

## FNB Life

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## FNB Smart Housing Customer Protection Plan: Terms and Conditions

The FNB Smart Housing Customer Protection Plan ("the Plan" or "this Plan") is subject to the terms, conditions and exclusions set out in this document. This document explains how the plan works. You must keep this document in a safe place.

### 1. Who is the insurer?

FirstRand Life Assurance Limited ("FirstRand Life ") is the insurer and FNB Life is the administrator of the Plan. Any reference to "we, us, our, ourselves" in this document shall mean FirstRand Life or FNB Life, as the case may be.

### 2. Who is covered under the Plan?

The insured person/s as listed in the Quotation for a FNB Smart Housing loan, referred to as "you, your", who entered into a valid Credit Agreement (the "Credit Agreement") with FNB Housing Finance ("FNB Housing Finance").

### 3. What risks are you covered for?

Whenever we refer to "benefits" in this document, we refer to the cover and benefits in this section that you are covered for.

#### If you selected GAP cover:

If you die or become Permanently Disabled or suffer a Dread Disease while you are insured under this Plan, we will pay FNB Housing Finance the initial loan amount under the Credit Agreement. The amount in excess of the outstanding loan amount under the Credit Agreement will be paid to you (in case of permanent disability or dread disease) or your estate (in case of death).

#### If you did not select GAP cover:

If you die or become Permanently Disabled or suffer a Dread Disease while you are insured under this plan, we will pay FNB Housing Finance the outstanding amount of debt you need to settle under the Credit Agreement on such date.

If you are Retrenched during the period of insurance, we will pay to FNB Housing Finance the repayment instalment amounts you need to pay under the Credit Agreement while you are unemployed;

If your fixed term employment contract ends or is terminated during the period of insurance, we will pay to FNB Housing Finance the repayment instalment amounts you need to pay under the Credit Agreement while you are unemployed, for the lesser of 6 months or the duration of your uninterrupted fixed term employment contract. For example: if your fixed term contract was for an uninterrupted period of 5 months and the contract is terminated or ends before the expiry of the 5month period, we will pay 5 month's repayment instalments.

If your fixed term contract was for an uninterrupted period of 12 months and the contract is terminated or ends before the expiry of the 12-month period, we will pay 6 month's repayment instalments.

If you become Temporarily Disabled, we will pay to FNB Housing Finance the repayment instalment amounts you need to pay under the Credit Agreement for up to 6 months while you are Temporarily Disabled. We will pay the amounts on the due dates of the instalments, starting on the first due date after the date when the claim arose. If we, in our sole discretion, find that you are still Temporarily Disabled after we have paid the first 6 instalments, we will continue to make similar payments for a maximum period of another 6 months while you are Temporarily Disabled.

Your cover is based on the disclosure of your employment status at date you applied for this Plan.

We will pay the amounts on the due dates of the instalments, starting on the first due date after the date when the claim arose. We are entitled to request confirmation of your employment or medical status as we deem fit at any time in any form to confirm your continued unemployment or Temporary Disability.

### 4. Covered risk event definitions

**"Disability or Disabled"** means your total permanent and continuous incapability, in our reasonable opinion, based on medical evidence, due to injury or illness to engage for remuneration or profit in the occupation you had on the date you became disabled. This must be:

- **"Permanently Disabled" or "Permanent Disability"** - Disability must be permanent and continuous.
- **"Temporary or Temporarily"** - Disability must be temporary for more than a month but shall exclude Permanent Disability or Dread Disease.
- **"Dread Disease"** means if you suffer any of the following catastrophes:
- **Heart attack:** Infarction (death) of a portion of the heart muscle (myocardium) as a result of insufficient blood supply to the area. Evidence of a heart attack will be chest pains, and elevated levels of cardiac enzyme proving myocardial injury;

- **Stroke:** Death of brain tissue due to inadequate blood supply or haemorrhage within the skull resulting in neurological deficit lasting longer than 24 hours, confirmed by neuro-imaging investigation and appropriate clinical findings by a specialist neurologist. The following are not included: (1) Transient ischaemic attack, (2) Vascular disease affecting the eye or optic nerve, (3) Migraine and vestibular disorders and (4) Traumatic injury to brain tissue or blood vessels;
- **Coronary artery by-pass graft:** The undergoing of surgery to correct the narrowing of, or blockage to, one or more coronary artery(ies) by means of a by-pass graft;
- **Cancer:** A malignant tumour positively diagnosed with histological confirmation and characterised by the uncontrolled growth of malignant cells and invasion of tissue. The term malignant tumour includes leukaemia, lymphoma and sarcoma. The following are excluded: (1) All cancers in situ and all pre-malignant conditions, (2) All tumours of the prostate unless histologically classified as having a Gleason score greater than 6 or having progressed to at least clinical TNM classification T2N0M0, (3) All skin cancers, other than malignant melanoma that has been histologically classified as having caused invasion beyond the epidermis (outer layer of skin);
- **Kidney failure:** End stage renal failure (kidney failure in the last stage) presenting as chronic irreversible failure of both kidneys to function as a result of which the person has to undergo regular renal dialysis;
- **Organ transplant:** Human-to-human organ transplant, from a donor to you, of one or more of the following organs: Kidney, Heart, Lung, Pancreas, Bone marrow; Paraplegia: Total and irreversible loss of the use of both legs or both arms;
- **Serious burns:** Third-degree burns covering at least 20% of the body surface; and
- **Coma:** A state of unconsciousness with no reaction to external stimuli or internal needs, which continues for a period of at least 96 hours.

Despite the definitions above, the ASISA (Association for Savings & Investment S.A.) SCIDEP definitions relating to heart attack, stroke, coronary artery by-pass graft and cancer, which apply at the time of a claim, will be used to determine if benefits will be paid under this plan and is deemed to form part of this document. These definitions are available on the FNB or ASISA website. We pay 100% of the benefit as stated in this document for all severity levels of such dread disease, as per the standard ASISA disclosure grid.

**"Retrenchment"** means your forced termination from employment under section 189 and/ or 189A of the Labour Relations Act in respect of adverse business conditions, the liquidation of the company, the introduction of new technology and the re-organisation of the business resulting in staff reductions. You shall be regarded as retrenched if you remain unemployed.

## 5. What are the exclusions (when you will not be covered)?

We will not pay any amount, including benefits or refund of premiums, on:

### Death, Dread Disease or Disability if:

- The claim is made within 12 months of the Start Date of this Plan, resulting from death, Dread Disease or Disability from a condition, physical defect, illness, injury or disability that you were aware of and/ or received medical advice or treatment during the 12 months prior to the Start Date of this Plan;

### Death or Disability if:

- The claim is made within 12 months of the Start Date of this Plan, resulting from death or disability from a condition, physical defect, illness, injury or disability that you were aware of and/ or received medical advice or treatment during the 12 months prior to the Start Date of this Plan;
- The claim is in any way related to suicide within the first 12 months of the Start Date of this Plan; or
- The claim is in any way related to active participation in war, invasion, act of foreign enemy, hostilities or warlike operations (whether war has been declared or not), civil war, military uprising, military or usurped power, martial law, insurrection, rebellion or revolution;

### Retrenchment or the termination or ending of your fixed term contract if:

- Your employment ceased within 90 days from the Start Date of the Plan; or You were aware that you would be Retrenched at the time of applying for the Credit Facility;
- Your employment ended because you resigned, accepted voluntary retrenchment, were medically boarded or any form of retirement or any other dismissal under your contract of employment other than retrenchment as defined above.

### Any covered event if:

- The terms and conditions of this Plan are not met; or
- Any information provided upon taking out this Plan or updating any of the Plan details or the submission of a claim is materially incorrect, fraudulent, misrepresented or omitted. We also reserve our rights to recover any amount paid on a claim, which later transpires to have been a fraudulent claim.

## 6. When does the cover and Plan start?

The Plan and your cover start (the "Start Date") when the loan amount has been paid out to you under the Credit Agreement.

## 7. When does the cover and Plan end?

The Plan and your cover for benefits will end on the first happening of:

- When the credit agreement ends;
- When the outstanding balance under the credit agreement is settled;
- When the plan is cancelled;
- When you are in arrears by more than one full premium on the plan;
- When you turn 70 years excluding disability, dread disease and retrenchment in which case cover ends when you turn 65 years;



- When you turn 70 years excluding disability in which case cover ends when you turn 65 years;
- On the date of your death; or
- When a claim is paid out in the event of a permanent disability or dread disease claim.
- When a claim is paid out in the event of a permanent disability claim.
- You turn 65 years

### 8. What is the premium for the Plan?

You must pay the premium amount in accordance with the FNB Smart Housing Loans Quotation. FNB will collect your premiums monthly on your behalf from your loan account, and pay it to the insurer when they are due.

### 9. How and when to make a claim?

**Notification and submission:** The claimant (you or a family member or appointed executor) must notify us of a claim as soon as possible after the event, within 12 months of the claim event occurring. If the claimant doesn't do this, we shall not be liable to pay any benefits under this Plan for such claim. Notification can be done telephonically or by e-mail to FNB Housing Finance at the contact details provided in the Credit Agreement or to us at telephone number 087 736 7775, e-mail: [fnblifeclaims@fnb.co.za](mailto:fnblifeclaims@fnb.co.za).

**Documentation:** You can request claim forms, documents or information from FNB Housing Finance or from us at the contact details provided above. The claimant must provide us with all documents, reports and information necessary to assess the claim. We reserve the right to request any additional information, in order to initially verify or process the claim, which must be provided at the claimant's cost.

**Conditions:** If you submitted any Disability claim under this Plan you have the obligation to undergo reasonable medical treatment by appropriate medical specialists. Where we require a second opinion, we will tell you which medical practitioner to see at our own expense. The medical practitioner's report will be final and binding.

**If we reject your claim:** You have 90 days to lodge your objection in writing. We will reassess your claim based on any representations made in support of your request for a review and advise you of our final decision in writing.

We shall be relieved of liability and a claim shall be deemed to have prescribed should summons not have been served on us within a period of 180 days of receipt of our final decision. This 180 days period is in addition to the 90 days referred to above.

### 10. General Terms and Conditions

This Plan does not have any surrender or paid up value. You cannot borrow money under this Plan and no money will be paid out if this Plan ends. This Plan cannot be used as security for another loan.

**Reviews and Cancellations:** Either party can end the Plan telephonically or in writing by giving a 31- day notice. You will have to provide a replacement insurance policy in terms of your Credit Agreement if you want to cancel this Plan.

**90 day cooling off period:** If you have not claimed and you end the Plan in the first 90 days from the Start Date of this Plan, we shall refund any premium paid.

We have the right to change or cancel the Plan, benefits, premiums and/or eBucks rewards for any reason, including but not limited to:

- Complying with legislation or other rules applicable to this plan;
- Ensuring the insurer's reputation remains intact and/or is not compromised;
- Products/plans no longer remaining financially feasible for the insurer. This may be applicable to a product line and/or an individual policy;
- Undesirable and/or criminal activity.
- In addition, we may place the plan on hold and/or refuse any transaction, instructions or take any other action that we consider necessary to comply with the law and prevent or stop undesirable and/or criminal activity.

We will notify you via post, SMS, email or any other means at least 31 days before we make any changes or cancellations. Any legal issues will be decided in accordance with South African Law.

It is your obligation to accurately and properly disclose all material facts. You remain responsible for the accuracy and completeness of all answers, statements or other information provided by you or on behalf of you. Misrepresentation, non-disclosure of a material fact or an incorrect or inaccurate statement or information may lead to the rejection of a claim or the cancellation of this Plan and will result in a forfeiture of all premiums already paid.

You must notify FNB Housing Finance when the status of your employment changes to ensure that your cover is appropriate.

### 11. Complaints Procedures & Regulatory Disclosures

**Product Supplier and Underwriter:** FirstRand Life Assurance Limited ("FirstRand Life"), a licensed life insurer, Licence No. 00102/001; Registration No. 2014/264879/06; 3rd Floor, 5 First Place, Bank City, 9 Kerk Street, Johannesburg, 2001; PO Box 1153, Johannesburg, 2000; Tel. 087 736 7775.

**Complaints:** If you have any complaint about this Plan or a claim, please contact the Complaints Call Centre at phone number 087 575 9408, or e-mail: [care@fnb.co.za](mailto:care@fnb.co.za). You can contact the compliance officer on phone number 087 736 7775 or email: [insurancepillarcompliance@fnb.co.za](mailto:insurancepillarcompliance@fnb.co.za).

**Unresolved Complaints:** If we still dispute or reject your claim and you are not satisfied with the reasons provided for such rejection or if you have any unresolved dispute about this Plan, you may refer the matter to the Long-term Insurance Ombudsman: Private Bag X45, Claremont, 7735. Tel: (021) 657 5000, Fax: (021) 674 0951 Email: [info@ombud.co.za](mailto:info@ombud.co.za)

**Financial Services Provider and Intermediary:** First National Bank ("FNB"), a division of FirstRand Bank Limited, Registration No. 1929/001225/06. (FSP No. 3071). 3rd floor, 1 First Place, Bank City, Simmonds Street, 2001. PO Box 1153, Johannesburg, 2000. (visit the FNB website). Tel: 087 575 9404. E-mail: fnblife@fnb.co.za.

FNB is a registered financial services provider for this class and type of product. FAIS class and type of product: Category 1, Sub-category 1.3.1 (Long-term Insurance - Category B1).

FNB takes responsibility for the actions of its authorised representatives insofar as they are providing financial services. Some representatives may be rendering services under supervision and will inform you accordingly. FNB Life is a business unit of FNB and acts as administrator under a binder contract between FNB and FirstRand Life for which it collects a binder fee for services rendered for this Plan.

FNB does not hold any interest in FirstRand Life.

FirstRand Life and FNB hold professional indemnity insurance.

A Financial Services Provider in terms S3A(2)(a) of the FAIS General Code of Conduct is required to have a Conflict of Interest Policy. A copy of the FirstRand FAIS Conflict of Interest Policy, that also covers this FSP, can be found at <https://www.firststrand.co.za/investors/governance-and-compliance/>

**Complaints:** If you have any complaint about the financial services provider, FNB, you can contact the Complaints Call Centre at phone number 087 575 9408; or e-mail [care@fnb.co.za](mailto:care@fnb.co.za). You can contact the compliance officer on phone number 011 371 7953.

**Unresolved Complaints:** If you have any unresolved dispute about the financial service provided to you, after contacting us, you can contact the FAIS Ombudsman: Kasteelpark Office Park, 2nd Floor, Orange Building, Cnr Nossob & Jochemus Streets, Erasmuskloof, Pretoria or PO Box 74751, Lynnwood Ridge, 0040. Tel: 012 470 9080 / 012 762 5000, Email: [info@faisombud.co.za](mailto:info@faisombud.co.za), [www.faisombud.co.za](http://www.faisombud.co.za).

**General:** Because of the nature of this Plan and the fact that it only applies to the Credit Agreement, FNB has not done a complete financial analysis about your risk profile and financial needs. You should make sure that this Plan meets your needs and that you have all the information you need to make a decision. If you are unsure you need to speak to your financial adviser. If FNB completes or submits any transaction requirement on your behalf you must be satisfied as to the accuracy and completeness of the details.

You are requested not to sign any blank or partially completed document. You are entitled to a copy or written or printed record of any transaction requirement upon your request.

## 12. FirstRand Privacy Term and Privacy Notice

- Your personal information (which, for the purposes of this term, includes special personal information) will be held by entities within the FirstRand Group.
- To better understand the entities that form part of the FirstRand Group and how your personal information is treated, please refer to FirstRand's Privacy Notice which forms part of this privacy term. The Privacy Notice can be found on our Platform (for example our banking app or website) or contact us to request a copy.
- In this privacy term references to "we", "us" or "our" are references to the entities in the FirstRand Group, and all affiliates, associates, cessionaries, delegates, successors in title or third parties (authorised agents and contractors), when such parties are acting as responsible parties or operators in terms of applicable privacy laws, unless stated otherwise.
- By accepting these Terms and Conditions or by utilising any products or services ("Solutions") offered by us, you acknowledge that in order to:
  - Conclude and fulfil contractual terms or obligations to you;
  - Comply with obligations imposed by law; or
  - To protect or pursue your, our, or a third party's legitimate interests, including offering solutions that best meet your needs; your personal information may be processed through centralised functions and systems across entities in the FirstRand Group and may be used for the purposes, in the manner, and with the appropriate controls as set out in our Privacy Notice.
- Where it is necessary to obtain consent for processing outside of this privacy term, we will explicitly seek your consent separately.
- We want to ensure that you fully understand how your personal information may be used. We have described the purposes for which your personal information may be used in detail in our Privacy Notice. We have also set out further information about accessing, correcting or objecting to the processing of your personal information in our Privacy Notice. We strongly advise that you read our Privacy Notice.
- For the purposes of these Terms and Conditions the responsible party is the party with whom you are contracting a Solution, as well as other entities in the FirstRand Group, which are listed in our Privacy Notice as responsible parties. For the contact details of these responsible parties, please see our Privacy Notice.