

## 1. Insurer, Insured and Agent

### The Insurer

1.1. The Insurer is Lexna Insurance Limited ("Lexna" or "the Company"). The Insurer carries the risk and provides the legal advice and covers the legal cost and expenses of all eligible claims.

### The Insured and Insured Person

1.2. The insured is the person in whose name the policy is issued and who is covered in terms of the policy and the insured must be a Namibian citizen residing in Namibia, a permanent resident of Namibia or in possession of a lawful Namibian work permit. The insured is defined as all policy holders of the policy underwritten by Lexna.

### The Dependants of the Insured

1.3. The dependants are the insured's legally recognized spouse and their biological or legally adopted child or children under the age of 18 years who is unemployed and living with the insured when the claimable event occurred. The following are deemed dependants:

- a child of the Insured who is unmarried and studies full-time at a recognized educational institution and who has not attained the age of 24;
- a child of the insured who has is mentally or physically disabled and totally and completely dependent upon the insured; and
- a deceased child may be replaced by another child as a beneficiary.
- a child of a single parent

**Spouse means:** The person to whom the policyholder is married.

### Marriage means:

1.4 a marriage or civil union in terms of statutory law; -a union which is recognised as a marriage in Namibia

### The Agent

1.5. The Agent is the authorized representative of the insurer who has affected the sale of the policy.

## 2. Introduction

### The insurer will pay a claim in respect of the Insured

#### Event subject to:

- 2.1. All the Terms, Conditions and Exceptions of the Policy.
- 2.2. The payment of the premium and acceptance thereof as defined in the Premium Payment and Due Date Clauses.
- 2.3. The Insured Event occurring during the Period of Insurance.
- 2.4. The Limit of Indemnity.
- 2.5. The waiting period of 3 (three) months paid premium but 6 (six) months paid premium in respect of Divorce and 12 (twelve) months paid premiums in respect of Conveyancing.

#### Prior Events

2.6. The insurance covers only future events and not disputes arising from past events or circumstances, whether the Insured knew about those events or not.

#### Fraudulent Claims

2.7. Lexna will pursue fraud charges against the insured or any person who deliberately attempts to defraud this Policy.

## 3. Insured and Claim Events

3.1. The Insured Events are the following, subject to Clause 6 – Exceptions:

#### Legal Advice

3.2. The need to obtain Advisory services from the insurer on any legal matter and shall include assistance, phone calls, correspondence, consultation and mediation

#### Claim in respect of Legal Costs and Expenses

- 3.3. A claim in respect of the insured's legal costs and expenses incurred by the insured in respect of the following Insured events:
  - A Civil Matter instituted against the Insured including the provision of bail in an amount not exceeding N\$7,500
  - Legal Matter pursued by or against the Insured in respect of Labour Matters of the Insured;
  - Administrative Matters means the Insured is covered for representation at administrative proceedings;
  - Legal Matter pursued by the insured in respect of death or personal injury of the Insured;
  - Divorce; and
  - Conveyancing.

#### Any infringement of the legal rights of the Insured

- 3.4. Civil Matters means the insured are covered for the instructed attorney's costs related to civil court proceedings for contractual or delictual damages.
- 3.5. Generally, appeals are not covered, but the discretion lies with management.

- 3.6. Examples of Civil Matters are:
  - Motor vehicle collisions;
  - 3rd party claims;
  - Personal injury matters;
  - Damage to the insured's property by a third party;
  - Evictions;
  - Defamation claims against the insured;
  - Building contracts;
  - Breach of contract;
  - Unfair rejection of claims by insurance companies;
  - The purchase or hire-purchase or leasing of defective goods;
  - Disputes regarding pension and provident fund pay-outs;
  - Consumer disputes; and
  - Administration of estate (to a maximum contribution of N\$10,000).

**Note:** This does not include administration order hearings.

**Administrative Matters:** means the insured are covered for representation and administrative proceedings in the tribunal of first instance.

3.7. One appeal against the decision of the tribunal of first instance as mentioned above.

- 3.8. Examples of Administrative proceedings:
  - University council disciplinary enquiries;
  - Military tribunals; and

**Note:** This does not include administration order hearings

**Criminal Matters:** means the insured are covered for Criminal Matters in a court of law or other statutory constituted body.

3.9. One appeal, be it in respect of a conviction or sentence or both subject to a merit assessment.

3.10. Examples of Criminal Matters are: Alleged assault, theft, murder, robbery, etc.

3.11. **Labour matters:** means any labour related issue that the Policyholder may have with his or her employer in terms of labour insurer's proceedings in terms of the labour insurer's Legislations and in all forums where legal representation is allowed, and all required internal remedies should have been exhausted.

3.12. **Divorce means** an action by which a decree of divorce or other relief in is granted in terms of the common law by the **Court and includes:**

- An application pending for an interdict or for the interim custody of, or access to, a minor child of the marriage or for the payment of maintenance; or
  - an application for a contribution towards the costs of such action or to institute such action.
- 3.13. The costs of Divorce will include contested or uncontested divorces.

3.14. **Conveyancing:** means the legal procedure carried out by an admitted legal practitioner, registered with the Namibian Law Society, whereby ownership of immovable property is changed, or conveyed from an existing owner to a purchaser. The insurer will make a contribution to the conveyancing costs up to a maximum of N\$10,000 specifically for the attorney's fees, excluding disbursements. Provided that the insured is a paid up member for a period not less than 12 months.

## 4. General Terms and Conditions

### Observance of Terms

4.1. All insured must observe and fulfil all the Terms and Conditions of the policy.

### The Policy

4.2. The Application for insurance is the basis of the Policy. The Application together with the Schedule, which contains all the particulars of the cover together with the Policy Wording, and any endorsement shall form the full Policy. The Policy constitutes the sole agreement between the insured and us. Any meaning given to a specific word or term will have that meaning wherever it occurs. Any reference to the masculine includes the feminine and any reference to the singular includes the plural.

### Definitions

#### Legal Advisor

4.3. The Legal Advisor is the attorney or other appropriately qualified person, other person, firm or company appointed by us to act on the insured's behalf in terms of the Administrator's standard services.

#### Legal Advice

4.4. The need for an Insured Person to obtain advisory services from us on any legal matter of concern.

#### Proceedings

4.5. Proceedings shall mean the pursuit or defence of a civil, criminal or labour insurer's related matters in respect of an Insured Event within Namibia.

#### Court

4.6. Court shall mean a Court of Law, being a Magistrate's Court or High Court, or any other Forum approved by the Insurer in writing.

#### Third Party

4.7. The Third Party is the opposing party in the Proceedings.

### Period of Insurance

4.8. The Policy is a monthly contract and the Period of Insurance is therefore with effect from the payment of first premium date to midnight on the last day of the month and is automatically renewed every month on payment of the subsequent renewal premium.

### Territory

4.9. The Territory is the area inside the borders of Namibia. Any incident which occurs outside the Territory is excluded.

### Due Date and Premium Payment

#### Due Date

4.10. Means the end of the month in which the Premium is due.

#### Premium Payment

4.11. The premium is payable monthly as defined in the Schedule of Insurance on or before the Due Date in accordance with the Payment Method:

#### Debit Order:

The insurer will arrange the Bank Debit Order on the Due Date or nearest working day to the Due Date if the Due Date falls on a Saturday, Sunday or Public Holiday. Should the insured's debit order be returned due to insufficient funds or for any other reason, the insurer may resubmit the debit order after the insured's chosen payment date. This will ensure that the insured's policy remains in force and does not lapse. If the premium is not paid for the month, the insurer may arrange a Bank Debit Order deduction on the Due Date of the following month for the previous month's unpaid premium as well as the current month's premium.

**Government deduction:** The insured must pay the premium by way of consenting to direct deduction from his/her salary to us on the last day of the previous month for the following month. The insurer will not send a reminder that the insured's premium must be paid.

**Bordereaux Projects:** The Company must pay the premiums to Lexna before or on the Due Date.

#### Amendments and Cancellation

4.12. The insurers have the right to cancel the Policy or change any Term or Condition thereof by giving the insured 30 days written notice. All amendments and communications to the insured will be deemed to have duly been sent and received if it has been sent to the postal address as stated in the Schedule. The insured have the right to cancel the Policy by giving written notice to us. The Policy will then be cancelled with effect from the last day of the month in which the cancellation has been received. If the insurers have changed any Term or Condition of the Policy and the insured fail to cancel the Policy in writing, it shall mean that the insured have accepted the amended terms.

#### Limit of Indemnity

- 4.13. The legal costs and expenses payable by insurer in respect of a claim shall not exceed the monetary value of N\$ 100,000 for an individual policy and N\$300,000 for a family policy in legal costs claim per annum, either against or for the Insured and are subject to Clause 4.14 below.
- 4.14. The insurer will not be liable to pay more than the Limit of Indemnity as specified in the Schedule in respect of any one occurrence giving rise to an Insured Event and the annual Aggregate Limit of Liability specified in the Schedule in respect of the aggregate amount of claims in one Period of Insurance (one year).

#### Waiting Period

##### General Waiting Period

4.15. Notwithstanding the Inception Date of the Policy, cover only starts after the expiration of the Waiting Period, which is 3 (three) months. Premium must therefore be paid for three consecutive months after the Inception date and the Insured Event must occur after the 3 (three) months Waiting Period. This does not apply in respect of Legal Advice (Insured Event 3.1), which is available on payment of the first premium.

##### Specific Waiting Period

4.16. Where the policyholder institutes Divorce Action, the Waiting Period shall be 6(six) months paid premiums, and where applicable 12 (twelve) months paid premiums for Conveyancing.

##### Consent for Sharing of Information

4.17. The insured on behalf of them self and any Insured, waive any right to privacy in any insurance information provided by the insured or on the insured's behalf, of any insurance policy or claim made or lodged by the insured. The insured hereby consent to such information being disclosed to any other insurance company or its agent. The insured also acknowledge that the information provided by the insured may be verified against other legitimate sources or databases. The insured also waive any rights of privacy and consent to the disclosure of any information relevant to any insurance policy or claim concerning the insured or any Insured.

##### Personal Information

4.18. It is the insured's responsibility to advise us of any changes to the insured's personal details, e.g., banking details, physical and postal address and contact details.

## 5. Claims, Terms and Conditions

### Claims Notification

- 5.1. The insured must inform the insurer within 30 days of an Insured Event or cause of action that may give rise to a claim. The insurer will not be liable for payment of any claim which is submitted after 30 days of the Insured Event occurring.

### Safeguard

- 5.2. The insured must take all reasonable steps to safeguard the insured's and insurer's rights prior to referring the matter to the insurer. The insurer requires the insured full co-operation at all times and a lack of such co-operation will result in the insurer not paying a claim in terms of the Policy. If, in the insurer's opinion, the insured are responsible for anything which may prejudice the prospects of the success or the insurer's position in the Proceedings, the insurer will not be liable to pay the claim. The insured does not have any authority to make any representations on the insurer's behalf and no commitments or undertakings that the insured makes will be binding on the insurer.

### Legal Advisor

- 5.3. The insurer will provide legal advice as covered in terms of the Policy:

- When the insurer decides to appoint an External Legal Advisor to take a matter further, the insurer has the exclusive right to nominate and appoint such Legal Advisor. The insurer may in the insurer's sole discretion allow the insured to choose an External Legal Advisor from a list that the insurer will provide to the insured. The insurer, however, may accept or refuse the insured's nomination without giving any reasons. If the insurer refuses the insured's nomination, the insurer will appoint a Legal Advisor of the insurer's own choice. The insurer's decision shall be final and binding on all parties. Notwithstanding the above, the Legal Advisor is the insured's agent and not the insurer's agent and the Legal Advisor is deemed to have been appointed and instructed by the insured. The insurer will not be liable for any damages (consequential or otherwise) arising out of any advice given in good faith or action taken or any other conduct whatsoever, notwithstanding any mistake, error of judgment or negligence on the insurer's part or that of the insurer's agents or representatives. The Legal Advisor shall act at all times as the insured's attorney and/or legal advisor and an attorney and client relationship shall exist between the insured and the Legal Advisor. The insurer reserves the right, through the insurer's employees, agents or attorneys to take over and conduct the Proceedings in the insured's name.

### Appeals and Reviews

- 5.4. The insurer will not be liable for any legal costs and expenses relating to any appeal or review unless the insurer expressly authorised the instructions for such an application after considering a merit report.

### Information required and the insurer's Rights

- 5.5. The insured will at the insured's own expense and at all times:

- Provide the insurer with all the information and evidence in the insured's possession that the insurer may require;
- Provide the insurer with a truthful account of the facts of the Insured Event in writing;
- Produce and/or execute all documents reasonably requested by the insurer;
- Follow the insurer's advice or instructions and co-operate with the insurer in all respects and keep the insurer and the Legal Advisor fully and continually informed of any material developments in the matter; and
- The insurer is entitled to obtain from the Legal Advisor any information, form, report, copy of documents, advice, computation, account or correspondence relating to the Proceedings, whether or not it is privileged. The insurer will have access to the Legal Advisor at all times. The insurer will not be liable for any costs and expenses where the insured fail to provide the insurer with the above or proper instructions in due time for the insured to act thereon.

### Recovery of costs from Third Parties (opposing party)

- 5.6. The insured hereby irrevocably cede to the insurer the insured's right of entitlement to recover costs from a Third Party and thereby give the insurer the right to:
- Recover costs due to the insured from a Third Party;
  - Proceed in the insured's name if any Third Party is obliged to pay the insured any costs. The insurer may, however, instruct the insured to take all steps that are necessary or expedient to affect the recovery and to hold any sum that are recovered for the insurer on the insurer's behalf and then to immediately have this paid to insurer; and
  - Recover the legal costs and expenses from the insured on an instalment basis if the insured recover damages or compensation inclusive of legal costs and expenses from a Third Party on an instalment basis.

### Prospects of Success

- 5.7. If the insurer decides that:

- the insured's prospects of success in the Proceedings are weak, or
- there is no reasonable prospect of success, or
- the insured's interests can be better served by other means the following conditions and procedures shall apply:
- The insurer will advise the insured, in writing, within 7 (seven) days of this decision and the reasons for the decision. The insurer will then not be liable for any further legal costs and expenses relating to the Proceedings;
- The insured will advise us, in writing, within 7 (seven) days of the insured's acceptance or refusal of the insurer's decision. If the insured fail to advise the insurer within 7 (seven) days it will be deemed that the insured have accepted the insurer's decision;
- If the insured do not accept the insurer's opinion, the matter will be referred to the internal ombudsman for arbitration;
- If the Arbitrator supports the insurer's decision, the matter will be considered final; and
- The insured will be entitled to proceed with the Proceedings, regardless of the Arbitrator's ruling. However, the insurer will then provide no cover for the legal costs and expenses. If the Forum then makes a finding in the insured's favour, the insurer will pay the insured the legal costs and expenses incurred on the same tariff that would have been paid to a panel attorney if the insurer instructed him. A schedule of tariffs is available on request.

### Withdrawal by the Insured

- 5.8. If the insured withdraw from or discontinue the Proceedings without the insurer's prior written consent the legal costs and expenses incurred as the well as the Opposing Party costs will become payable by the insured.
- 5.9. The insurer will not pay Legal Expenses that are punitive costs orders against the insured.
- 5.10. The insurer does not pay duplicated Legal Expenses that are unnecessarily and unreasonably incurred.

### Settlement

- 5.11. The insurer has the right to advise on the settlement of any matter at any time prior to the final determination thereof if the insurer is of the opinion that the settlement is an appropriate resolution to the matter.
- 5.12. All attempts at settlement or resolution shall be confirmed in writing. Copies thereof together with all responses from Third Parties (Opposing Party) will be furnished to us.
- 5.13. The insurer must approve all settlement terms which have a bearing on costs that are to be recovered or paid, in writing.
- 5.14. The insured will immediately notify us in writing of any offer of payment or actual payment into a Forum, which is done with the view to settle the matter.
- 5.15. If the insured do not accept such an offer or payment into a Forum and the insurer are of the opinion that the Proceedings will be equally or less favourable to the insured, the insurer will instruct the insured to accept the offer of payment or the payment into the Forum. If the insured refuse to take the insurer's instruction, the insurer will have no further liability in respect of the legal costs and expenses incurred after the offer of payment or payment has been made.

### Proof of Identity

- 5.16. The Insured/Dependant must produce proof of his/her identity (identity document, full birth certificate or passport) before any assistance and/or payment will be made in terms of a claim.

### Claims Payment

- 5.17. The insurer will only be obliged to make payment at the conclusion of any matter giving rise to a Claim.
- 5.18. The insurer will only be liable for the legal costs and expenses as negotiated before the litigation commenced in writing.
- 5.19. The insurer will not pay the following fees unless the insurers have given the insurer's prior written approval of such appointment and the fee:
- An Expert Witness's Fees;
  - Tracing Fees;
  - Motor Vehicle Accident Reports;
  - Medical Reports;
  - Medical Examinations;
  - Second Opinion Medical Examinations;
  - Credit Profile Reports from a Credit Bureau; and
  - Translations and transcripts.

### 6. Exceptions in respect of Insured and Claim Events

- 6.1. In respect of Clause 3.3: Claim in respect of Legal Costs and Expenses, the insurer will not be liable for any claim:
- which is false or fraudulent or where the insurers have reason to doubt the truthfulness of the claim or of any related matter;
  - where the insured or any Insured do not follow the insurer's instructions or act contrary to or in a manner different from the insurer's advice and where in the in-

surer's opinion, such failure to act increases the insurer's risk;

- for any adverse cost order against the insured;
  - where the Insured would be entitled to indemnity under any other policy of insurance unless the Insured Person have breached the terms of such other policy;
  - where the insurer of the insured's motor insurance repudiated a motor claim or refused indemnity under such motor policy. The insurer may in the insurer's sole discretion decide to provide cover if the insurer consider the repudiation to be manifestly unfair;
  - in respect of any matter for which an admission of guilt fine has or may be levied unless the insurer's prior written consent is obtained;
  - in respect of any wilful or deliberate act committed by the insured;
  - in respect of any matter which, in the insurer's opinion, is trivial or fees than N\$1,500.00 in respect of any cession, assignment or delegation in the Insured's favour;
  - for any amounts payable by the insured or awarded against the insured in respect of the following:
    - damages;
    - interest;
    - finer;
    - any other penalty; and
    - any payment of debt.
  - Any claim made by or against the Insurer or the Administrator.
- 6.2. In respect of Clause 3.1 Legal Advice and Clause 3.3, the insurer will not be liable for any claim directly or indirectly caused by or contributing to or arising from:
- civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about such events;
  - any event or act which is not work related as defined by the Labour Relations Act and shall include secondary strikes, mutiny, military uprising, military or usurped power, insurrection, rebellion, revolution, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
  - Any act (whether on behalf of any organisation, body or person, or group of persons) calculated or directed to overthrow or influence the State or Government, or any provincial, local or tribal authority with force, or by means of fear, terrorism or violence;
  - any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against the State or Government, or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public, or any section thereof; and
  - Any attempt to perform any act as referred to in sub clauses 1, 2, 3 and/ or 4 above. If the insurer alleges, by reason of Clauses 6.2 above, a claim is not covered by this Policy, the burden of proving the contrary shall rest on the insured.
- 6.3. Caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act (No. 85 of 1976) or any other similar Act operative in the Republic of South Africa to the extent that such fund covers the legal costs and expenses.
- 6.4. In respect of any criminal or civil Proceedings by or against the Insured Person which was in a legal process at the inception of the Policy and which the insured did not disclose to the insurer.
- 6.5. Legal expenses concerning any challenge, application or opposition with regards to a dispute relating to the legality or illegality of a person's right to be present in Namibia i.e. Workers Insurance will render assistance with any administrative process concerning the legal status of an immigrant in Namibia but will not cover a member for any legal expenses in pursuit of such legal status.
- 6.6. A matter in which the insured sue another for defamation, breach of privacy or other injuria unless the last one (injuria) the claim.
- 6.7. Business Related Matters - Any matter of a commercial nature or one that is based on the generation of income other than income derived as an employee.
- 6.8. Land Claim Matters.
- 6.9. Matters relating to Environmental Issues.
- 6.10. Mineral or related Rights.
- 6.11. Any Matter relating to Tax or Fiscal Law.
- 6.12. Matters relating to Electricity Outages or Claims based on Consequential Damage arising from Electricity Outages.