	R 100 000	R 100 000	R 1,000
Loss of Documents (Own)	R 100 000	R 100 000	R 1,000

* **Professional Indemnity cover provided under the SACNASP Professional Indemnity Insurance Scheme ('SPIIS') policy** includes cover for liability following:

- A Negligent Act, Error or Omission
- Unintentional Breach of Confidentiality
- Unintentional Infringement of Intellectual Rights
- Accidental / Unintentional Loss / Theft of Third-Party Documents
- Dealing in good faith with tainted Third-Party Documents
- Dishonesty of Employees

Endorsements/Extensions/Exclusions

Sanctions Exclusion

It is hereby noted and agreed that neither Hollard Insurance Company Limited (the insurer), nor any of its Reinsurers shall be deemed to provide cover and no (Re) 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 Hollard Insurance Company Limited and/or its Reinsurers to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

36 Months Run-Off Cover:

In the event of and with effect from the retirement or ceasing business practice, the Insured and in the event of death of the Insured, the Insureds executor on behalf of the deceased's Insureds Estate, is granted an additional period of thirty six (36) months (hereinafter referred to as Run-Off Cover) to identify and report Claims and/or Circumstances in connection with work performed during the currency of this policy that may give rise to a Claim in terms of this Policy and provided that:

- a) The Insured enjoyed continuous uninterrupted professional indemnity cover with Insurers for a period of not less than three years immediately and consecutively prior to the expiring of this Policy;
- b) The Run-Off Cover:
 - (i) is subject otherwise to all the terms, Exclusions and Conditions of this Policy;
 - (ii) shall not apply to Claims made against the Insured where such Claim or Circumstance that might give rise to a Claim, was advised to the Insurer prior to the commencement date of the Run-Off Cover;
 - (iii) shall, notwithstanding the stated thirty-six (36) months period, terminate immediately at the commencement date thereof should Professional Indemnity insurance be obtained by the Insured with another insurer
- c) The Insurers total liability in respect of all Claims made during the final Period of Insurance and all Claims made or Circumstances identified during the Run-Off Cover shall in no event exceed the Limit of indemnity as stated in the Schedule which applied immediately prior to commencement of the Run-Off Cover;
- d) No Run-Off Cover will be allowed should the Insured elect not to renew this insurance and place such insurance with another insurer providing Professional Indemnity cover.
- e) This extension shall not be afforded written notice of such election is given by the Insured to the Insurers prior to the date of expiry of this policy. Any Claim made Circumstance reported during the Run-Off Cover shall be deemed to have been made during the last period of insurance.

Covid-19

Absolute Exclusion - infectious disease / epidemic / pandemic (Public Liability Section)

Notwithstanding anything to the contrary within this Policy, the insurer shall not be liable to make any payment under this Policy whatsoever in connection with, arising out of, based upon or attributable to:

- i. any infectious or communicable virus, bacteria, disease;
- ii. any declared or classified epidemic or pandemic, whether such declaration or classification takes place before or after the commencement of the Policy; and/or
- iii. any mutation or variation of any such infectious or communicable virus, bacteria or disease, epidemic or pandemic.

Infectious disease/epidemic/pandemic (Professional Indemnity Section)

notwithstanding anything to the contrary within this Policy other than as expressly set out in this endorsement, the insurer shall not be liable to make any payment under this Policy whatsoever in connection with, arising out of, based upon or attributable to:

- i. any infectious or communicable virus, bacteria, disease;
- ii. any declared or classified epidemic or pandemic, whether such declaration or classification takes place before or after the commencement of the Policy; and/or
- iii. any mutation or variation of any such infectious or communicable virus, bacteria or disease, epidemic or pandemic.

Notwithstanding the above, it is hereby understood and agreed that the cover provided by this Policy shall extend to:

- i. A sub-limit of R1,000,000 in the annual aggregate.
- ii. The sub-limit as per (i) above is not in addition to any other limit provided and will form part of and will erode the Section A limit as set out in the schedule.
- iii. An excess/deductible of 2,5% of the sub-limit as per (i) above with a minimum of R100 000 will apply to each and every claim

Cyber Loss exclusion

Cyber Loss

arising out of, based upon or attributable to any cyber loss.

1. Cyber Loss means any loss, damage, liability, expense, fines or penalties or any other amount directly or indirectly caused by:
 - i. the use or operation of any Computer System or Computer Network;
 - ii. the reduction in or loss of ability to use or operate any Computer System, Computer Network or Data;
 - iii. access to, processing, transmission, storage or use of any Data;
 - iv. inability to access, process, transmit, store or use any Data;
 - v. any threat of or any hoax relating to a. to d. above;
 - vi. any error or omission or accident in respect of any Computer System, Computer Network or Data.

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2. Computer System means any computer, hardware, software, application, process, code, programme, information technology, communications system or electronic device owned or operated by the Insured or any other party. This includes any similar system and any associated input, output or data storage device or system, networking equipment or back up facility.
 3. Computer Network means a group of Computer Systems and other electronic devices or network facilities connected via a form of communications technology, including the internet, intranet and virtual private networks (VPN), allowing the networked computing devices to exchange Data.
 4. Data means information used, accessed, processed, transmitted or stored by a Computer System.

THE SACNASP PROFESSIONAL INDEMNITY INSURANCE SCHEME ('SPIIS') POLICY WORDING



THE HOLLARD INSURANCE COMPANY LIMITED PROFESSIONAL INDEMNITY POLICY

This **Policy**, the **Schedule / Certificate of Insurance** and any endorsements attaching hereto, shall be read together and considered to be one contract and any word or expression to which a specific meaning has been attached in any of them, shall bear such meaning throughout. All words in bold typeface are to be read in conjunction with the **Definitions** or Sections to which they refer.

In consideration of, and conditional upon, the prior payment of the **Premium** by or on behalf of **You** and receipt thereof by or on behalf of **Us, We** are hereby bound to insure in accordance with the terms, **Exclusions, Conditions** and limitations contained within this **Policy** or forming part of any endorsement attaching hereto.

This **Policy** is conditional upon and will only come into effect following payment of the **Premium** by **You** and receipt thereof by or on behalf of **Us**.

Wherever any reference is made to one gender it shall refer to the other gender provided the context may be read correctly by way of such substitution. Similarly singular may be read as plural and plural as singular.

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

1. **Your Declaration**

You have declared to **Us** information in regard to **Your** business activities and **Services** that **You** provide, the revenue **You** generate annually, **Your** insurance claims history and other material information.

2. **Our Declaration**

We have relied upon the truth of **Your** declaration in agreeing to issue this **Policy** and agree to honour **Our** undertakings in terms of this **Policy** and utilize **Your** declarations to determine the **Premium**.

Should **We** discover that **You** have deliberately withheld or concealed any information or not disclosed material information in respect of **Your** risk **We** reserve the right at **Our** sole discretion to

- a) terminate or cancel this **Policy** from its inception; or
- b) agree with **You** any prejudice **We** have suffered due to **Your** actions.

3. **Definitions**

- 3.1 **“Any one claim”** shall mean all claims, regardless of their number or the identity of the claimants or whether attributable to separate contracts or mandates arising from or out of
 - a. the same negligent act error omission misrepresentation misstatement breach or infringement
 - b. one originating defamatory statement or utterance
 - c. the dishonest, fraudulent, malicious or criminal acts or omissions of any one person, or any number of persons acting in collusion
 - d. an originating cause of damage to, destruction, loss, mislaying or theft of or access to **Third party property** or **Third Party documents**
- 3.2 **Circumstance – a Circumstance** shall mean
 - a. **Your** knowledge of facts which ought reasonably to lead **You** to the conclusion that a **Claim** or **Claims** may be made against **You**
 - b. the discovery of reasonable cause for suspicion of dishonesty, fraud, malicious or criminal acts on the part of anyone referred to as the **Insured** that might give rise to a **Claim** against **You**
 - c. the identification or instance of damage to, destruction, loss, mislaying or theft of or unauthorised access to **Third Party Documents** or **Third Party Property**.
- 3.3 **“Claim”** or **“Claims”** shall mean
 - a. the receipt of a notice from anyone (including a verbal threat) of an intention to claim **Damages** from **You**
 - b. the receipt of a letter, summons or other **Document** claiming **Damages** from **You**
- 3.4 **“Computer, Data and Electronic Systems”** shall mean

information and communication technology devices and facilities for the electronic storage, transmission, receipt, retrieval, and processing of computer software, data, and voice communications, and networking equipment or facilities which enable connection to other devices or networks.

- 3.5 **“Costs and Expenses”** shall mean
- a. all amounts **We** spend or **You** spend with **Our** prior written approval, which will not be unreasonably withheld, in procuring **Third Party** services for the investigation, defence or settlement of any **Claim**
 - b. all amounts **We** spend in procuring services from **You**
 - c. expenses **You** incur with **Our** prior written approval, which will not be unreasonably withheld, in the investigation, defence or settlement of any **Claim** or in the mitigation of the cost of or prevention of any **Claim**

Costs and Expenses not covered:

All other amounts that **You** spend or expenses **You** incur in working with **Us**, including attendance at meetings with **Us** or **Our** representatives, shall not form part of any **Costs and Expenses** or the **Limit of Indemnity**.

- 3.6 **“Damages”** shall mean
all amounts **We** may agree to pay to a third party on **Your** behalf or the amount of any **Third Party** judgment and costs awarded against **You**
- 3.7 **“Documents”** shall mean
all documents and images no matter the storage medium but excluding computer operating and software programmes
- 3.8 **“Excess”** shall mean
the amount shown in the **Schedule / Certificate of Insurance** to be borne by **You** at **Your** own expense in respect of the first part of **Any One Claim**
- 3.9 **“Inception Date”** shall mean
the date shown in the **Schedule / Certificate of Insurance**
- 3.10 **“Insured”** shall mean
the individual or entities named in the **Schedule / Certificate of Insurance** as the **Insured** and any predecessors of the **Insured** and provided all the fees for **Services** have been declared to **Us** to determine the **Premium** any subsidiary of the **Insured** or other entity accepted by **Us**.
- 3.11 **“Insurer”** shall mean
The Hollard Insurance Company Limited
- 3.12 **“Internet Service Provider”** shall mean
an entity that provides services to anyone in accessing the internet via any **Computer, Data and Electronic Systems**
- 3.13 **“Limit of Indemnity”** shall mean
the **Limit of Indemnity** shown in the **Schedule / Certificate of Insurance** for **Any One Claim** (exclusive of **Value Added Tax**) is the total amount that **We** are liable to pay **You** arising out of **Our Claims** obligations in terms of this **Policy**. Sub-limits of Indemnity amounts specified in the **Schedule/Certificate of Insurance** for Extensions are part of that

- amount and are not payable in addition to the **Limit of Indemnity**. If the **Limit of Indemnity** is shown as being in the aggregate this will be our total liability for the **Period of Insurance**
- 3.14 **“Malicious Code”** shall mean
any **Computer** virus, Trojan Horse, worm, spyware, or other disabling, invasive or destructive **Computer** code
- 3.15 **“Period of Insurance”** shall mean
the period stated in the **Schedule / Certificate of Insurance**
- 3.16 **“Policy”** shall mean
this document and any attachments hereto
- 3.17 **“Pollution”** shall mean
the emission, discharge, dispersal, disposal, seepage, release or escape of any liquid, solid, gaseous or thermal irritant, contaminant or pollutant into or upon land, the atmosphere or any water-course or body of water or the generation of smells, noises, vibrations, light, electricity, radiation, changes in temperature or any other sensory phenomena
- 3.18 **“Premium”** shall mean
the amount shown in the **Schedule / Certificate of Insurance** including **Value Added Tax**, being the consideration payable to **Us** for **Our** undertakings in terms of this **Policy**, which shall be paid to **Us** in terms of the Short-Term Insurance Act No. 53 of 1998
- 3.19 **“Product”** shall mean
any tangible property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured
- 3.20 **“Property”** shall mean
any money, notes, papers, records, letters, of a physical nature having a tradable or commercial value
- 3.21 **“Republic of South Africa”** shall mean
the geographical and jurisdictional area comprising the **Republic of South Africa** at the **Inception Date** of this **Policy**
- 3.22 **“Retroactive Date”** shall mean
the date shown in the **Schedule / Certificate of Insurance**
- 3.23 **“Schedule / Certificate of Insurance”** shall mean
the document headed “Schedule” or “Certificate of Insurance” attaching to this Policy
- 3.24 **“Services”** shall mean
- a. all work performed for or advice given to **Third Parties** by **You** in the normal scope and conduct of **Your** business according to **Your** declaration to **Us**.
 - b. **Services** does not include any activity in respect of any property manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by **You** or a **Third Party** on **Your** behalf
- 3.25 **“Terrorism”** shall mean

an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear

- 3.26 **“Third Party”** and **“Third Parties”** shall mean any person or juristic person who is not **You** or **Us**
- 3.27 **“Value Added Tax”** shall mean the applicable tax applied to goods and services in terms of Act No. 89 of 1991 or as amended
- 3.28 **“We”**, **“Our”** and **“Us”** shall mean The Hollard Insurance Company Limited
- 3.29 **“You”** and **“Your”** shall mean
- a. the **Insured** stated in the **Schedule / Certificate of Insurance**
 - b. the **Insured’s** company as stated on the **Schedule / Certificate of Insurance** provided that payment for professional indemnity cover for all partners, members, directors of the **Insured’s** company has been made, and cover obtained and maintained for all such partner, members and/or directors, regardless of whether or not such partners, members and/or directors render professional services or qualify for registration with The South African Council for Natural Scientific Professions (hereinafter referred to as “SACNASP”)
 - c. any person who is or was under a contract of employment with the **Insured**, in respect of any liability arising out of the business relationship with the **Insured**
 - d. in the event of the death, incapacity or insolvency of any person stated above, his estate and/or legal representative.

4. **Indemnity**

We agree to indemnify **You** subject to the terms, **Exclusions** and **Conditions** of this **Policy** and provided **You** have paid the **Premium** for **Claims** first made against **You** during the **Period of Insurance** for **Your** legal liability to pay **Damages** to **Third Parties** and **Costs and Expenses** arising out of the provision of **Your Services** after the **Retroactive Date**, up to the **Limit of Indemnity**, subject to the **Excess** and as a result of

- 4.1 any actual or alleged negligent act error omission misrepresentation misstatement whenever or wherever committed or alleged to have been committed, by **You**
- 4.2 any unintentional breach of confidentiality trust authority privacy whenever or wherever committed or alleged to have been committed, by **You**
- 4.3 any unintentional infringement of intellectual rights, names, title, marks, secrets, patents, ideas or possession, whenever or wherever committed or alleged to have been committed, by **You**

- 4.4 any defamation by **You**
- 4.5 any dishonest, fraudulent, malicious or criminal act or omission committed by a person referred to in the definition of **You** provided that no indemnity shall be afforded to anyone committing or condoning such dishonest, fraudulent, malicious or criminal act or omission
- 4.6 the accidental destruction loss mislaying of or damage to, theft of or unintentional failure by **You** to prevent unauthorized access to, **Third Party Documents** or **Third Party Property** entrusted to **You** or in **Your** custody and control
- 4.7 acting upon or dealing in or with any **Third Party Documents** or **Third Party Property**, in good faith, which subsequently is proven to have been forged, fabricated, stolen or otherwise tainted

5. **Costs and Expenses**

We will also pay for **Costs and Expenses** which shall form part of the **Limit of indemnity**

- 5.1 in connection with **Claims** falling to be dealt with in terms of the **Indemnity** clause above
- 5.2 incurred by **Us** in assisting and representing **You**, or incurred by **You** with **Our** prior written consent, in any regulatory or disciplinary enquiry or process provided the enquiry or process relates to **Our** undertakings as defined in the **Indemnity** clause above.

6. **Documents**

We will also indemnify **You** for amounts **You** spend, with our prior permission, such permission not to be unreasonably withheld, in replacing or restoring business related **Documents** accidentally damaged, destroyed, lost, mislaid or stolen.

The Indemnity provided shall not be in excess of the **Limit of indemnity** stated in the **Schedule / Certificate of Insurance** for this extension and shall form part of the overall **Limit of Indemnity** for the **Period of Insurance**.

Exclusions

We will not indemnify **You** against any **Claims**

1. for which **You** are entitled to indemnity under any other policy of Insurance or indemnity contract
2. for and/or arising out of injury to any person under a contract of employment or apprenticeship with **You** or under contract for the provision of labour only services to **You** where such injury arises out of the execution of such contract
3. arising out of
 - a. **Your** agreement to pay fines penalties punitive liquidated or exemplary damages unless such payment constitutes **Damages**
 - b. fines penalties punitive liquidated or exemplary damages imposed by any regulatory or judicial authority
4. arising out of any liability assumed by **You** by agreement or contract other than a contract for **Services** or unless such liability would have attached to **You** in the absence of such agreement or contract

5. arising out of
 - a. the failure of any investments, recommended by **You**, to perform either as predicted or at all. This exclusion shall apply to the failure of investments whether partly or as a whole and although not exclusively will apply to equities, securities, commodities, currencies, options and futures transactions
 - b. any warranty guarantee or forecast given by **You** as to the potential performance of any investment

This **Exclusion** shall not apply to **Damages** solely caused due to **You** failing to effect a specific investment transaction in accordance with specific prior instructions
6. arising out of any performance warranties given by **You** other than where it can be shown that **You** would have been liable in the absence of such warranties
7. arising out of **Your** failure to procure or arrange finance
8. arising out of **Your** deliberate failure to arrange or maintain insurance
9. made against **You** by **Your** holding or subsidiary companies or by any person or entity having a financial administrative or managerial influence on **You** unless the **Claim** could have emanated from a **Third Party**
10. in respect of loss of or damage to
 - a. **Your Property**
 - b. **Property** of any kind other than **Your** legal liability arising in terms of the **Indemnity** clause in respect of **Property**
11. previously disclosed or notified or which should have been disclosed or notified as a **Claim** or **Circumstance** under any other policy of insurance or similar contract or guarantee preceding the **Period of Insurance** of this **Policy**
12. resulting from any **Services** performed in any country whose laws fall under the auspices of the United States of America or Canada
13. resulting from any **Claim** brought in any Court under the laws of the United States of America or Canada or any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part.
14. made against **You** arising out of **Your** duties as a Director or Officer
15. arising out of **Your** insolvency
16. where **You** make a **Claim** fraudulently
17. for any **Services** **You** render as an **Internet Service Provider**
18. arising out of any **Damages** or **Costs and Expenses** awarded under the law of Decennial where such law imposes any liability that would not apply under the Laws of the **Republic of South Africa**
19. arising directly or indirectly from war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, civil commotion, mutiny, military or popular rising, rebellion, revolution, insurrection, military or usurped power, acts of terrorism or violence, martial law or state of siege, acts or any attempted acts directed towards the overthrow of or protest against or furthering of any political aim or objective or social or economic change in the policies of any government, provincial, local or tribal authority or the act or order of any lawfully constituted authority in controlling, preventing, suppressing or in any other way dealing with any

of the aforementioned occurrences, confiscation, nationalization or requisition or destruction of or damage to property by or under the order of any government or public or local authority.

If **We** allege that by reason of this **Exclusion** there is no cover under this **Policy** the burden of proving the contrary shall rest with **You**.

20. in respect of
 - a. the death of, or bodily or mental injury to any person or loss of or damage to property directly or indirectly caused by seepage, **Pollution** or contamination or the cost of removing, nullifying or cleaning-up seeping, **Polluting** or contaminating substances, unless caused by a sudden, unintended and unexpected happening or arising out of **Your Services**
 - b. the hazardous nature of Asbestos
21. in respect of any legal liability, loss, damage, destruction, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from
 - a. ionizing, radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
 - b. nuclear material, nuclear fission or fusion, nuclear radiation
 - c. nuclear explosives or any nuclear weapon
 - d. nuclear waste in whatever form

regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purposes of this exclusion only, combustion shall include any self-sustaining process of nuclear fission.
22. arising by reason of the intentional introduction of **Malicious Code** by **You** or a **Third Party** into any **Computer, Data and Electronic Systems**.
23. arising out of, based upon or attributable to any act which a court, judge, arbitrator or statutory or judicial body finds or which **You** admit, to criminal or illegal conduct, a dishonest or fraudulent act or omission, and in such event, **We** shall be reimbursed for all **Damages** and **Costs and Expenses** paid by **Us** from **You**.
24. arising out of any loss, damage, cost or expense directly or indirectly arising out of, contributed to by, or resulting from any infectious epidemic/pandemic (if classified either way by the appropriate national or international body/agency) which leads to:
 - (i) the imposition of quarantine or restriction in movement of people or animals by the national or international body or agency;
and/or
 - (ii) any travel advisory or warning being issued by a national or international body or agency and in respect of (i) or (ii) any fear or threat thereof (whether actual or perceived).

arising out of any dishonest, criminal or malicious act or omission, or any act or omission in violation of any law or ordinance, committed by **You** or on **Your** behalf, save where such criminal or illegal conduct is negligent and not reckless or intentional.

25. arising out of, based upon or attributable to any condition directly or indirectly caused by or associated with Human Immune Virus (HIV) or the mutants, derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome (AIDS) or any syndrome or condition of a similar kind howsoever it shall be named.; This also applies to contraction of AIDS by needle

stick injuries, blood transfusion or any other method of transfer. However this exclusion will not apply to any liability relating to the Third Party's status in regard to HIV/AIDS or similar condition.

26. Cyber Loss arising out of, based upon or attributable to any cyber loss.

5. Cyber Loss means any loss, damage, liability, expense, fines or penalties or any other amount directly or indirectly caused by:
 - a. the use or operation of any Computer System or Computer Network;
 - b. the reduction in or loss of ability to use or operate any Computer System, Computer Network or Data;
 - c. access to, processing, transmission, storage or use of any Data;
 - d. inability to access, process, transmit, store or use any Data;
 - e. any threat of or any hoax relating to 2.1 to 2.4 above;
 - f. any error or omission or accident in respect of any Computer System, Computer Network or Data.
6. Computer System means any computer, hardware, software, application, process, code, programme, information technology, communications system or electronic device owned or operated by the Insured or any other party. This includes any similar system and any associated input, output or data storage device or system, networking equipment or back up facility.
7. Computer Network means a group of Computer Systems and other electronic devices or network facilities connected via a form of communications technology, including the internet, intranet and virtual private networks (VPN), allowing the networked computing devices to exchange Data.
8. Data means information used, accessed, processed, transmitted or stored by a Computer System.

27. Infectious Epidemics/Pandemics

arising out of, based upon or attributable to any infectious epidemic/pandemic (if classified either way by the appropriate national or international body/agency) which leads to:

- a.) the imposition of quarantine or restriction in movement of people or animals by the national or international body or agency; and/or
 - b.) any interference with provision of services;
 - c.) any travel advisory or warning being issued by a national or international body or agency;
- and in respect of the above, any fear or threat thereof (whether actual or perceived).

28. **Conditions**

You must comply with the following **Conditions** as they are conditions precedent to **Our** acceptance of liability in terms of this **Policy**

1. **You** must notify **CFP Brokers** of any **Claim** or **Circumstance** as soon as reasonably possible, in writing. Their contact details are as follows:

CFP BROKERS CC
Sweet Thorn on Beyers

Block C, Ground Floor

Suite No 44

61 Bosbok Road

Private Bag X11

Randpark Ridge

Northriding

2169

2162

South Africa

Telephone: (011) 794-6848 / 794-7770

Facsimile: 086 553 5547

E-mail: info@cover4profs.co.za and kristy@cfpbrokers.co.za

2. Should **You** report a **Circumstance** as per Condition 1. above, which subsequently results in a **Claim**, **We** confirm that this **Policy** shall be the correct policy to respond to such **Claim** when it is finally made. In other words when a **Circumstance** becomes a **Claim** such **Claim** will be dealt with by the **Policy** in force at the time the **Circumstance** was notified.
3. **You** shall not admit liability, nor settle, nor incur any **Costs and Expenses** for any **Claim** without **Our** prior consent. **We** will mutually agree with **You** to settle or defend any **Claim** or to prosecute in **Your** name. Should agreement not be reached, however, **We** will make the final decision, at **Our** sole discretion, to settle, defend or prosecute. **You** will not be required to contest any legal proceedings unless **Our** legal representative, shall advise that such proceedings should be contested
4. Where **You** are liable **We** may, at any time, pay **You** the **Limit of Indemnity Any One Claim** less any amounts already paid or pay **You** a lower amount than the **Limit of Indemnity Any One Claim** if the **Claim** may be settled for less. **We** shall then no longer be involved with or be liable any further for such **Claim**
5. **You** will at **Your** own cost render such assistance to **Us** or **Our** appointed representatives as **We** may require in order to investigate, defend or settle any **Claim** and will fully and truthfully disclose to **Us** any information relevant to the **Claim**
6. **You** shall pay the **Excess** in respect of the **Damages** of **Any One Claim**. The **Excess** will apply to **Costs and Expenses** and is payable upon **Our** request.
7. **We** have the right to pursue any **Third Party** for recovery of **Damages** and **Costs and Expenses** which **We** have paid on **Your** behalf.

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8. **We** agree not to seek recovery for amounts **We** have paid from anyone defined as **You** unless the **Claim** has been brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of such person.
Any amounts recovered in respect of any **Claim** under this **Policy** shall be reimbursed as follows
- a. firstly, for any **Costs and Expenses** reasonably incurred in relation to the recovery
 - b. secondly, **You** will be reimbursed for any loss in excess of the **Limit of Indemnity**
 - c. thirdly, **We** will be reimbursed for any **Damages** and **Costs and Expenses** expended in respect of the **Claim**
 - d. lastly, **You** will be reimbursed for **Your Excess**
9. **We** shall not be liable to indemnify **You** if any **Claim** made under this **Policy** is made fraudulently or if any fraudulent intent is involved.
10. In the event of a dispute between **You** and **Us** in relation to this **Policy** and its interpretation, the dispute will be set out in writing and submitted to an independent arbitrator who will be empowered to make a ruling and binding decision to resolve the dispute.
The appointment of the independent arbitrator will be mutually agreed upon but in the event agreement cannot be reached then the appointment will be made by the Short Term Insurance Ombudsman who will appoint an independent arbitrator with appropriate skills given the circumstances of the matter. The arbitration (including any appeal procedure) will be conducted in accordance with the Rules of the Arbitration Foundation of South Africa and all costs associated hereto will be equally apportioned between **You** and **Us**, unless otherwise determined by the arbitration. In the event of any litigation between **You** and **Us** in respect of this **Policy** summons may be issued against

The Hollard Insurance Company Limited
22, Oxford Road
Parktown
Johannesburg, 2193

Extensions

The following **Extensions** apply if so stated on the **Schedule / Certificate of Insurance**. Each extension, where applicable, is subject to:

- a. **Our** Liability being limited to the specific **Limits of Indemnity** stated in the **Schedule / Certificate of Insurance**
- b. **You** being responsible for the **Excess** stated in the **Schedule / Certificate of Insurance**

1. Joint Ventures

The definition of **You** and **Your** is extended to include any **Joint Venture** in which the **Insured** may be involved but only in respect of liability devolving upon the **Joint Venture** arising out of the performance of **Services** by the **Insured**

Joint Venture shall mean where the **Insured** have agreed with others to jointly provide **Services**, provided

- 1.1 The fees earned from such **Joint Ventures** are declared to **Us** for the purposes of determining **Premium**
- 1.2 the **Joint Venture** is not separately insured but where it has been separately insured a period of at least five years has expired since the **Services** were completed
- 1.3 that **We** will not indemnify **You** against **Claims** made by any party forming part of any **Joint Venture** unless the **Claim** could have emanated from a **Third Party**

2. Public Liability and Products Liability

This **Policy** extends to cover **You** in respect of **Claims** arising out of

- a. death, bodily injury, illness or disease of or to any **Third Party**
- b. loss of possession or control of or actual damage to tangible **Third Party** property Committed or alleged (other than by **You**) to have been committed by **You** in the course of **Your** business and or the provision of **Your Services** or in connection with any **Product** or **Pollution** resulting there from:

Provided always that :

- 2.1 **We** will not indemnify **You**
 - a. against any **Claims** arising out of the ownership, possession or use of any motor vehicle, trailer, aircraft, watercraft or hovercraft
 - b. against any **Claims** arising from damage to property owned, leased or hired or under hire purchase or on loan to **You** or otherwise in **Your** care custody or control. This will not apply to clothing and personal effects unless they have been left unattended
- 2.2 each **Insured** indemnified is separately indemnified in respect of **Claims** made against each other subject to **Our** total liability not exceeding the **Limit of Indemnity**

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- 2.3 in respect of **Claims** arising out of **Pollution** the **Limit of Indemnity Any One Claim** represents the total amount of **Our** liability in respect of all **Claims** made during the **Period of Insurance**
- 2.4 This Extension does not cover liability for claims for the death of, or bodily or mental injury to any person or loss of or damage to property directly or indirectly caused by **Pollution** or the cost of removing, nullifying or cleaning-up **Pollution**, unless caused by a sudden, unintended and unexpected happening. Notwithstanding this exclusion no cover is afforded for
- a. Waste Disposal and/or Toxic Waste
 - b. Any form of exposure to Polychlorinated Biohenyls (PCBs)
- 2.5 This Extension does not cover liability for claims in connection with any **Product**:
- a. for costs incurred in the repair, reconditioning, modification or replacement of any **Product** or part thereof which is or is alleged to be defective;
 - b. for costs arising out of the recall of any **Product** or of any part thereof;
 - c. arising out of the failure of any **Product** or part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed unless such failure shall result in injury and/or damage
 - d. arising out of any **Product** which with the Insured's knowledge is intended for incorporation into the structure, machinery or controls of any aircraft;
 - e. arising out of defective workmanship or negligent advice in respect of defective workmanship;
 - f. arising from inefficacy;
 - g. arising prior to the handing over of the **Product**;
 - h. arising from any work on any aircraft or part thereof
- 2.6 This extension shall not apply to any claims emanating or in any way involved with
- a. Blood Banks, Blood Products and Blood Transfusion Services
 - b. Infectious epidemics / pandemics
 - c. Livestock including the spread of disease
 - d. Pharmaceutical products including the implantation of medical devices and cosmetics
 - e. Genetic Engineering
 - f. Any form of Marine liability and/or products and/or Marine protection
 - g. Any involvement with any of the following
 - i. Wood preservatives
 - ii. Corrosion preservatives
 - iii. Chloric cleaning agents
 - iv. Insecticides, pesticides, herbicides, fertilisers
 - v. Animal feeds
 - vi. Hazardous chemical products including paints and lacquers

2.7 this extension excludes any cover insured under the Professional Indemnity Section of this **Policy**

3. **Statutory Defence Costs**

We will indemnify **You** in respect of all legal **Costs and Expenses** incurred by **You** with **Our** written consent in the defence of any criminal action brought against **You** during the **Period of Insurance** as a result of the alleged contravention by **You** of any Statute governing the conduct of **Your** business and or the provision of **Your Services** (other than Statutes governing the ownership or use of motor vehicles, aircraft and watercraft, the Labour Relations Act No.66 of 1995, the Companies Act No.71 of 2008) as read in conjunction with the Criminal Procedure Act No.56 of 1955

Provided always that

- 3.1 no indemnity shall be granted for fines, penalties, punitive, liquidated or exemplary damages;
- 3.2 in the case of an appeal, **We** will not indemnify **You** unless legal representatives appointed by **Us** (in **Our** sole discretion) shall advise that such appeal is likely to succeed;
- 3.3 **Our** liability is limited to legal **Costs and Expenses** only. Such liability falls within the **Limit of Indemnity** stated in the **Schedule / Certificate of Insurance** in respect of each criminal action brought against **You**.

4. **Wrongful Arrest**

We will indemnify **You** in respect of **Claims** arising out of **Wrongful Arrest** committed or alleged (other than by **You**) to have been committed by **You** in the course of **Your** business and or the provision of **Your Services**

Provided always that

- 4.1 for the purposes of this extension, the term **Wrongful Arrest** shall mean
 - a. assault committed or alleged to have been committed at the time of making or attempting to make an arrest, or in resisting an overt attempt to escape by a **Third Party** under arrest, before such **Third Party** has been or could be placed in the custody of the Police or a law enforcement officer
 - b. defamation, injuria, false imprisonment or malicious prosecution either committed or alleged to have been committed directly in connection with an arrest or arising out of the investigation of acts of shoplifting or theft
- 4.2 no indemnity shall be provided in respect of **Claims**

- a. made against **You** by any **Third Party** other than those **Third Parties** being or having been or alleged to have been arrested or under arrest, or their personal representatives
- b. made against **You** by anyone else referred to under the definition of **You**, or their personal representatives arising out of unfair labour practice as within the meaning of the Labour Relations Act No.66 of 1995 as amended from time to time

5. Employers Liability

5.1 Indemnity

The **Insured** is indemnified by this Section of the Policy in accordance with the Operative Clause in respect of any **Claim** first made against the **Insured** during the **Period of Insurance** for accidental **Bodily Injury** sustained by any **Employee** arising out of and in the course of their employment by the **Insured** on or after the **Retroactive Date**.

5.2 Specific Exclusions

This Section does not cover liability:

- 5.2.1 for which the **Insured** is liable under any workers compensation legislation or unemployment scheme or for liability relating to or amounts recoverable under the Compensation for Occupational Injuries and Diseases Act 130 of 1993 (as amended);
- 5.2.2 for wrongful dismissal arising directly or indirectly out of any unfair labour practice within the meaning of the Labour Relations Act No. 28 of 1956 (as amended);
- 5.2.3 for disease, illness or impairment attributable to a gradually operating cause which cannot be identified as having arisen out of a specific sudden and unforeseen event;
- 5.2.4 arising from black lung, brown lung or mesothelioma, and/or sickness resulting from occupational hazards at work;
- 5.2.5 arising out of **Bodily Injury** or **Property Damage**, resulting from, whether directly or indirectly, a deliberate act or omission on the part of the **Insured** or any of its **Employees**.

6. SUB-CONTRACTED DUTIES

We will indemnify **You** in respect of the professional activities and duties necessary to carry out the Business/Profession, sub-contracted and/or sub-let by **You**, provided always that:

- 6.1 such activities and duties shall only be sub-contracted and/or sub-let to suitably qualified firms, persons or parties; and that
- 6.2 **You** shall at all times retain all rights of recourse against such firms, persons or parties and will give all reasonable assistance to the Insurers in effecting such rights."

SECTION 7 DISCLOSURE (AS PER THE GENERAL CODE OF CONDUCT FOR AUTHORISED FINANCIAL SERVICES PROVIDERS AND REPRESENTATIVES) PRODUCT FEATURES DISCLOSURE AND FACT SHEET FOR THE SACNASP PROFESSIONAL INDEMNITY INSURANCE SCHEME (‘SPIIS’) POLICY



Please read this document very carefully together with the policy document. Please do not hesitate to write to us at info@cover4profs.co.za if you require explanation on any provision below or in your policy document.



Please note the foot-notes too as these often provide you with important definitions of terms used in this fact sheet.



Bold words indicate that the word used is defined in your policy document and you should please refer to your policy document for the definition of the word. Where words are both bold and underlined or highlighted in yellow, then this is for purposes of emphasis of the importance of such word or words or to assist with referencing the relevant sections in your policy wording.



Our explanations below do not change the meaning or the intention of the underwriters / insurers policy document on pages 1 to 26. Our explanations have been provided to assist you to understand your cover.

WHAT IS COVERED BY THIS POLICY?

1. This policy covers **You**¹ for claims arising from allegations of professional negligence.

¹ Please see the definition of **You** in the definitions section of the policy wording document. **Please note that the cover provided under the policy will be limited to you as an individual in your personal capacity unless you have applied for cover for a company/partnership/close corporation or other incorporated entity.** If you have applied for cover as a company, only then will the definition as it appears apply to your cover. However, please note that employees, consultants and sub-contractors will not be covered in their own names regardless of whether you have taken out cover for the company, unless you have also paid for cover for that employee in his own name. However, all employees who do not qualify for SACNASP registration will automatically be covered if you obtain cover in the name of your company for claims arising out of the services they render in the course and scope of their employment with you- so long as these services do not fall outside the scope of natural science related work and services reasonably supplemental to your provision of such services.

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2. **You** should not incur any costs without prior written permission from your insurers in matters covered under this policy.
 3. The policy also includes cover for claims arising out of allegations against **You** of the following:
 - a. any negligent act error omission misrepresentation misstatement whenever or wherever committed or alleged to have been committed, by **You**
 - b. any unintentional breach of confidentiality trust authority privacy whenever or wherever committed or alleged to have been committed, by **You**
 - c. any unintentional infringement of intellectual rights, names, title, marks, secrets, patents, ideas or possession, whenever or wherever committed or alleged to have been committed, by **You**
 - d. any defamation by **You**
 - e. any dishonest, fraudulent, malicious or criminal act or omission committed by a person referred to in the definition **You** provided that no indemnity shall be afforded to anyone committing or condoning such dishonest, fraudulent, malicious or criminal act or omission
 - f. the accidental destruction loss mislaying of or damage to, theft of or unintentional failure by **You** to prevent unauthorized access to, **Third Party Documents** or **Third Party Property** entrusted to **You** or in **Your** custody and control
 - g. acting upon or dealing in or with any **Third Party Documents** or **Third Party Property**, in good faith, which subsequently is proven to have been forged, fabricated, stolen or otherwise tainted
 4. **You** are also covered for **Costs and Expenses** for representation and assistance in any regulatory or disciplinary enquiry or process provided the enquiry or process is related to any actual or potential claim under this policy.
 5. **You** can choose your **Limit of Indemnity** under the professional indemnity section of the policy. Under the SPIIS (online), there are 5 different indemnity options, R2,5 million, R5 million or R10 million, R15 million and R20 million. The limit under the professional indemnity section is provided on an each and every claim basis. This means that subject to the terms and conditions of the policy, you would have your selected limit available to meet each claim.
 6. Most of the extensions of cover are provided with an aggregate limit of cover which is also sub-limited. See the definition of **aggregate** below in the footnotes.
 7. The following extensions of cover are included under your policy:
 - a. **Statutory Defence Costs** . The cover under this section is sub-limited to R250,000 in the aggregate per policy period. The excess under this extension is R2,500 per claim.
 - b. **Wrongful arrest** . The cover under this extension is sub-limited to R250,000, in the aggregate per policy period. The excess under this extension is R2,500 per claim.
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- c. **Disciplinary Defence Costs** . The cover under this section is sub-limited to R100,000 in the aggregate per policy period. The excess under this extension is R1,000 per claim.
 - d. **Products' Liability**². The cover under this section is **sub-limited** to R1,000,000 **in the aggregate** per policy period. The excess follows your professional indemnity excess of either R5,000 or R10,000 for each and every claim – dependent on your limit of indemnity.
 - e. **Public Liability**³. The cover under this section is R1 000 000 on an **each and every claim** basis per policy period. The excess follows your professional indemnity excess of either R5,000 or R10,000 for each and every claim – dependent on your limit of indemnity.
 - f. **Joint Ventures**. The cover provided falls within the main limit of indemnity. The excess follows your professional indemnity excess of either R5,000 or R10,000 for each and every claim – dependent on your limit of indemnity.
 - g. **Sub-Contractors**. The cover provided falls within the main limit of indemnity. The excess follows your professional indemnity excess of either R5,000 or R10,000 for each and every claim – dependent on your limit of indemnity.
8. Your retroactive cover date will be the inception of the policy unless you have purchased retroactive cover or you are entitled to retroactive cover by virtue of being previously insured under a professional indemnity insurance policy with no gap in cover. You need to keep your previous policy documents as proof of your retroactive cover entitlement.
 9. Your **Limit of Indemnity** is inclusive of costs, expenses and VAT.
 10. In terms of the Value Added Tax Act, No 89 of 1991, where an indemnity payment is made to an Insured VAT Vendor, or where an insured VAT Vendor is indemnified by the payment of an amount of money to another person (the third party) in respect of loss or damage caused by an Insured, and the loss or damage was caused in the carrying out of the Insured's enterprise, in terms of s8(8) the Insured will be deemed to have received a payment in respect of a taxable supply, and the Insured will be liable to pay Revenue Services the VAT Output tax on the amount paid to the Third Party.
 11. I confirm that the insurers would indemnify you for this VAT liability if they pay out a claim to a third party on your behalf subject to the claim amount including VAT falling within the limit of indemnity. The limits under the SPIIS policy are VAT inclusive which means that your limit available for the payment of claims is reduced by any s8(8) VAT payments as these payments by your insurers will not be made over and above your **Limit of Indemnity**.

² See Description of the cover provided by this extension under the heading **Public Liability and Products' Liability** in the Policy Wording Section of this document. Please carefully note all the exclusions under this extension.

³ See note 2 above which also applies here.

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12. The cover under this policy is provided on what is known as a **'claims-made' basis**. This means that it is the policy in place at the time that a claim is made (or at the time that incidents are notified which may give rise to a claim) that will respond to the claim.
13. Therefore, you need to have cover in place:
- At the time that you render the service which gives rise to the claim or complaint; and
 - At the time that you notify us in writing of the incident giving rise to the claim or of the actual claim; and
 - Between a. and b. above, i.e. cover should be continuous and there should be no 'gaps' in your cover;
- in order for your claim to be covered under the policy.
14. If you allow your cover under the SACNASP Professional Indemnity Insurance Scheme ('SPIIS') to lapse, i.e. you do not renew it, you will not have any cover in place for any claims or potential claims that you become aware of after the date that your cover was lapsed, regardless of the fact that you may have had the cover in place at the time that you rendered the service which has given rise to the claim.
15. **The territorial limits of the policy**⁴ are worldwide excluding North America and Canada. Please note that the SACNASP Professional Indemnity Insurance Scheme ('SPIIS') cover is only intended for individuals who are domiciled in RSA or companies, etc. that are registered in RSA. It is not intended to cover any person or company that is not either domiciled or registered in RSA.
- It does however cover you for work done or services rendered in the territorial limits, if you are an individual who is domiciled in RSA or a company, etc. that is registered in RSA.
16. There is an excess payable for claims under the policy. Details of the excess payable are reflected above in the table of extensions. The excess in respect of any claim under the professional indemnity section is either R5,000 or R10,000 each and every claim and is applicable to legal **Costs and Expenses** as well as any payments to third parties, including damages and settlements.
17. The insurance contract is conditional upon and only comes into effect following your payment of the full annual premium due to insurers.

⁴ Services need to be rendered within the territorial limits in order for the policy to respond. Any claims arising out of services rendered outside the territorial limits will not be met.

EXCLUSIONS – WHAT IS NOT COVERED BY THIS POLICY?



The list below is not the full list of exclusions provided in your policy document and we urge you to read and familiarise yourself with all the exclusions as set out in your policy document.

The policy does not cover you for any claims:

1. For which you are entitled to indemnity under any other insurance that you may have in place.
2. Arising out of fines, penalties, punitive, liquidated or exemplary damages unless such payment constitutes **Damages** as defined in the policy.
3. Arising out of fines, penalties, punitive, liquidated or exemplary damages imposed by any regulatory or judicial authority.
4. Arising out of any liability you assume by agreement or contract other than a contract for **services** or unless such liability would have attached to you in the absence of such agreement or contract.
5. Previously disclosed or notified or which **should have been disclosed** or notified as a **Claim**⁵ or **Circumstance**⁶ under any other policy of insurance.
6. Arising from any act, error or omission of a director or officer of the **Insured** whilst acting in that capacity. Cover for this exposure is known as **Directors' and officers' liability insurance**. Please will you let us know if you would like us to obtain quotes for you for this cover or if you require further information about this cover.
7. Arising from the introduction of malicious code by you or a third party into any computer, data and electronic systems. If you require cover for cyber liability please contact us so that we can assist you with separate quotes for your consideration.
8. Arising out of any performance warranties given by **You** other than where it can be shown that **You** would have been liable in the absence of such warranties.
9. Arising out of **Your** failure to procure or arrange finance.
10. Arising out of **Your** deliberate failure to arrange or maintain insurance.

⁵ See definition of "Claim" or "Claims" in the Definitions Section of the Policy Wording Section of this document – Clause 3.2.

⁶ See definition of "Circumstance" in the Definitions Section of the Policy Wording Section of this document – Clause 3.3.

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11. Made against **You** by **Your** holding or subsidiary companies or by any person or entity having a financial administrative or managerial influence on **You** unless the **Claim** could have emanated from a **Third Party**.
 12. Resulting from any **Services** performed in any country whose laws fall under the auspices of the United States of America or Canada.
 13. Resulting from any **Claim** brought in any Court under the laws of the United States of America or Canada or any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part.
 14. Arising out of any **Damages** or **Costs and Expenses** awarded under Decennial law where such law imposes any liability that would not apply under the Laws of the **Republic of South Africa**.

The following exclusions of cover apply under the public and products' liability extensions of cover:

There is no cover under this policy for:

- a. Any claims arising out of the ownership, possession or use of any motor vehicle, trailer, aircraft, watercraft or hovercraft.
- b. Any claims arising from damage to property owned, leased or hired or under hire-purchase or on loan to you or otherwise in your care, custody or control.
- c. In respect of claims arising out of **Pollution** (as defined in the policy), the **Limit of Indemnity** for any one claim will represent the total liability in respect of all claims made during the insurance period, i.e. the limit is an aggregate limit where it comes to claims during the policy period which arise out of **Pollution**.
- d. Claims arising out of the death of, or bodily or mental injury to any person or loss of or damage to property directly or indirectly caused by pollution or the cost of removing, nullifying or cleaning-up **Pollution**, unless caused by a sudden, unintended and unexpected happening. Notwithstanding this exclusion no cover is afforded for
 - Waste Disposal and/or Toxic Waste
 - Any form of exposure to Polychlorinated Biohenyls (PCBs)
- e. Claims in connection with any **Product**:
 - i. for costs incurred in the repair, reconditioning, modification or replacement of any **Product** or part thereof which is or is alleged to be defective;
 - ii. for costs arising out of the recall of any **Product** or of any part thereof;
 - iii. arising out of the failure of any **Product** or part thereof to fulfill its intended function or to perform as specified, warranted or guaranteed unless such failure shall result in injury and/or damage
 - iv. arising out of any **Product** which with the **Insured's** knowledge is intended for incorporation into the structure, machinery or controls of any aircraft;

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- v. arising out of defective workmanship or negligent advice in respect of defective workmanship;
 - vi. arising from inefficacy;
 - vii. arising prior to the handing over of the **Product**;
 - viii. arising from any work on any aircraft or part thereof
- f. **Claims** emanating or in any way involved with
- i. Blood Banks, Blood Products and Blood Transfusion Services
 - ii. Infectious epidemics / pandemics
 - iii. Livestock including the spread of disease
 - iv. Pharmaceutical products including the implantation of medical devices and cosmetics
 - v. Genetic Engineering
 - vi. Any form of Marine liability and/or products and/or Marine protection
 - vii. Any involvement with any of the following
 - 1. Wood preservatives
 - 2. Corrosion preservatives
 - 3. Chloric cleaning agents
 - 4. Insecticides, pesticides, herbicides, fertilisers
 - 5. Animal feeds
 - 6. Hazardous chemical products including paints and lacquers

If your insurers allege that there is no cover under the policy by virtue of an exclusion, the burden of proving the contrary will rest with you.

ENDORSEMENTS – WHAT HAS CHANGED SIGNIFICANTLY?

1. No one could have foreseen the current situation we find ourselves in with the Covid-19 pandemic. Two pandemic endorsements have been added to this policy as follows:
 - i. Infectious disease/epidemic/pandemic (Professional Indemnity Section)
This exclusion has been added to clarify that ITOO exclude any claims for failure to provide service as a result of a pandemic, however an automatic carve back of cover has been added to pick up legal costs associated with defending a claim against you of this nature, with a sub-limit of R1,000,000 in the aggregate. The excess/deductible for a claim is R100,000 minimum or 2,5% of the claim, whichever is higher.
 - ii. Absolute Exclusion - infectious disease / epidemic / pandemic (Public Liability Section)
This is an absolute exclusion which means that ITOO will not cover any claims under the public liability section of the policy related to Covid-19.
2. A Cyber Loss Exclusion has been added. The professional indemnity section of the policy will not cover any cyber related risks. In these times cyber risks are far more advanced and need to be covered under a full cyber policy.

VERY IMPORTANT NOTES WITH REGARD TO THE CLAIMS' NOTIFICATION PROVISIONS OF YOUR POLICY DOCUMENT

1. Please pay special attention to the claims notification provisions of your policy document. Please read the **Conditions** section of the policy along with the **Definitions** of 'Claim' and 'Circumstance' on of your policy document very carefully.
2. Failure to adhere to the claims condition of timeous notification can result in **Insurers** rejecting your claim.
3. We urge you to report all **Circumstances** to us in writing rather than waiting for an actual claim to eventuate. You should notify through all **Circumstances** which could lead to a claim against you regardless of whether anyone has formally intimated that they intend to claim against you, regardless of whether you believe the amount of the claim would fall within your excess and regardless of your assessment of the merits of any threatened or potential claim against you.
4. **You** should never make any admissions or commit your **Insurers** or yourself to any kind of settlement or payment without your insurers' **prior written consent**. Please read the applicable **Condition** of your policy document carefully in this regard.
5. It is very important that you do not engage in any kind of alternative dispute resolution or enter into any kind of arbitration or negotiation without the knowledge and consent of your insurer.
6. Please be very careful of making any admissions of liability or including any incriminating evidence in your claim notifications to us as your correspondence with us is not subject to 'legal privilege' and we could accordingly be called upon in any pursuant litigation to disclose the contents of your communications to us.

Please do not hesitate to contact us if you need any assistance or clarification of anything in your policy document.

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NOTES ON RETROACTIVE COVER AND THE NATURE OF 'CLAIMS-MADE COVER' UNDER THE SACNASP PROFESSIONAL INDEMNITY SCHEME ('SPIIS')



This note provides important details on:

- 1. The nature of claims' made cover and how this could affect a claim that is made under this policy.*
- 2. An explanation of what is meant by 'retroactive cover date' and why this is important.*
- 3. Determining what your retroactive cover date is if you have an existing policy in place or if you are renewing your cover under SPIIS.*
- 4. Purchasing retroactive cover if you have never previously had professional indemnity insurance in place and you have been rendering services without any cover in place.*
- 5. Very important notes with regard to reporting through all claims and circumstances that you may be aware of to your existing insurers before you change your insurance providers.*
- 6. Warning if you will be replacing an existing insurance policy with cover provided under the SPIIS, about implications of dual insurance and the necessity to avoid dual insurance.*

EXPLANATION OF 'CLAIMS'-MADE' COVER

- The cover provided under the SACNASP Professional Indemnity Online Insurance Scheme ('SPIIS') is provided on what is known as the 'claims'-made' basis of cover. All professional indemnity insurance that you can obtain in South Africa is provided on the same basis, i.e. claims'-made cover only.
- This means that it is the policy that is in place at the time that the claim is made (or at the time that you become aware of an incident or circumstances that may lead to a claim being made against you and report it to your insurers/brokers) which is expected to respond to cover the claim.
- This will not necessarily be the policy that is in place at the time that you render the services which give rise to the claim. It is well known that claims sometimes only arise months or even years after the service has been rendered.

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4. This means that in order to be covered, you will need to have cover in place:
 - a. At the time that you render the services which give rise to the claim; and
 - b. At the time that you first become aware of the circumstances or incident which could give rise to a claim and notify it through to us in writing; and
 - c. Between 4a. and 4b. above, i.e. cover should be continuous and there should be no 'gaps' in your cover.
 5. If you allow your cover under the SPIIS to lapse, i.e. you do not renew it or you cancel it, you will not have any cover in place for any claims or potential claims that you become aware of after the date that your cover was lapsed, regardless of the fact that you may have had the cover in place at the time that you rendered the service which has given rise to the claim.
 6. If you do not renew your cover and allow it to lapse- please be aware that you will lose all your retroactive cover that you may have been entitled to- because you now have a 'gap' in your cover which invalidates all previous retroactive cover that you were entitled to.
 7. If you subsequently take out the cover again and there is now a 'gap' in your cover, you will need to purchase retroactive cover, whereas if you had not allowed your policy to lapse you would have been automatically entitled to the retroactive cover you enjoyed under your lapsed policy.
 8. Even if you will be 'taking a break' for maternity leave or holiday or any other reason- you should still maintain the cover in place because a claim could still arise from services that you rendered prior to 'taking a break' and if you have not renewed your cover- then there will be no policy in place to respond to the claim and it will not be covered (regardless of the fact that you may have had cover in place when you rendered the service which has given rise to the claim). Because the cover is 'claims-made', you need a policy in place at the time that the claim is made against you (or at the time that you report a potential claim/incident or circumstance which could give rise to claim, to us in writing) in order to be covered.
 9. If you report a potential claim/complaint in writing whilst you have cover in place, then the claim is deemed to have been made at that point in time and the limit of indemnity under the cover that you have at that point in time will apply to any claim which may subsequently arise.
 10. If you have already reported a potential claim or complaint in writing to your insurers prior to your policy lapsing (and they accepted your notification at the time) then you will be covered for any claim that might subsequently arise regardless of whether or not you still have cover in place – because the claim will be deemed to have been made at the time that you reported it.
 11. This highlights the importance of reporting all circumstances and incidents that you become aware of which may lead to a claim- as soon as you become aware of them and not waiting for an actual claim to eventuate.
 12. For the same reasons outlined above, you should not take out cover only for the duration of a certain project as you have no guarantees that a claim arising from that project might not arise months or years after completion of the project.

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13. You should also maintain this cover for a few years if you cease to practice for any reason including retirement.
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WHAT IS MY RETROACTIVE COVER DATE?

14. Your retroactive cover date on your policy certificate will be the date that you select on the **Indemnity Insurance Registration System ('IIRS')** for your cover to incept from **unless** you have purchased retroactive cover or you are entitled to retroactive cover by virtue of being previously insured under a professional indemnity insurance policy.
15. You will only be covered for claims which arise from services rendered **after your retroactive cover date.**

I have an existing professional indemnity policy in place. How do I determine the retroactive cover date that should appear on my certificate of insurance when I am applying for cover on the SACNASP SPIIS System?

16. If you are replacing an existing professional indemnity insurance policy (or renewing the cover you may already have purchased under the SACNASP Policy) with the cover under the SACNASP Professional Indemnity Insurance Scheme ('SPIIS') and you wish to retain your retroactive cover as provided under your expiring policy, it is essential that you ensure that there are no 'gaps' in cover.
17. This means that you must ensure that you incept this cover from the same day that your expiring policy lapses and you must ensure that you retain proof that you had the previous cover in place and that it was paid for.
18. You will find your retroactive cover date on your expiring policy schedule/certificate and you should please enter this same date where prompted in the application so that your full retroactive cover is carried through to your new policy and reflected on your SACNASP certificate of insurance.
19. If you have previously purchased retroactive cover on the SACASNP policy and this is reflected on your existing policy schedule then it is not necessary to purchase retroactive cover again (unless you have not timeously renewed your cover and allowed a gap of more than 1 month since the lapsing of your previous insurance and applying for SACNASP cover).
20. If you have retroactive cover in place by virtue of an existing policy you will find your retroactive cover date on the certificate of insurance or policy schedule that was issued to you. Please enter this date where prompted on the SPIIS SYSTEM to ensure that your retroactive cover is carried through and reflected on your new SPIIS certificate of insurance.
- 21.** The SPIIS SYSTEM is unable to verify your previous insurance and whether or not you are entitled to the retroactive cover you may enter when applying for this cover. Please be aware that notwithstanding the fact that you may be issued with a certificate reflecting the retroactive cover date

that you enter on the SPIIS SYSTEM, ITOO/Hollard will require you to provide a copy of your previous policy schedule/document as proof of your retroactive cover in the event of a claim and will not provide you with retroactive cover and respond to the claim, if you are unable to furnish them with proof of your previous insurance and that there were no gaps between that cover and the inception/renewal of your cover under the SPIIS.

22. You are therefore encouraged to keep all documentation relating to expiring professional indemnity insurance cover, secure, as proof of that cover will be required in the event of a claim arising from services rendered in the retroactive cover period.

I have never previously had professional indemnity insurance in place.

23. If you have never had professional indemnity insurance cover before, you will be able to obtain up to 3 years' retroactive cover (at an additional cost) under the SACNASP Professional Indemnity Insurance Scheme ('SPIIS').
24. We would strongly urge you to purchase retroactive cover if you have never previously had professional indemnity insurance in place and you have been rendering services without it.
25. Remember that the cover provided under the SPIIS (and any other insurance you might obtain) will only respond to cover you for claims which arise as a result of services rendered **after your retroactive cover date**. Therefore, even if a claim arises when you have purchased this cover- it will not be covered if the service giving rise to it occurred prior to the retroactive cover date.
26. Please note though that any retroactive cover which you choose to purchase will exclude all claims arising from pre-existing incidents/circumstances which you are aware of (or ought reasonably to be aware of) at the time of making application for the SPIIS cover.
27. Retroactive cover that is purchased will only respond to cover those claims arising from services rendered after the retroactive cover date, which arise 'out of the blue'.

Very Important notes with regard to the necessity of reporting all potential claims, incidents and circumstances to your existing insurers PRIOR to moving your insurance to the SPIIS Policy

1. It is CRITICAL if you are going to be changing insurers to take up the SACNASP Professional Indemnity Insurance Scheme ('SPIIS') cover that you notify your current/expiring policy insurers/brokers of all claims, potential claims, incidents and circumstances which you are aware of which could lead to a potential claim against you or your company for professional negligence and/or public liability.
2. If you fail to do so and move across to the SPIIS, you run the risk of a claim not being covered, if it is deemed that you knew about the potential for a claim to arise prior to moving your insurance.
3. Because of the claims-made nature of the policy:

- 3.1. If you move your insurance and then try to notify us of a claim under the SPIIS policy where you were aware of the circumstances which could give rise to a claim prior to taking up this cover- then:
- a. Your previous insurers will not accept the claim- because you have moved your insurance and you no longer have a policy in place with them (claims'-made cover says it is the policy in place at the time that a claim is made that must respond); and
 - b. Hollard/iTOO will not accept the claim under the SACNASP Professional Indemnity Insurance Scheme ('SPIIS') policy either because:
 - i. You will have signed a declaration saying that you are not aware of any circumstances which could lead to a claim against you; and
 - ii. They will say that you should have notified your previous insurers of the matter as required by the policy conditions.

Please will you contact us on info@cover4profs.co.za if you require clarification on any of the content above or if you have any queries and need assistance.

UPON RECEIPT OF YOUR POLICY CERTIFICATE: IMPORTANT CHECKLIST

Upon receipt of your policy certificate, please:

- a. Check that the name of the insured as reflected on the policy certificate is correct and that it reflects all insureds who should be covered under this policy. If the policy certificate and any applicable endorsements attaching to the policy certificate do not reflect everyone you require the policy to cover, please let us know in writing and as soon as possible.
- b. ensure that all the details reflected thereon are accurate and complete because inaccurate/incomplete information on your policy certificate can compromise your cover.
- c. Note that your 'Business description' on your policy certificate will be reflected as 'natural science services'. This is the generic business description which appears on all certificates issued by the system.
- d. Let us have written notification as soon as possible if any of the details on your policy certificate are incorrect.
- e. Note that all the business entities that you require covered under this policy should be listed as 'insureds' on your policy certificate. If a claim is made against an incorporated entity which does not appear on the policy certificate your insurers will likely reject that claim.
- f. Check that you are satisfied that your limit of indemnity, excess, and applicable extensions are correct and in accordance with your instructions.

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- g. Check that your retro-active cover date is correctly reflected. If not, please will you notify us in writing so that we can follow up and let you have an amended certificate which reflects the correct date.
 - h. Print out and read through your policy document and familiarise yourself with all its terms, conditions and exclusions so that you do not unwittingly compromise your cover by breaching any of the terms or conditions of cover.

Please do not hesitate to contact us if you need any assistance or clarification of anything in your policy certificate or document.

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