

**TRANSFER OF BUSINESS IN TERMS OF SECTION 50 OF THE INSURANCE ACT
GUARDRISK LIFE LIMITED TO BIDVEST LIFE LIMITED
INFORMATION DOCUMENT**

Background

During 2014 FMI (Pty) Ltd, an underwriting manager, approached Guardrisk Life Limited (“Guardrisk”) to underwrite policies on their license via a cell captive arrangement.

In 2016, FMI (Pty) Ltd was purchased by the Bidvest Insurance Group, who also holds a subsidiary company, Bidvest Life Limited (“Bidvest Life”), a licensed Life Insurance company.

In 2017, the operations of FMI (Pty) Ltd were divisionalised into Bidvest Life (to be cited as “FMI, A Division of Bidvest Life Limited”). FMI (Pty) Ltd however remained the cell owner for policies that were underwritten by Guardrisk.

Bidvest Life and Guardrisk have entered into an agreement to transfer the policies contained in the cell captive from Guardrisk’s license onto Bidvest Life’s license.

FMI, A Division of Bidvest Life Limited will continue to be the administrator on the policies.

Guardrisk and Bidvest Life have applied to the Prudential Authority (“the PA”) in Pretoria on 01 April 2021 for the approval of the proposed transfer

What will change on the policies?

Once the transfer is approved by the PA, the only change will be that the policies will be underwritten by Bidvest Life instead of Guardrisk.

All terms and conditions on the policies will remain exactly the same.

Communication about the transfer

Advertisement of this transfer to be placed in the Sunday Times on 18 July 2021 and the Daily Sun and Cape Times from 19 to 21 July 2021.

Each policyholder to be informed by either SMS, e-mail or telephonic contact, based on the contact information at hand. All reasonable measures will be taken to reach policyholders.

Any person or entity who has an interest in this matter may, by the 11th August 2021, submit to the PA such representations concerning the proposed transfer as are relevant to his, her or its interests.

How long will the process take?

The communication process is expected to be completed by the 11th August 2021. Thereafter, the timing will be dependent on the final approval process with the PA.

What do policyholders need to do?

Policyholders do not need to do anything on their policies. Nothing will change on the policies except for the Insurer. Once the transfer is approved by the PA, final communication will be emailed to policyholders containing a copy of the policy wording, where the only change will be to reflect the new Insurer as Bidvest Life, along with an updated disclosure notice.

NOTICE OF THE SUBSTITUTION, IN TERMS OF SECTIONS 50 & 51 OF THE INSURANCE ACT, 2017, OF THE RIGHTS AND LIABILITIES OF GUARDRISK LIFE LIMITED (“GUARDRISK LIFE”) WITH THE RIGHTS AND LIABILITIES OF BIDVEST LIFE LIMITED (“BIDVEST LIFE”) IN RESPECT OF POLICIES CURRENTLY UNDERWRITTEN BY GUARDRISK LIFE

Notice is hereby given in terms of sections 50 & 51 of the Insurance Act, 18 of 2017, hereinafter referred to as the “Act”, that Guardrisk Life and Bidvest Life have entered into a transaction in respect of policies currently underwritten by Guardrisk Life in the Republic of South Africa (“the insurance business”).

The rights and liabilities of Guardrisk Life as primary insurer will be substituted with the rights and liabilities of Bidvest Life, in such a manner that Bidvest Life becomes the primary insurer in respect of the insurance business (“the proposed transfer”).

If the proposed transfer is approved by the Prudential Authority, Bidvest Life shall be responsible for the fulfillment of all the obligations of Guardrisk Life in so far as the said obligations relate to the insurance business as underwritten by Guardrisk Life.

There will be no change to any terms and conditions currently applicable to the insurance business.

Details of the proposed transfer are contained in an agreement dated 01 July 2020 (“the agreement”). In terms of the agreement, all rights and liabilities of Guardrisk Life towards the policyholders in terms of policies forming part of the insurance business will come to an end and be replaced with rights and liabilities of Bidvest Life.

In terms of the Act, any person or entity who has an interest in this matter may, within 15 (fifteen) business days of the date of publication of this notice, submit to the Prudential Authority such representation concerning the proposed transfer as are relevant to his, her or its interests.

Guardrisk Life and Bidvest Life have applied to the Prudential Authority in Pretoria on 01 April 2021 for the approval of the proposed transfer.