

COMMERCIAL POLICY WORDING

Underwritten by
Mutual & Federal Risk Financing Limited (MFRF)



MUTUAL & FEDERAL | risk
financing

A member of the  OLDMUTUAL Group


tradesure
YOUR BUSINESS CONTINUITY ASSURED

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OPERATIVE CLAUSE

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the insured and receipt thereof by or on behalf of the Insurer, the Insurer specified in the Schedule agrees to indemnify or compensate the insured by payment or, at the option of the Insurer, by replacement, reinstatement or repair in respect of the defined events occurring during the Period of Insurance and as otherwise provided under the sections within up to the sums insured, limits of indemnity, compensation and other amounts specified.

Where more than one Insurance Insurer or Insurer participates in this insurance, the expression "Insurer" shall be amended to "insurers" wherever it appears in this policy. In this event the percentage share of each Insurer will be as expressed in the schedule of this policy and the liability of each such Insurer individually shall be limited to the percentage share set against its name.

Specific exceptions, conditions and provisions shall override general exceptions, conditions and provisions.

GENERAL EXCEPTIONS, CONDITIONS AND PROVISIONS

1. WAR, RIOT AND TERRORISM

- A. This policy does not cover loss of or Damage to property related to or caused by:
- (i) civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing;
 - (ii) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - (iii) (a) mutiny, military rising, military or usurped power, 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; or
(b) insurrection, rebellion or revolution;
 - (iv) any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any Provincial, Local or Tribal Authority with force or by means of fear, terrorism or violence;
 - (v) 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 any State or Government or any Provincial, Local or Tribal Authority, or for the purpose of inspiring fear in the public or any section thereof;
 - (vi) any attempt to perform any act referred to in clause (iv) or (v) above;
 - (vii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause A (i), (ii), (iii), (iv), (v) or (vi) above.
- If the Insurer alleges that, by reason of clause A(i), (ii), (iii), (iv), (v), (vi) or (vii) of this exception, loss or Damage is not covered by this policy, the burden of proving the contrary shall rest on the insured.
- B. This policy does not cover loss or Damage 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, 1976 (No. 85 of 1967) or any similar Act operative in any of the territories to which this policy applies.
- C. Notwithstanding any provision of this Policy including any Exclusion, Exception or Extension or other provision not included herein which would otherwise override a General Exception, this Policy does not cover loss of or Damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, Damage or expense.

For the purpose of this General exception 1(C) an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any Organisation or Government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

If the Insurer alleges that, by reason of clause 1(C) of this exception, loss or Damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

2. ASBESTOS [APPLICABLE TO THE PUBLIC LIABILITY SECTION, EMPLOYERS LIABILITY SECTION AND SUB-SECTION D (LIABILITY) OF THE BUILDINGS COMBINED SECTION]

Notwithstanding any provision of this Policy including any Exclusion, Exception or Extension or other provision which would otherwise override a general Exception, this Policy does not cover any legal liability, loss, Damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

3. NUCLEAR

Except as regards the Fidelity, Stated Benefits and Group Personal Accident sections, this policy does not cover any legal liability, loss, Damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from:

- (i) ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- (ii) nuclear material, nuclear fission or fusion, nuclear radiation;
- (iii) nuclear explosives or any nuclear weapon;
- (iv) nuclear waste in whatever form;

regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exception only, combustion shall include any self-sustaining process of nuclear fission.

4. CYBER LOSS EXCLUSION (PROPERTY INSURANCE)

A. Notwithstanding any provision to the contrary within this agreement or any endorsement thereto, this agreement excludes any:

- (i) Cyber Loss;
- (ii) loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data; regardless of any other cause or event contributing concurrently or in any other sequence thereto.

B. If Tradesure Commercial Specialists (Pty) Ltd alleges that by reason of this exclusion any loss, damage, liability, claim, cost or expense sustained by You (the insured) is not covered by this agreement, the burden of proving the contrary shall be upon You.

DEFINITIONS

Cyber Loss	any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident, including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
Cyber Act	an unauthorised, malicious or criminal act or series of related unauthorised, or criminal acts, regardless of time and place, or the threat or hoax thereof involving to, processing of, use of or operation of any Computer System.
Cyber Incident	<ul style="list-style-type: none"> any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
Computer System	any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.
Data	information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
Time Element Loss	business interruption, contingent business interruption or any other consequential losses.

5. CYBER INCIDENT EXCLUSION (CASUALTY INSURANCE)

- A. Notwithstanding any provision to the contrary within this agreement or any endorsement thereto, this agreement excludes any Cyber Loss.
- B. If Tradesure Commercial Specialists (Pty)Ltd alleges that by reason of this exclusion any Cyber Loss sustained by You (the insured) is not covered by this agreement, the burden of proving the contrary shall be upon You (the insured).

DEFINITIONS

Cyber Loss	all actual or alleged loss, damage, liability, injury, compensation, sickness, disease, death, medical payment, claim, cost, defense cost, expense or any other amount incurred by or to You (the insured), including but not limited to any mitigation cost or statutory fine or penalty, directly or indirectly caused by, contributed to by, resulting from, arising out of or in with any Cyber Incident.
Cyber Incident	<ul style="list-style-type: none"> an unauthorised or malicious act or series of related unauthorised or malicious acts, regardless of time and place, or the threat or hoax thereof; and/or a failure to act, any error or omission or accident or series of related failures to act, errors or omissions or accidents; and/or a breach of duty, statutory duty or regulatory duty or trust or series of related breaches of duty, statutory duty or regulatory duty or trust; involving access to, processing of, use of or operation of any Computer System or any data by any person or group(s) of persons.
Computer System	any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

6. DETENTION, CONFISCATION AND FORFEITURE

This Policy does not cover any loss, Damage, cost or expense directly or indirectly arising from permanent or temporary detention, confiscation, attachment, forfeiture, impounding or requisition legally carried out by customs, SA Police Services, crime prevention units or other officials or authorities.

7. TRANSMISSION AND DISTRIBUTION LINES

This Policy excludes all above ground transmission and distribution lines, including wire, cables, poles, pylons, standards, towers, other supporting structures and any equipment of any type which may be attendant to such installations of any description, for the purpose of transmission and distribution of electrical power, telephone or telegraph signals, and all communication signals whether audio or visual. This exclusion applies to all equipment other than those on or within 150 metres from the Insured structure.

This exclusion applies both to physical loss or Damage to the equipment and all Business interruption, consequential loss, and/or other contingent losses related to transmission and distribution lines, other than contingent property Damage/Business interruption losses (including expenses), arising from loss/Damage to lines of third parties.

8. SANCTIONS LIMITATION AND EXCLUSION

The Insurer shall not indemnify and the Insurer shall not be liable to pay any claim or provide any benefit hereunder where the indemnity, claim payment or provision of such benefit is contrary to the prohibitions or restrictions under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America irrespective of enactment in the jurisdiction where indemnity or benefit is provided or payment made.

9. SUDDEN AND UNFORSEEN

This policy does not provide cover for any loss or Damage as a result of any cause that was not sudden and unforeseen.

10. COMMUNICABLE DISEASE EXCLUSION (PROPERTY)

1. This policy excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. Subject to the other terms, conditions and exclusions contained in this policy, this policy will cover physical damage to property insured under the policy and any Time Element Loss directly resulting therefrom where such physical damage is directly caused by or arising from any of the following perils: fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, rainstorm, hail, tornado, cyclone, typhoon, hurricane, earthquake, seaquake, seismic and/or volcanic disturbance/eruption, tsunami, flood, freeze, ice storm, weight of snow or ice, avalanche, meteor/asteroid impact, landslip, landslide, mudslide, bush fire, forest fire.

DEFINITIONS

Communicable Disease	any disease which can be transmitted by means of any substance or agent from any organism to another organism where: <ul style="list-style-type: none">• the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
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	<ul style="list-style-type: none"> the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
Time Element Loss	business interruption, contingent business interruption or any other consequential losses.

11. COMMUNICABLE DISEASE EXCLUSION (LIABILITY, GROUP PERSONAL ACCIDENT & STATED BENEFITS)

- This policy excludes all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount incurred by or accruing to the insured, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

DEFINITIONS

Communicable Disease	<p>any disease which can be transmitted by means of any substance or agent from any organism to another organism where:</p> <ul style="list-style-type: none"> the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.
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12. BUSINESS INTERRUPTION SUPPLEMENTARY EXCLUSION

Physical Damage Provision applying to Business Interruption Cover.

Notwithstanding any provision to the contrary within this insurance agreement, this insurance does not cover any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Business Interruption or Consequential Losses cover unless arising from the physical loss of or physical damage to property directly caused by an insured peril under both the original policies and under this insurance. For the sake of clarity this Provision also applies, but is not limited to, any act of a lawfully established or recognized authority, in relation to closure, restriction, or prevention of access, in connection with the foregoing.

GENERAL CONDITIONS

Subject to the provisions of Section 55 of the Short Term Insurance Act No 53 of 1998 (as amended)

1. MISREPRESENTATION, MISDESCRIPTION AND NON-DISCLOSURE

Misrepresentation, misdescription or non-disclosure of any material fact or circumstances in connection with this policy, a claim or the application for this policy may result in this policy being cancelled, a claim rejected or the policy voided from inception.

In the event that a benefit has been paid as a result of any misrepresentation, non-disclosure or misdescription or fraudulent action by an Insured Person or by any person claiming any benefit under this policy, such person will be required to repay or return the benefit paid. The Insurer shall be entitled to take legal action to recover the benefit and any costs involved.

2. OTHER INSURANCE

If, at the time of any event giving rise to a claim under this Policy, an insurance Policy exists with any other Insurer covering the insured against the defined events, the Insurer shall be liable to make good only a rateable proportion of the amount payable by or to the insured in respect of such event. If any such other insurance is subject to any condition of average, this policy, if not already subject to any condition of average, shall be subject to average in like manner.

3. A. CANCELLATION

This Policy or any section may be cancelled at any time by the Insurer giving 31 days' notice in writing (or such other period as may be mutually agreed) or by the Insured giving immediate notice. On cancellation by the Insured, the Insurer shall be entitled to retain the customary short period or minimum premium for the period the policy or section has been in force. On cancellation by the Insurer, the insured shall be entitled to claim a pro rata proportion of the premium for the remainder of the period of insurance from the date of cancellation, subject to General Condition 4.

3. B. CONTINUATION OF COVER (WHERE PREMIUM IS PAYABLE BY BANK DEBIT ORDER)

The premium is due in advance and, if it is not received by the Insurer by due date, this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance after 15 days from the date of the non-payment, unless the Insured can show that failure to make payment was an error on the part of his bank or other paying agent.

Due date will be the first day of every calendar month where premium is payable monthly, and the first day of

- (a) each third calendar month following inception where premium is payable quarterly;
- (b) each sixth calendar month following inception where premium is payable half-yearly or;
- (c) each twelfth calendar month following inception where premium is payable annually

4. ADJUSTMENT OF PREMIUM

If the premium for any section of this policy has been calculated on any estimated figures, the Insured shall, after the expiry of each period of twelve consecutive months from the inception date or anniversary date, furnish the Insurer with such particulars and information as the Insurer may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the Insured as the case may be.

5. PREVENTION OF LOSS

The Insured shall take all reasonable steps and precautions to prevent accidents or losses including but not limited to compliance and adherence to laws and regulations which are material to the risk.

The Insured warrants that all laws, regulations, by-laws and rules that apply to the Business or to any other matter for which cover is provided in terms of this Policy (irrespective of whether the laws, regulations, by-laws and rules are in force at the date the policy is issued, or are enacted after that date) shall be adhered to at all times. The failure to adhere to any applicable law, regulation, by-law or rule shall entitle the insurer to reject any claim where such failure is material to the claim.

6. CLAIMS

- (a) On the happening of any event which may result in a claim under this Policy the Insured shall, at their own expense:
- (i) give notice thereof to the Insurer within 30 days and provide particulars of any other insurance covering such events as are hereby insured;
 - (ii) as soon as practicable after the event inform the police of any claim involving theft or (if required by the Insurer) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property;
 - (iii) as soon as practicable after the event submit to the Insurer full details in writing of any claim;
 - (iv) give the Insurer such proof, information and sworn declarations as the Insurer may require and forward to the Insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
- (b) If, after the payment of a claim in terms of this Policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the Insurer, provided that the insured's reasonable expenses in rendering such assistance shall be reimbursed by the Insurer. Should the Insured fail to render assistance in terms of this condition when called upon to do so, the Insured shall immediately become liable to repay to the Insurer all amounts paid in respect of the claim.

7. INSURER'S RIGHTS AFTER AN EVENT

- (a) On the happening of any event in respect of which a claim is or may be made under this Policy, the Insurer and every person authorised by them may, without thereby incurring any liability and without diminishing the rights of the Insurer to rely upon any conditions of this Policy,
- (i) take, enter or keep possession of any Damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the Insurer to do so. The Insured shall not be entitled to abandon any property to the Insurer whether taken possession of by the Insurer or not;
 - (ii) take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their own benefit any claim for indemnity or Damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the Insured without the written consent of the Insurer.
- (b) The Insured shall, at the expense of the Insurer, do and permit to be done all such things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights to which the Insurer shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.

- (c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, the Insurer may, upon the happening of any event, pay to the Insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Insurer shall thereafter not be under further liability in respect of such event.

8. FRAUD

If any claim under this Policy is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit under this Policy or if any event is occasioned by the wilful act or with the connivance of the Insured, the benefit afforded under this Policy in respect of any such claim shall be forfeited.

9. REINSTATEMENT OF COVER AFTER LOSS (NOT APPLICABLE TO STOCK ON A DECLARATION BASIS NOR TO ANY SECTION WHERE IT IS STATED NOT TO BE APPLICABLE)

In consideration of sums insured not being reduced where appropriate by the amount of any loss, the Insured shall pay additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is the later) to expiry of the period of insurance.

10. BREACH OF CONDITIONS

The Conditions of this policy and Sections thereof shall apply individually to each of the risks insured and not collectively to them so that any breach shall render voidable the Section only in respect of the risk to which the breach applies.

11. NO RIGHTS TO OTHER PERSONS

Unless otherwise provided, nothing in this Policy shall give any rights to any person other than the Insured. Any extension providing indemnity to any person other than the Insured shall not give any rights of claim to such person, the intention being that the Insured shall claim on behalf of such person. The receipt by the Insured shall in every case be a full discharge to the Insurer.

12. COLLECTIVE INSURANCES

If this insurance is a collective insurance then the following amendment is made to general condition 6(a) (iv) above:

“give the leading Insurer on behalf of the Insurers such proof, information and sworn declaration as the Insurers may require and forward to the leading Insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.”

and General condition 7 is substituted by the following:

“7. Insurer’s rights after an event

- (a) On the happening of any event in respect of which a claim is or may be made under this policy the leading insurer and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the insurers to rely upon any conditions of this policy,
- (i) take, enter or keep possession of any Damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the insured to the lead insurer on behalf of all insurers to do so. The insured shall not be entitled to abandon any property to the insurers whether taken possession of by the leading insurer or not

- (ii) take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for their own benefit any claim for indemnity or Damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the leading insurer.
- (b) The insured shall, at the expense of the insurers, do and permit to be done all such things as may be necessary or reasonably required by the insurers for the purpose of enforcing any rights to which the insurers shall be or would become subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification.
- (c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, the insurers may, in the case of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the insurers shall thereafter not be under further liability in respect of such event.”

13. CONSENT TO DISCLOSE - CONSENT TO INFORMATION COLLECTION, USE, DISSEMINATION AND SHARING

- (a) The Protection of Personal Information Act ('the Act') applies to this policy and controls the method in which personal information is collected, used, disseminated and shared. You are referred to the Protection of Personal Information External Policy, which can be found at <http://www.gov.za/>, and more particularly, to the Act itself. The Insured agrees herewith and consents to the collection, use, dissemination and disclosure of your personal information for the purpose to enter into this Policy and give effect to the terms and conditions hereof, subject to the requirements of the Act.
- (b) Acceptance by You of Our Policy furthermore includes consent to the sharing of claims, underwriting and other relevant information (including credit information) within the insurance industry. By agreeing to this You will:
- (c) waive any right to privacy in respect of the insurance information provided by the Insured or on the Insured's behalf regarding any insurance Policy or claim made, lodged by the Insured or on the Insured's behalf;
- (d) allow such information to be disclosed to any other insurance Insurer or its agent;
- (e) allow the Insurers to verify the information provided by the Insured against other legitimate sources or databases.

14. ERRORS AND OMISSIONS ON POLICY SCHEDULE

You have 7 days from the receipt of your schedule to advise the insurer of any errors or omissions on your policy document or schedule. Failure to do so may result in you not enjoying the cover you required or expected. Further, the insurer is no-longer responsible for those errors or omissions.

15. PRESCRIPTION OF CLAIMS

The Insurer will not be liable for any claim after twelve (12) months have expired from the date of the event giving rise to the claim, unless the claim is the subject to pending legal action, or where it is a liability claim against the Insured.

16. REPUDIATION OF CLAIMS

If the Insurer repudiate any claim, or dispute the quantum of a claim, the Insured have ninety (90) days to make representation to the Insurer, challenging this decision. If the Insurer persist in repudiating the claim or disputing the quantum, the Insured have to have summons issued and served on the Insurer, within six (6) months (180

days) after the expiry of the ninety (90) days (challenging period); failing which, the Insured will forfeit his claim and the Insurer will have no further liability in terms of this policy.

GENERAL PROVISIONS

Subject to the provisions of Section 55 of the Short Term Insurance Act No 53 of 1998 (as amended)

A. CLAIMS PREPARATION COSTS

The insurance provided by each section of this policy is extended to include costs reasonably incurred by the Insured in producing and certifying any particulars or details required by the Insurer in terms of general condition 6 or to substantiate the amount of any claim, provided that the liability of the Insurer for such costs in respect of any one claim shall not exceed, in respect of a particular section, R1 000 or 10% (ten percent) of the sum insured or limit of indemnity on the item affected, whichever is the lesser amount, plus any amount stated in the schedule to each section against an item for additional claim preparation costs.

B. PAYMENTS ON ACCOUNT

In respect of any section where amounts recoverable from the Insurer are delayed pending finalisation of any claim, payments on account may be made to the Insured, if required, at the discretion of the Insurer.

C. FIRST AMOUNT PAYABLE

Except where provided for specifically in any section, the amount payable under this Policy/Section for each and every loss, Damage or liability shall be reduced by the first amount payable shown in the schedule for the applicable defined event.

D. MEMBERS

Wherever the word "director" is used it is deemed to include "member" if the Insured is a close corporation.

E. LIABILITY UNDER MORE THAN ONE SECTION

The Insurer shall not be liable under more than one section of this policy in respect of liability, loss or Damage arising from the same happening in respect of the same liability, loss or Damage.

F. MEANING OF WORDS

The Schedules and any endorsements thereto and the Policy wording shall be read together and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

G. PREMIUM PAYMENT

Premium is payable on or before the inception date or renewal date as the case may be.

The Insurer shall not be obliged to accept premium tendered to it after the inception date or renewal date as the case may be but may do so upon such terms as it at its sole discretion may determine.

H. HOLDING COVERED

If the Insurer is holding covered on a risk they will not reject a claim on the basis that the premium has not been agreed. All cover will cease immediately if no firm written instruction is received from the Insured within the 7 days' grace period.

I. SCHEDULE SUMS INSURED BLANK

If, in a Schedule of this policy, the sum insured, limit of indemnity or compensation is:

- (i) left blank or has no monetary amount stipulated against it;
- (ii) reflected as nil or not applicable or not covered or no indemnity extended;

this means the defined event or circumstance shown in the schedule is not insured by the Policy.

J. SECURITY FIRMS

If an Employee of a security firm employed by the Insured under a contract causes loss or Damage, the Insurer agrees, if in terms of the said contract the Insured may not claim against the said security firm, not to exercise their rights of recourse against the said security firm.

The Insurer shall not raise as a defence to any valid claim submitted under any section or sub-section of this Policy that the Insurer's rights have been prejudiced by the terms of any contract entered into between the Insured and any security provider relating to the protection of the insured property.

FIRE

DEFINED EVENTS

Damage to the whole or part of the property described in the Schedule, owned by the Insured or for which they are responsible, including alterations by the Insured as tenants to the buildings and structures, by

1. Fire
2. Lightning or Thunderbolt
3. Explosion
4. such additional perils as are stated in the Schedule to be included.

SPECIFIC EXCEPTIONS

1. This Section does not cover earthquake (whether arising from mining operations or otherwise) unless added as an additional peril.

Any Damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be Damage which is not covered by this insurance, except to the extent that the Insured shall prove that such Damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the Insurer alleges that, by reason of this exception, any Damage is not covered by this insurance, the burden of proving the contrary shall be on the Insured.

2. Unless specifically included, this insurance does not cover:-
 - (i) Damage to property occasioned by its undergoing any heating or drying process;
 - (ii) Damage to property which at the time thereof is insured by or would, but for the existence of this insurance, be insured by any marine policy/ies, except in respect of any excess beyond the amount which would have been payable under the marine Policy/ies had this insurance not been effected.

SPECIFIC CONDITION

AVERAGE

If the property insured is, at the commencement of any Damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

ADDITIONAL PERILS (IF STATED IN THE SCHEDULE TO BE INCLUDED)

It is understood and agreed that in respect of each additional peril extension included in this insurance:

- (a) all the exceptions and conditions applicable to this insurance shall apply as if they had been incorporated therein;
- (b) for the purposes thereof any Damage insured shall be deemed to have been caused by fire.

EARTHQUAKE EXTENSION

Damage caused by earthquake but excluding Damage to property in the underground workings of any mine.

SPECIAL PERILS EXTENSION

Damage caused by:

1. storm, wind, water, hail or snow excluding Damage to property:-
 - (a) arising from its undergoing any process necessarily involving the use or application of water;
 - (b) caused by tidal wave originating from earthquake;
 - (c) in the underground workings of any mine;
 - (d) in the open (other than buildings, structures and plant designed to exist or operate in the open) (other than buildings structures and plant designed to exist or operate in the open);
 - (e) in any structure not completely roofed (other than buildings structures and plant designed to exist or operate in the open);
 - (f) being retaining walls (other than buildings structures and plant designed to exist or operate in the open).
2. aircraft and other aerial devices or articles dropped there from;
3. impact by animals, trees, aerals, satellite dishes or vehicles excluding Damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

This extension does not cover:

1. wear and tear or gradual deterioration;
2. Damage caused or aggravated by;
 - (a) leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby;
 - (b) subsidence or landslip;
 - (c) the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any Damage.

LEAKAGE EXTENSION

Damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installation/appliance.

If a first loss limit is shown against this additional peril in the Schedule, the amount of such limit shall be the maximum liability of the Insurer in respect of any one event and, for the purposes of this extension only, the following shall be substituted for the average condition hereinbefore expressed:

If the property insured is, at the commencement of any Damage to such property by discharge or leakage, collectively of greater value than the sum insured thereon against fire Damage, then the Insurer shall be liable under this extension only for that proportion of the first loss limit as the sum insured against fire bears to the total value of such property and the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, to which this extension applies shall be separately subject to this clause.

In respect of this extension only, specific Exception 1 to this Section is deleted.

SUBSIDENCE AND LANDSLIP EXTENSION

1. Subsidence and landslip extension - Limited Cover

(It is noted that this extension is automatically included unless specifically excluded)

- 1.1. Damage to the building caused by subsidence or landslip of the land supporting the building, or heave, provided that such loss or Damage is not caused by or does not arise from
 - (i) normal settlement, shrinkage or expansion of the building
 - (ii) alterations, additions or repairs to the building the compaction or infill
 - (iii) defective or faulty design, materials or workmanship
 - (iv) excavations including mining operations
 - (v) contraction and/or expansion of soil, clay or similar types or moist or damp removal or weakening of support to the building
 - (vi) buildings constructed on dolomite sites
- 1.2. Excluded Cover:

Loss or Damage to the following is automatically excluded:

 - (i) Swimming pools and surrounds, tennis courts, terraces, patios, paths, driveways, septic or conservancy tanks, drains, water courses, walls, gates, posts and fences, retaining and screening walls unless the building is Damaged at the same time by the same event
 - (ii) Solid floor slabs or any part of the building resulting from the movement of such slabs unless the foundation supporting the external walls of the building are Damaged by the same cause at the same event
 - (iii) Consequential loss whatsoever
 - (iv) Damage existing at commencement of cover
- 1.3. No cover is provided for work necessary to prevent further loss or Damage due to subsidence, landslip or heave except where appropriate design precautions are implemented during the original construction of the building and any subsequent additions thereto.
- 1.4. The Insured shall be responsible for the first R10 000 of each and every occurrence giving rise to a claim.
- 1.5. The Insured may be required to prove that the loss or Damage being claimed for was caused by subsidence and/or landslip or heave.
2. Subsidence and landslip extension - Full Cover (if stated in the Schedule to be included)

The following peril is added to - Buildings:

Damage caused by subsidence or landslip, provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured as stated in the Schedule.

This extension does not cover

 - 2.1. Damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
 - 2.2. Damage caused by or attributable to
 - (i) faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises
 - (ii) workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises
 - (iii) excavation on or under land other than excavations in the course of mining operations
 - 2.3. consequential loss of any kind whatsoever except,
 - 2.4. loss of rent, normal settlement, shrinkage or expansion of the building,
 - 2.5. active soils, except where professional engineering design precautions have been implemented during construction, the densification of made up ground or infill or by inadequate compaction of filling,
 - 2.6. Damage from a cause which existed prior to the commencement of the policy,
 - 2.7. solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundations supporting the external walls of the building are Damaged by the same cause at the same time,

- 2.8. work necessary to prevent further destruction or Damage due to subsidence or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto

In any action suit or other proceeding where the Company alleges that, by reason of the provisions of this extension, any Damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

DEFINITIONS

Subsidence	the downward movement of a site on which buildings may or may not stand, from causes unconnected with the building (if present).
Landslip	the downward and/or sideways movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground
Settlement	the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and is unpredictable
Active Soils	a soil that changes in volume to varying degrees in response to changes in moisture content, i.e. the soil may increase in volume (heave or swell) upon wetting and decrease in volume (shrink) upon drying out.

MALICIOUS DAMAGE EXTENSION

Damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such Damage other than Damage to:

1. movable property which is:-
 - (a) stolen;
 - (b) Damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured;
2. movable or immovable property which is Damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured;
3. immovable property owned or occupied by the insured occasioned by or through or in consequence of:
 - (a) the removal or partial removal or any attempt thereof;
 - (b) the demolition or partial demolition or any attempt thereof;
 the said immovable property or any part thereof with the intention of stealing any part thereof

provided that this extension does not cover:

- (a) Damage related to or caused by fire or explosion;
- (b) consequential or indirect Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) Damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) Damage related to or caused by any occurrence referred to in General Exception 1 (A) (i), (ii), (iii), (iv), (v) or (vi) of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless the insured, before the occurrence of any Damage, obtains the written agreement of the Insurer to continue this extension.

During the period of the initial un-occupancy of 30 consecutive days, the Insured shall become a co-Insurer with the Insurer and shall bear a proportion of any Damage equal to 20% (twenty percent) of the claim before deduction of any first amount payable.

POWER SURGE RELATIVE TO BUILDINGS

The Insurance under this Section is extended to include Damage to fixtures and fittings forming part of the buildings insured under this Section caused by Power Surge.

Provided that the Insurer's liability shall not exceed R25 000 in respect of any one event less the first amount payable of 10% of claim minimum R1 000 for each and every occurrence.

POWER SURGE RELATIVE TO PLANT, MACHINERY AND ALL OTHER CONTENTS

The Insurance under this Section is extended to include Damage to but not limited to television sets, audio and video equipment, fax machines, copiers, telephone systems, and household appliances caused by Power Surge.

Provided that the Companies liability shall not exceed R25 000 in respect of any one event less the first amount payable of 10% claim minimum, R1 000 for each and every occurrence.

This extension only applies if the contents are insured under this Section of the Policy.

RIOT AND STRIKE EXTENSION

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

CLAUSES AND EXTENSIONS

RENT CLAUSE (IF INSURED UNDER COLUMN 2)

The Insurer will pay the amount of rent receivable, rent payable or rental value (as the case may be) defined hereunder in the event of the premises stated in the schedule being rendered un-tenantable during the term specified therein in consequence of Damage by a defined event.

- (i) Rent Receivable - the actual rent receivable by the Insured at the time of the event in respect of the aforesaid premises or on such part of same as may then be let.
- (ii) Rent Payable - the actual rent payable by the Insured to the owner or landlord of the said premises.
- (iii) Rental Value - the actual rental value of the said premises.

The amount payable in terms of this clause shall be in the proportion which the amount insured bears to the actual rent receivable/payable or rental value of the premises as the case may be and if the premises are not un-tenantable during the whole of the aforesaid term, the Insurer shall only be liable to pay such proportion of the amount payable as the period of time during which the premises may remain un-tenantable bears to the whole term specified above, but the period shall not exceed the time which would be required to place the premises in a tenantable condition.

DESIGNATION OF PROPERTY CLAUSE

For the purpose of determining where necessary the Column under which any property is insured, the Insurer agrees to accept the designation under which such property has been entered in the insured's books.

ALL OTHER CONTENTS CLAUSE

The term all other contents referred to in the definition of property under Column 3 of the Schedule includes, but is not restricted to personal effects, tools and pedal cycles, the property of the Insured or directors or Employees of the Insured in so far as such property is not otherwise insured.

The benefit under this extension is limited to R5 000 for any one individual in respect of property lost or Damaged whilst on the Insured's premises.

LIMITATIONS CLAUSE

The Insurer's liability under Column 3 of the schedule is restricted in respect of:

- (a) money and stamps to a limit of R5 000;
- (b) documents, manuscripts, Business books, plans, computer systems records and media, designs, patterns, models and moulds to the value of materials and sums expended in labour.

ALTERATIONS AND MISDESCRIPTION CLAUSE

The insurance under this section shall not be prejudiced by any alteration or misdescription of occupancy whether due to the transfer of processes or machinery or by virtue of acquisition of additional premises, structural alterations or repairs to buildings, machinery or plant, provided that notice is given to the Insurer as soon as practicable after such event and the Insured agrees to pay additional premium if required.

ARCHITECTS' AND OTHER PROFESSIONAL FEES CLAUSE

The insurance under Columns 1 and 3 of the Schedule include professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following Damage by a defined event, but in no case exceeding 15% (fifteen percent) of the amount payable in respect of such Damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the insured's claim.

CAPITAL ADDITIONS CLAUSE

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 15% (per cent) of the sum insured thereon, it being understood that the insured undertakes to advise the Insurer each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

COST OF DEMOLITION AND CLEARING AND ERECTION OF HOARDINGS CLAUSE

The insurance under this section includes costs necessarily incurred by the Insured in respect of the demolition of buildings and machinery and/or the removal of debris (including stock debris) and in providing, erecting and maintaining hoardings required during demolition, site clearing and/or building operations following Damage to the property insured by a defined event, provided that the total amount recoverable shall not exceed the sum insured on the property affected.

The Insurer will not pay for any costs or expenses:

1. incurred in removing debris except from the site of such property destroyed or Damaged and the area immediately adjacent to such site;
2. arising from Pollution or contamination of property not insured by this policy/section.

FIRE EXTINGUISHING CHARGES CLAUSE

Any costs relating to the extinguishing or fighting of fire, shall be deemed to be Damage to the insured property and shall be payable in addition to any other payment for which the Insurer may be liable in terms of this section provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

MORTGAGEE CLAUSE

The interest of any mortgagee in the insurance under this section shall not be prejudiced by any act or omission on the part of the mortgagor without the mortgagee's knowledge. The mortgagee shall, however, inform the Insurer as soon as any such act or omission comes to his knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall, in terms of this clause, be assumed by the Insurer.

MUNICIPAL PLANS SCRUTINY FEE CLAUSE

The insurance under Column 1 of the Schedule includes municipal plans scrutiny fee, provided that the total amount recoverable under any item shall not exceed the sum insured on the building affected.

PUBLIC AUTHORITIES' REQUIREMENTS CLAUSE

The insurance under this section includes such additional cost of repairing or rebuilding the Damaged property incurred solely by reason of the necessity to comply with building or other regulations under or framed in

pursuance of any act of parliament or ordinance of any provincial, municipal or other local authority provided that:

1. the amount recoverable under this clause shall not include;
 - (a) the cost incurred in complying with any of the aforesaid regulations:
 - (i) in respect of Damage occurring prior to granting of this clause;
 - (ii) in respect of Damage not insured under this section;
 - (iii) under which notice has been served upon the insured prior to the happening of the Damage;
 - (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion Damaged.
 - (b) the additional cost that would have been required to make good the property Damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
 - (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations;
2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Insurer under this clause not being thereby increased;
3. if the liability of the Insurer under any item of this section apart from this clause shall be reduced by the application of any of the terms, exceptions and conditions of this section, then the liability of the Insurer under this clause in respect of any such item shall be reduced in like proportion;
4. the total amount recoverable under any item of this section shall not exceed the sum insured thereby.

RAILWAY AND OTHER SUBROGATION CLAUSE

The Insured shall not be prejudiced by signing the "Transnet Cartage (Hazardous Premises) Indemnity" or other special agreements with Transnet Administration regarding private sidings or similar agreements with other government bodies.

REINSTATEMENT VALUE CONDITIONS CLAUSE

In the event of property other than stock being Damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than the insured property when new provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to requirements of the insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;
2. until expenditure has been incurred by the insured in replacing or reinstating the property, the Insurer shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been Damaged, exceeds the sum insured thereon at the commencement of any Damage to such property by a defined event, then the insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision;
4. these conditions shall be without force or effect if:

- (a) the insured fails to intimate to the Insurer within six months of the date of Damage or such further time as the Insurer may in writing allow, his intention to replace or reinstate the property;
- (b) the insured is unable or unwilling to replace or reinstate the property on the same or another site.

ALTERNATIVE REPLACEMENT CONDITIONS (DESIGN CAPACITY) CLAUSE

In the event of property insured which has a measurable function, capacity or output being Damaged by a defined event and it not being possible to replace or reinstate such property in terms of the reinstatement value conditions, then the Insurer will pay the cost of replacing such property with property the quality, capacity, function or output of which is as near as possible but not inferior to that of the original property provided that:

1. proviso 1, 2, 3 and 4 of the reinstatement value conditions apply equally to this clause;
2. in applying the provisions of proviso 3 of the reinstatement value conditions, the cost (as provided for in proviso 3) "which would have been incurred in replacement or reinstatement if the whole of the insured property had been Damaged" will be increased by such amount payable under the alternative replacement clause which is in excess of that which would have been payable under the reinstatement value conditions clause, had it been possible to reinstate or replace the property in terms thereof.

TEMPORARY REMOVAL CLAUSE

Except in so far as it is otherwise insured the property insured is covered whilst temporarily removed elsewhere on the premises stated in the schedule or to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi provided that:

1. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Insurer shall not exceed 15 per cent of the sum insured applicable to any item;
2. the amount payable under this clause shall not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the property is temporarily removed.

TENANTS CLAUSE

The Insurer's liability to the Insured shall not be affected by any act or omission on the part of any owner of a building or any tenant (other than the Insured) without the Insured's knowledge. The Insured shall, however, inform the Insurer as soon as such act or omission which is a contravention of any of the Terms, Exceptions or Conditions of this Section comes to their knowledge and will be responsible for any additional premium payable from the date any increased hazard shall be assumed by the Insurer.

Stock Declaration Conditions (if stated in the schedule to be included)

In respect of stock and materials in trade insured under this section being subject to the stock declaration conditions, the premium is calculated on 75 per cent of the sum or sums insured thereon, subject to the following specific conditions:

- 1.(a) The insured shall declare to the Insurer in writing the market value of their stock and materials in trade on the last day of each month/quarter (as stated in the schedule) and shall make such declaration within 30 days thereof, otherwise they shall be deemed to have declared the sum insured on such property as the market value thereof;
- 1.(b) After each period of twelve consecutive months from the inception date or anniversary date, the premium shall be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium differs from the provisional premium, the difference shall be payable by or to the

Insured as the case may be, but the amount payable by the Insurer shall not exceed 50 per cent of the provisional premium.

2. Any claim hereunder shall be settled on the basis of the market value immediately anterior to the Damage.
3. If, after the occurrence of Damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by the insured shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is the lesser amount. The provisions of this condition shall, if applicable, operate cumulatively with the provisions of the specific condition relating to average.
4. In consideration of the insurance not being reduced by the amount of any loss, the Insured shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium.
5. The liability of the Insurer shall not exceed the sum insured and premium shall not be receivable on values in excess thereof.
6. The above specific conditions shall apply separately to each item of the specification to which these stock declaration conditions apply.

PUBLIC SUPPLY CONNECTIONS CLAUSE

This section is extended to cover accidental Damage to water, sewerage, gas, electricity, and telecommunication connections, the property of the Insured or for which they are legally responsible between the property insured and the public supply or mains.

ESCALATOR CLAUSE EXTENSION (IF STATED IN SCHEDULE TO BE INCLUDED)

During each period of insurance, the sum(s) insured under Columns 1 and/or 3 of this Section shall be increased by that portion of the percentage specified in the Schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, the Insured shall notify the Insurer of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause shall cease to apply.

The additional premium for this extension shall be 50% (fifty percent) of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this extension applies.

DISPOSAL OF SALVAGE CLAUSE (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Without diminishing the rights of the Insurer to rely on the provisions of the general conditions in the event of a loss, the Insurer agrees that it will not sell or otherwise dispose of any property which is the subject of a claim hereunder without the consent of the Insured provided that the Insured can establish to the satisfaction of the Insurer that to do so will prejudice their interests in which event the Insurer agrees to give the Insured first option to repurchase such property at its fair intrinsic value or market value whichever is the greater.

The Insured shall not be entitled under the provisions of this clause to abandon any property to the Insurer whether taken possession of by the Insurer or not.

SPONTANEOUS COMBUSTION EXTENSION:

Destruction or Damage by fire only of or to the insured property caused by its own Spontaneous Fermentation Heating or Combustion.

Provided that all the exceptions and conditions of the policy (except as expressly varied herein) shall apply as if they had been incorporated herein.

TEMPERATURE CLAUSE:

The insurance by this section in respect of Column 3 and 4 Stock and/or Materials in Trade includes destruction and/or Damage to such property which may be caused by change in temperature resulting from the total or partial disablement of the refrigeration plant by any peril hereby insured for the amount as stated in the schedule for any one occurrence.

WARRANTIES

It is warranted that during the currency of this policy cover is conditional upon and the Insurer will not make any payment under this policy if the following measures are not in place:

FIRE FIGHTING EQUIPMENT WARRANTY:

Fire fighting equipment must be kept in order and serviced annually by qualified persons.

All the fire fighting equipment, fire escapes and the like, must comply with the local municipal by laws.

All fire fighting equipment, fire escapes and the like must be at least serviced once year and the staff should be trained on how to use the fire equipment.

The fire fighting equipment must be easily accessible to the trained staff and not be blocked with stock, rubble, equipment and the like.

BUSH CLEARANCE WARRANTY:

The insurance provided by this section of the policy is strictly subject to the clearance and maintenance of all bush, jungle, grass and weeds up to no less than 10 metres (or the boundary) from the buildings or structures insured.

It is noted that this requirement does not apply to cultivated or manicured gardens, including trees forming part thereof.

STOCK WARRANTY:

All stock is to be raised at least 150mm from the floor and stored on pallets, racks or the like. In the event of non-compliance with this warranty, the Insurer shall not indemnify the Insured in respect of Water Damage to stock.

WASTE WARRANTY:

All clippings, cuttings, fluff, fly and other waste of every description is removed from the machines, swept up and bagged or placed in bins each day and removed from the Factory and all buildings communicating therewith at least once a week.

DETERIORATION OF REFRIGERATED STOCK IN TRADE:

In the event of deterioration of Stock in Trade contained in any refrigeration unit caused by:

- (a) unforeseen and sudden Physical Damage to the Refrigeration Machinery
- (b) failure of electricity supply unless due to a deliberate act of the supply authority or shortage of fuel or water at any Power Station
- (c) contamination by refrigeration fumes arising as a direct result of unforeseen and sudden physical Damage to the Refrigeration Machinery

The insurer will indemnify the insured for loss of such Stock in Trade up to the amount specified but excluding the first 10% of the claim with a minimum of R1,000 or other sum stated in the schedule of each and every claim.

This cover operates only whilst the unit is the subject of a manufacturers guarantee or warranty or a maintenance contract with a competent engineer.

Provided always that the Insurer shall not indemnify the Insured in respect of deterioration of Stock in Trade in consequence of:

- (a) wear and tear or gradual deterioration of the Refrigeration Machinery
- (b) failure of recording devices of temperature monitoring controls
- (c) expendable and exchangeable components of the Refrigeration Machinery

STORAGE OF INFLAMMABLE LIQUIDS WARRANTY:

- (a) Not more than 30 litres of liquids giving off inflammable vapour under 38°C

and

- (b) Not more than 425 litres of liquids giving off inflammable vapour between 38°C and 94°C

and

- (c) Not more than 100kg of inflammable liquified gas, be used or stored by each occupant in (each of) the building(s) described in the schedule.

VENTILATION:

The building/s must be adequately ventilated by means of a fan or fans having a free discharge to the open. Sufficient inlets for fresh air must be provided.

CLEANLINESS:

- (a) All places where dry deposits can accumulate must be cleaned every week. Inflammable liquids must not be used for cleaning purposes. If brushes or scrapers are used, these must be of a stiff fibre or non-ferrous or non-sparking material, and must be cleaned outside the building.
- (b) All scrapings and sweepings must be placed immediately in metal receptacles wetted down, and removed from the building.
- (c) All oily and/or dirty waste and greasy cleaning cloths must be deposited in metal receptacles with lids, and removed from the building daily.

SMOKING:

Smoking is prohibited in the building/s where the processes are carried on, and notices to that effect must be prominently displayed.

PORTABLE FIRE EXTINGUISHING DEVICES:

Approved portable Foam type extinguishers by South African National Standard & Occupational Health & Safety Act must be installed on the basis of 20 litres for every 200 square metres or part thereof of floor area of the building/s, room/s or compartment/s in which the processes are carried on.

LAUNDRIES AND SAFETY SOLVENT DRY CLEANING WORKS WARRANTY:

Washing or dry cleaning is done only by the use of water, perchlorethylene, trichloroethylene or carbon tetrachloride.

- (a) All the external walls and area walls are entirely of brickwork, masonry, terra-cotta, pisé, cement concrete or reinforced.
- (b) The external roof surface(s) consist only of concrete, slates, tiles, metal and/or sheets and/or slabs composed entirely of incombustible mineral ingredients.

There is no coke, coal, wood or oil fired boiler in the building or in a building, compartment or room communicating therewith.

All hand irons are protected by either:

- (a) a metal stand at least 25 millimetres high standing on an incombustible base
- or
- (b) a portion of the ironing table being cut away and replaced by a metal grid having a minimum superficial area of three times the size of the iron used.

No oils or spirits having a Flash Point less than 66°C are used for spot removing.

No drying by artificial heat is done.

No reproofing of waterproof clothing is done.

LIGHTNING AND POWER SURGE PROTECTION WARRANTY

The Insurance provided by this Section of the Policy, is subject to the installation of Power Surge Protection equipment/Surge Arresters in accordance with SANS 10142-1: 2012 Annexure L Code of Practice. Such Protection/Arresters must display the SABS safety mark. Refer to SABS Standards Division Amendment No. 8 (google SANS 10142-1:2012 Annexure L) for requirements and specifications.

Furthermore, it is a condition precedent to liability that any local Area Computer Network have specifically installed uninterrupted power supply (UPS) having its own surge protection and that such surge protection equipment is installed in accordance with SANS Standards.

PRINTING FACTORY WARRANTY:

1. Not more than 30 litres of oils or spirits giving off inflammable vapour at a temperature of less than 49°C are used or stored and that such oils or spirits are kept at all times in metal container(s) with screw stopper(s).
2. No drying of printed, varnished or waxed matter is done.
3. Cardboard boxes, paper bags and envelopes are not manufactured.
- 4.a) All oily or greasy waste and cleaning cloths are deposited in metal containers at least two-thirds filled with water and the contents of the containers are emptied outside the building daily before closing;
- 4.b) All oily or greasy waste and cleaning cloths are deposited in metal containers having close fitting metal lids, the containers and their contents being removed outside the building daily before closing.
5. All waste of any description is swept up and removed from the building daily before closing.

RESTAURANT WARRANTY:

KITCHEN EXTRACTION MAINTENANCE:-

The insurance provided by this section of the policy, is strictly subject to every kitchen having an extraction system installed in accordance with SANS 1850:2012 Edition 2 Code of Practice (google SANS 1850:2012 Edition 2 f) for requirements and specifications. It is a further condition that the extraction ducting be professionally cleaned half yearly.

Furthermore, it is a condition precedent to liability that the extraction filters and gas burners in use, be thoroughly cleaned weekly, and a register of such be kept by the insured.

GAS INSTALLATIONS:-

The insurance provided by this section of the policy, is strictly subject to any gas installation being installed in accordance with SANS 10087-8:2010 Code of Practice (google SANS 10087-8:2010 for more information) for requirements and specifications.

BUILDINGS COMBINED

DEFINED EVENTS

1. Damage by the perils described
 - (a) in sub-section A to the Buildings including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the schedule) and sporting and recreational structures, landlord's fixtures and fittings therein and thereon, walls (except dam walls), gates, posts, fences, and tarred or paved roads, driveways, paths or parking areas.
 - (b) in sub-section B to Public Supply Connections situated as stated in the schedule.
2. Loss of Rent as provided for in sub-section C.
3. Legal Liability as provided for in sub-section D

SUB-SECTION A - PROPERTY

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow other than:
 - (a) that arising from its undergoing any process necessarily involving the use or application of water;
 - (b) wear and tear or gradual deterioration;
 - (c) loss or Damage:
 - (i) to retaining walls;
 - (ii) caused or aggravated by;
 - (1) subsidence or landslip;
 - (2) the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or Damage.
3. Earthquake.
4. Aircraft and other aerial devices or articles dropped there from.
5. Impact by animals, trees, aerals, satellite dishes or vehicles excluding Damage to such animals, trees, aerals, satellite dishes, vehicles or property in or on such vehicles.
6. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building. If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, this item is suspended as regards the property affected unless the Insured before the occurrence of Damage obtains the written agreement of the Insurer to continue this insurance. During the period of the initial un-occupancy of 30 consecutive days the Insured shall become a Co-Insurer with the Insurer and shall bear a rateable proportion of any Damage equal to 20% (twenty percent) of the claim before deduction of any first amount payable;
7. Accidental Damage to sanitary ware, but the amount payable will be reduced by R250 for each and every such Damage.

SPECIFIC CONDITION (NOT APPLICABLE TO 7 ABOVE)

AVERAGE

If the property insured is, at the commencement of any Damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the Insured shall be considered as being their own Insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

SUB-SECTION B - PUBLIC SUPPLY CONNECTIONS

Accidental Damage to water, sewerage, gas, electricity and telecommunication connections the property of the Insured or for which they are legally responsible, between the property insured and the public supply or mains.

SUB-SECTION C - RENT

Loss of Rent as a result of the property insured being so Damaged by any of the perils specified as to be rendered un-tenantable (including partially un-tenantable) but only for the period necessary for reinstatement and for an amount not exceeding 25% (twenty five percent) of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the Damage or its equivalent in rental value.

SUB-SECTION D - LIABILITY

Damages for which the Insured shall become legally liable to pay consequent upon accidental death of or bodily Injury to or illness of any person (hereinafter termed Injury) or accidental loss of or physical Damage to tangible property (hereinafter termed Damage) occurring during the period of insurance in, on or about the property insured and arising from the Insured's ownership thereof.

THE LIMIT OF INDEMNITY

The amount payable inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and other costs and expenses incurred with the Insurer's consent for any one event or series of events with one original cause or source shall not exceed the amount of R1 000 000.

SPECIFIC EXCEPTIONS (APPLICABLE TO SUB-SECTION D)

The Insurer will not indemnify the Insured under this sub-section in respect of:

1. Injury or Damage sustained by;
 - (a) any member of the same household as the insured;
 - (b) any person employed by the insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the insured;
 - (c) any other person resulting from the ownership of or use by or on behalf of the insured of mechanically propelled vehicles (except pedal cycles and lawnmowers);
2. Damage to property;
 - (a) (i) belonging to the insured;
(ii) in the custody or control of the insured or any Employee of the insured.
 - (b) caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure.
3. liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement
4. (a) liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by seepage, Pollution or contamination provided always that this exception shall not apply where such seepage, Pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;
(b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, Pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;
This exception shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exception.
5. fines, penalties, punitive, exemplary or vindictive Damages;

6. (a) Damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland;
- (b) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 6(a) above.

MEMORANDA TO SUB-SECTION D

1. Where more than one insured is named in the Schedule, the Insurer will indemnify each insured separately and not jointly and any liability arising between such Insureds shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.
2. Provided that the aggregate liability of the Insurer is not increased beyond the limit of indemnity stated, the Insurer will also indemnify as though a separate policy had been issued to each.
 - (a) in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
 - (b) any partner or director or member or Employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance.
3. In respect of this Sub-Section only, General Exception 1 is deleted and replaced by the following:
This sub-Section does not cover Injury, Damage or liability directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.
4. If, at the time of any event giving rise to a claim under this Sub-Section, indemnity is also provided under any other insurance, this sub-section shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.

CLAUSES AND EXTENSIONS

SUBSIDENCE AND LANDSLIP EXTENSION TO SUB-SECTION A (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The following peril is added to the perils applicable to Sub-Section A - Property:

1. Subsidence and landslip extension to Sub-Section A - Limited Cover
(It is noted that this extension is automatically included unless specifically excluded)
 - 1.1. Sub-section A - Property, is extended to include loss of or Damage to the building caused by subsidence or landslip of the land supporting the building, or heave, provided that such loss or Damage is not caused by or does not arise from
 - (i) normal settlement, shrinkage or expansion of the building
 - (ii) alterations, additions or repairs to the building the compaction or infill
 - (iii) defective or faulty design, materials or workmanship
 - (iv) excavations including mining operations
 - (v) contraction and/or expansion of soil, clay or similar types or moist or damp removal or weakening of support to the building
 - (vi) buildings constructed on dolomite sites
 - 1.2. Excluded Cover:
Loss or Damage to the following is automatically excluded:
 - (i) Swimming pools and surrounds, tennis courts, terraces, patios, paths, driveways, septic or conservancy tanks, drains, water courses, walls, gates, posts and fences, retaining and screening walls unless the building is Damaged at the same time by the same event

- (ii) Solid floor slabs or any part of the building resulting from the movement of such slabs unless the foundation supporting the external walls of the building are Damaged by the same cause at the same event
 - (iii) Consequential loss whatsoever
 - (iv) Damage existing at commencement of cover
- 1.3. No cover is provided for work necessary to prevent further loss or Damage due to subsidence, landslip or heave except where appropriate design precautions are implemented during the original construction of the building and any subsequent additions thereto.
 - 1.4. The Insured shall be responsible for the first R10 000 per unit and/or per common property of each and every occurrence giving rise to a claim.
 - 1.5. The Insured may be required to prove that the loss or Damage being claimed for was caused by subsidence and/or landslip or heave.
2. Subsidence and landslip extension to Sub-section A - Full Cover (if stated in the Schedule to be included)
- The following peril is added to Sub-section A - Property:
- Damage caused by subsidence or landslip, provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured as stated in the Schedule. This extension does not cover
- 2.1. Damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
 - 2.2. Damage caused by or attributable to
 - (i) faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises
 - (ii) workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises
 - (iii) excavation on or under land other than excavations in the course of mining operations
 - 2.3. consequential loss of any kind whatsoever except,
 - 2.4. loss of rent, normal settlement, shrinkage or expansion of the building,
 - 2.5. active soils, except where professional engineering design precautions have been implemented during construction, the densification of made up ground or infill or by inadequate compaction of filling,
 - 2.6. Damage from a cause which existed prior to the commencement of the policy,
 - 2.7. solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundations supporting the external walls of the building are Damaged by the same cause at the same time,
 - 2.8. work necessary to prevent further destruction or Damage due to subsidence or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto

In any action suit or other proceeding where the Company alleges that, by reason of the provisions of this extension, any Damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

DEFINITIONS

Subsidence	the downward movement of a site on which buildings may or may not stand, from causes unconnected with the building (if present).
Landslip	the downward and/or sideways movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground
Settlement	the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and is unpredictable
Active Soils	a soil that changes in volume to varying degrees in response to changes in moisture content, i.e. the soil may increase in volume (heave or swell) upon wetting and decrease in volume (shrink) upon drying out.

PREVENTION OF ACCESS EXTENSION TO SUB-SECTION C (IF STATED IN THE SCHEDULE TO BE INCLUDED)

If property within a 10 km radius of the premises stated in the schedule is lost or Damaged by a peril defined in Sub-Section A during the period of insurance and this prevents or hinders the use of or access to the property insured by this section, the Insurer will pay any loss of rent the insured may incur as a result thereof up to an amount not exceeding 25 per cent of the sum insured on the affected property. The loss of rent calculation will be based on the rent payable immediately preceding the loss or Damage or its equivalent rental value.

SECURITY FIRMS (APPLICABLE TO SUB-SECTION D - LIABILITY)

Notwithstanding Specific Exception 3, if, in terms of a contract with a security firm engaged in the course of the Insured's Business (as owner of the premises specified in the Schedule) to protect the Insured's property at the premises stated in the Schedule, the insured becomes legally liable for the acts or omissions of the Employees of the security firm in the course of their employment at these premises, then this Sub-Section includes such legal liability to the extent that indemnity would have been granted under this Sub-Section had the said Employees been under a contract of service to the Insured and not the security firm, but not exceeding the limit of liability stated in the Schedule for this Sub-Section.

If, at the time of an occurrence giving rise to a claim, the security firm is entitled to indemnity under any other Policy in respect of the same event, the Insurer shall not be liable to make any payment except in respect of any amount above the amount payable under such other Policy.

ARCHITECTS' AND OTHER PROFESSIONAL FEES CLAUSE

The insurance under Sub-Section A includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following Damage by a defined event, but in no case exceeding 15% (fifteen percent) of the amount payable in respect of such Damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim.

CAPITAL ADDITIONS CLAUSE

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property for an amount not exceeding 15% (fifteen percent) of the sum insured thereon, it being understood that the insured undertakes to advise the Insurer each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

COST OF DEMOLITION AND CLEARING AND ERECTION OF HOARDINGS CLAUSE

The insurance under this section includes costs necessarily incurred by the Insured in respect of the demolition of property Insured and/or the removal of debris and in providing, erecting and maintaining hoardings required during demolition, site clearing and/or building operations following Damage to the property insured by a defined event, provided that the total amount recoverable shall not exceed the sum insured on the property affected.

The Insurer will not pay for any costs or expenses:

1. incurred in removing debris except from the site of such property destroyed or Damaged and the area immediately adjacent to such site;
2. arising from Pollution or contamination of property not insured by this policy/section.

FIRE EXTINGUISHING CHARGES CLAUSE

Any costs relating to the extinguishing or fighting of fire shall be deemed to be Damage to the insured property and shall be payable in addition to any other payment for which the Insurer may be liable in terms of this section provided the Insured is legally liable for such costs and the property insured was in danger from the fire.

MORTGAGEE CLAUSE

The interest of any mortgagee in the insurance under this section shall not be prejudiced by any act or omission on the part of the mortgagor without the mortgagee's knowledge. The mortgagee shall, however, inform the Insurer as soon as any such act or omission comes to his knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall, in terms of this clause, be assumed by the Insurer.

MUNICIPAL PLANS SCRUTINY FEE CLAUSE

The insurance under this section includes municipal plans scrutiny fees, provided that the total amount recoverable under any item shall not exceed the sum insured on the property insured so affected.

PUBLIC AUTHORITIES' REQUIREMENTS CLAUSE

The insurance under this section includes such additional cost of repairing or rebuilding the Damaged property incurred solely by reason of the necessity to comply with building or other regulations under, or framed in pursuance of, any act of Parliament or ordinance of any provincial, municipal or other local authority, provided that:

1. the amount recoverable under this clause shall not include:-
 - (a) the cost incurred in complying with any of the aforesaid regulations;
 - (i) in respect of Damage occurring prior to granting of this clause;
 - (ii) in respect of Damage not insured by this section;
 - (iii) under which notice has been served upon the Insured prior to the happening of the Damage;
 - (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion Damaged.
 - (b) the additional cost that would have been required to make good the property Damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
 - (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations.

2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Insurer under this clause not being thereby increased;
3. if the liability of the Insurer under any item of this section apart from this clause shall be reduced by the application of any of the Terms, Exceptions and Conditions of this Section, then the liability of the Insurer under this clause in respect of any such item shall be reduced in like proportion;
4. the total amount recoverable under any item of this section shall not exceed the sum insured thereby.

RAILWAY AND OTHER SUBROGATION CLAUSE

The Insured shall not be prejudiced by signing the "Transnet Cartage (Hazardous Premises) Indemnity" or other special agreements with the Transnet Administration regarding private sidings or similar agreements with other Government bodies.

REINSTATEMENT VALUE CONDITIONS

In the event of the property being Damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made;
2. until expenditure has been incurred by the Insured in replacing or reinstating the property, the Insurer shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been Damaged exceeds the sum insured thereon at the commencement of any Damage to such property by a defined event, then the insured shall be considered as being their own Insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision;
4. these conditions shall be without force or effect if:
 - (a) the insured fails to intimate to the Insurer within six months of the date of Damage, or such further time as the Insurer may in writing allow, their intention to replace or reinstate the property;
 - (b) the insured is unable or unwilling to replace or reinstate the property on the same or another site.

TEMPORARY REMOVAL CLAUSE

Except in so far as otherwise insured, landlord's fixtures and fittings are covered while temporarily removed to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi provided that the amount payable under this clause shall not exceed that which would have been payable had the loss occurred on the premises from which the property is temporarily removed.

TENANTS CLAUSE

The Insurer's liability to the Insured shall not be affected by any act or omission on the part of any tenant (other than the insured) without the Insured's knowledge. The insured shall, however, inform the Insurer as soon as

any such act or omission which is a contravention of any of the Terms, Exceptions or Conditions of this Section comes to their knowledge and will be responsible for any additional premium payable from the date any increased hazard shall be assumed by the Insurer.

ESCALATOR CLAUSE EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

During each period of insurance, the sum(s) insured under Sub-Section A of this section shall be increased by that portion of the percentage specified in the Schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, the insured shall notify the Insurer of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause shall cease to apply.

The additional premium for this extension shall be 50% (fifty percent) of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this extension applies.

MALICIOUS DAMAGE EXTENSION

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained herein, this Section is extended to cover loss or Damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such loss or Damage other than loss or Damage to:

1. movable property which is:-
 - (a) stolen;
 - (b) Damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured.
2. movable or immovable property which is Damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured.
3. immovable property owned or occupied by the insured occasioned by or through or in consequence of:
 - (a) the removal or partial removal or any attempt thereof;
 - (b) the demolition or partial demolition or any attempt thereof of the said immovable property or any part thereof with the intention of stealing any part thereof;

provided that this extension does not cover:

- (a) loss or Damage related to or caused by fire or explosion;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1 (A) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days the insurance in respect of this extension is suspended as regards the property affected unless the Insured, before the occurrence of any Damage obtains the written agreement of the Insurer to continue this extension.

During the period of the initial un-occupancy of 30 consecutive days the insured shall become a co-insurer with the Insurer and shall bear a proportion of any Damage equal to 20% (twenty percent) of the claim before deduction of any first amount payable.

POWER SURGE EXTENSION

The Insurance under this Extension is extended to include Damage to fixtures and fittings forming part of the buildings insured in this Section caused by Power Surge.

Provided that the Insurer's liability shall not exceed R25 000 in respect of any one event less the first amount payable of 10% of claim minimum, R1 000 for each and every occurrence.

RIOT AND STRIKE EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained in Sub-Sections A, B and C of this section are extended to cover loss or Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in general exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

WARRANTIES

It is warranted that during the currency of this policy cover is conditional upon and the Insurer will not make any payment under this policy if the following measures are not in place:

FIRE FIGHTING EQUIPMENT WARRANTY:

Fire fighting equipment must be kept in order and serviced annually by qualified persons.

All the fire fighting equipment, fire escapes and the like, must comply with the local municipal by laws.

All fire fighting equipment, fire escapes and the like must be at least serviced once year and the staff should be trained on how to use the fire equipment.

The fire fighting equipment must be easily accessible to the trained staff and not be blocked with stock, rubble, equipment and the like.

BUSH CLEARANCE WARRANTY:

The insurance provided by this section of the policy is strictly subject to the clearance and maintenance of all bush, jungle, grass and weeds up to no less than 10 metres (or the boundary) from the buildings or structures insured.

It is noted that this requirement does not apply to cultivated or manicured gardens, including trees forming part thereof.

OFFICE CONTENTS:

DEFINED EVENTS

1. Loss of or Damage to the contents (other than documents as defined in Sub-Section C if insured thereunder and electronic data processing equipment) including landlord's fixtures and fittings the property of the Insured or for which they are responsible and, unless otherwise stated in the Schedule, to the extent that same is not otherwise insured, property owned by any partner or director or Employee of the Insured up to an amount of R2 500 per person while contained in the offices and/or consulting rooms situated as stated in the Schedule (hereinafter called the Office Premises) by any of the perils specified in Sub-Section A.
2. Loss of or Damage to the whole or part of the property insured under item C and defined in Sub-Section C and the consequences thereof insured under item D and as described in Sub-Section D.
3. Loss and/or expenditure described in Sub-Sections B and E.

SUB-SECTION A - CONTENTS

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow excluding loss of or Damage to property arising from its undergoing any process necessarily involving the use or application of water.
3. Earthquake but excluding loss of or Damage to property in the underground workings of any mine.
4. Aircraft and other aerial devices or articles dropped there from.
5. Impact by animals, trees, aerials, satellite dishes or vehicles excluding Damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.
6. Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.

LIMITATIONS CLAUSE

The Insurer's liability under this sub-section is restricted in respect of documents, manuscripts, Business books, plans, designs, patterns, models and moulds to the value of materials and sums expended in labour.

SPECIFIC CONDITIONS

AVERAGE (NOT APPLICABLE TO PERIL 6 ABOVE OR TO THE THEFT EXTENSIONS)

If the property insured is, at the commencement of any loss or Damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, the Insured shall be considered as being their own Insurer for the difference and shall bear a rateable share of the loss or Damage accordingly. Each item of the schedule covering such property shall be separately subject to this condition.

SPECIFIC EXCEPTIONS (APPLICABLE TO SUB-SECTION A)

This sub-section does not cover:-

- (a) property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.
- (b) designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of Sub-Section stock in trade, samples, motor vehicles and accessories therefore, money, securities, stamps, jewellery or precious stones.

SUB-SECTION B - RENT

Loss of rent actually incurred by the insured in consequence of the office premises or portion thereof being so Damaged by any of the perils specified in Sub-Section A as to be rendered uninhabitable, but only in respect of the period necessary for reinstatement. The indemnity under this Sub-Section shall not exceed 25% (twenty five percent) of the sum insured or value (whichever is the lower) of all contents of the office premises affected.

For the purpose of this sub-section, the term "office premises" shall be deemed to extend to any premises or portion thereof in the vicinity of the office premises, Damage to which prevents or limits access to the office premises.

SUB-SECTION C - DOCUMENTS

Loss of or Damage to documents normally kept at the office premises by any peril not specifically excluded.

DEFINITION

The term documents shall mean:-

films, tapes, addressograph plates, books, records, maps, plans, drawings, abstracts, deeds, wills, mortgages, agreements, manuscripts, letters, certificates, documents and similar written, printed or otherwise inscribed papers and documents used by the insured in the Business and owned by them or for which they are responsible excluding money, current postage or revenue stamps, cancelled and un-cancelled coupons, securities, bearer bonds, cheques, drafts and any written order to pay a sum certain in money and any written evidence of indebtedness or obligation and all property carried or held as samples or for sale or for delivery after sale and computer software and computer data carrying media unless otherwise stated in the schedule.

LIMITATIONS CLAUSE

The Insurer's liability under this sub-section is limited to all costs, charges and expenses incurred by the insured in replacing or restoring such documents.

SPECIFIC EXCEPTIONS (APPLICABLE TO SUB-SECTION C)

This sub-section does not cover:-

- (a) loss or Damage caused by:
 - (i) electric or electronic or magnetic Injury, disturbance or erasure of electronic or magnetic recordings except by lightning;
 - (ii) vermin or inherent defect or by processing, copying or other work upon the documents;
 - (iii) the dishonesty of any principal, partner or director of the insured whether acting alone or in collusion with others. This exception shall not apply to any director who is also an Employee of the insured and whom the insured has the right at all times to govern, control and direct in the performance of his work in the service of the insured and in the course of the Business;
- (b) gradual deterioration or wear and tear;
- (c) costs involved in reshooting films and videos and rerecording audio tapes.

SUB-SECTION D - LEGAL LIABILITY DOCUMENTS

Legal liability as a direct consequence of loss of or Damage to documents as defined in Sub-Section C and in respect of which payment, reinstatement or repair has been made or liability admitted by the Insurer under Sub-Section C unless such payment, reinstatement, repair or liability has not been made or admitted solely because the insured is required to bear the first portion of the loss.

SPECIFIC EXCEPTION (APPLICABLE TO SUB-SECTION D)

This sub-section does not cover liability assumed by the insured under any contract, undertaking or agreement where such liability would not have attached to the insured in the absence of such contract, undertaking or agreement.

SUB-SECTION E - INCREASE IN COST OF WORKING

Any additional expenditure not otherwise provided for in this section reasonably incurred by the insured for the purposes of maintaining the normal operation of the Business in consequence of loss or Damage in respect of which payment, reinstatement or repair has been made or liability therefore admitted by the Insurer under Sub-Sections A or C.

The indemnity under this sub-section shall not exceed 25 per cent of the sum insured on all contents of the office premises affected.

CLAUSES AND EXTENSIONS

ALTERATIONS AND MISDESCRIPTION CLAUSE

The insurance under this section shall not be prejudiced by any alteration or misdescription of occupancy whether due to the transfer of processes or machinery or by virtue of structural alterations, repairs to buildings, machinery or plant, provided that notice is given to the Insurer as soon as practicable after such event and the insured agrees to pay additional premium if required.

CAPITAL ADDITIONS CLAUSE

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sums insured) to the property for an amount not exceeding 15 per cent of the sum insured thereon, it being understood that the insured undertakes to advise the Insurer each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

FIRE EXTINGUISHING CHARGES CLAUSE

Any costs relating to the extinguishing or fighting of fire shall be deemed to be Damage to the insured property and shall be payable in addition to any other payment for which the Insurer may be liable in terms of this section, provided the insured is legally liable for such costs and the insured property was in danger from the fire.

LOCKS AND KEYS CLAUSE

In addition to the limit of indemnity stated in the schedule, the Insurer will indemnify the insured in respect of the cost of replacing locks and keys to any insured office premises following upon the disappearance of any key to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that:-

- (i) the Insurer's liability shall not exceed R1 000 in respect of any one event;
- (ii) the Insurer shall not be liable for the first R100 of each and every event.

NEW AND ADDITIONAL PREMISES CLAUSE

If the insured occupies offices or consulting rooms other than those situated as stated in the schedule in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, the insurance by this section shall apply as though such offices or consulting rooms were office premises within the meaning of this section provided that:-

- (i) (the insured shall, within a reasonable time of taking occupation, advise the Insurer thereof and pay additional premium calculated pro rata from the time of taking occupation until the end of the then current period of insurance;
- (ii) this clause shall not apply to any loss if and so far as the same is otherwise insured.

POWER SURGE EXTENSION

The Insurance under this Section is extended to include Damage to but not limited to television sets, audio and video

Equipment, fax machines, copiers, telephone systems and household appliances caused by Power Surge.

Provided that the Insurer's liability shall not exceed R25 000 in respect of any one event less the first amount payable of

10% of claim minimum, R1 000 for each and every occurrence.

REMOVAL OF DEBRIS CLAUSE

The insurance under this section is extended to include such reasonable costs and expenses as may be necessarily incurred by the insured in respect of the removal of debris following loss of or Damage to the insured property by any peril hereby insured against, provided that the liability of the Insurer for such loss or Damage and costs and expenses shall not exceed in the aggregate the sum expressed in the schedule to be insured on the property affected.

The Insurer will not pay for any costs or expenses:-

- (i) incurred in removing debris except from the site of such property destroyed and the area immediately adjacent to such site;
- (ii) arising from Pollution or contamination of property not insured by this policy/section.

TEMPORARY REMOVAL CLAUSE

Except in respect of the personal property of any partner, director or Employee of the insured, loss of or Damage to the insured property by any peril hereby insured against while such property is temporarily contained in any building in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi shall be deemed to be loss or Damage happening while such property is contained in the office premises.

TEMPORARY REPAIRS AND MEASURES AFTER LOSS CLAUSE

The insurance under this section is extended to include all reasonable costs and expenses incurred by the insured in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after loss of or Damage to the insured property by any peril hereby insured against, provided that the liability of the Insurer for such loss or Damage and costs and expenses shall not exceed in the aggregate the sum expressed in the schedule to be insured on the property affected.

TENANTS CLAUSE

The Insurer's liability to the insured shall not be affected by any act or omission on the part of any owner of a building or any tenant (other than the insured) without the insured's knowledge. The insured shall, however, inform the Insurer as soon as any such act or omission which is a contravention of any of the terms, exceptions or conditions of this section comes to their knowledge and will be responsible for any additional premium payable from the date any increased hazard shall be assumed by the Insurer.

REPLACEMENT VALUE CONDITION

The basis upon which the amount payable for a claim in respect of contents is calculated shall be either the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new;

Or,

the repair of the contents to a condition substantially the same as but not better than its condition when new provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the contents had been lost, destroyed or Damaged beyond repair exceeds the sum insured thereon at the time of the loss or Damage, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

MALICIOUS DAMAGE EXTENSION

Subject otherwise to the terms, conditions, exceptions and warranties contained therein, Sub-Sections A, B and C are extended to cover Damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such Damage, other than Damage to:

1. movable property which is:-
 - (a) stolen;
 - (b) Damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
2. movable or immovable property which is Damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured;
3. immovable property owned or occupied by the insured occasioned by or through or in consequence of:-
 - (a) the removal or partial removal or any attempt thereof;
 - (b) the demolition or partial demolition or any attempt thereof;the said immovable property or any part thereof with the intention of stealing any part thereof:

provided that this extension does not cover:-

- (a) Damage related to or caused by fire or explosion;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever other than loss of rent if specifically insured;
- (c) Damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) Damage related to or caused by any occurrence referred to in General Exception 1 (A) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless the insured, before the occurrence of any Damage, obtains the written agreement of the Insurer to continue this extension.

During the period of the initial un-occupancy of 30 consecutive days, the insured shall become a co-insurer with the Insurer and shall bear a proportion of any Damage equal to 20 per cent of the claim before deduction of any first amount payable.

RIOT AND STRIKE EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, Sub-Sections A, B and C of this section are extended to cover loss or Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

THEFT BY FORCIBLE ENTRY EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The following peril is added to the perils applicable to Sub-Section A - Contents:

Theft accompanied by forcible and violent entry into or exit from the offices and/or consulting rooms or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence provided that

- (i) the Insurer will not be liable under this extension for theft or attempted theft by any principal, partner, director or Employee of the insured;
- (ii) the amount payable will be reduced by the first amount payable shown in the schedule for this extension;
- (iii) the maximum amount payable will not exceed the sum insured shown in the schedule for this extension, less its first amount payable.

THEFT EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The following peril is added to the perils applicable to Sub-Section A – Contents:

Theft or any attempt thereat other than by any principal, partner, director or Employee of the insured

- (i) the amount payable will be reduced by the first amount payable shown in the schedule for this extension;

- (ii) the maximum amount payable will not exceed the sum insured shown in the schedule for this extension less its first amount payable.

MEMORANDUM

In respect of Sub-Section D only, General Exception 1 is deleted and replaced by the following:

This sub-section does not cover loss, Damage, liability or expenditure directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

WARRANTIES

FIRE FIGHTING EQUIPMENT WARRANTY:

Fire fighting equipment must be kept in order and serviced annually by qualified persons.

All the fire fighting equipment, fire escapes and the like, must comply with the local municipal by laws.

All fire fighting equipment, fire escapes and the like must be at least serviced once year and the staff should be trained on how to use the fire equipment.

The fire fighting equipment must be easily accessible to the trained staff and not be blocked with stock, rubble, equipment and the like.

BUSH CLEARANCE WARRANTY:

The insurance provided by this section of the policy is strictly subject to the clearance and maintenance of all bush, jungle, grass and weeds up to no less than 10 metres (or the boundary) from the buildings or structures insured.

It is noted that this requirement does not apply to cultivated or manicured gardens, including trees forming part thereof.

BUSINESS INTERRUPTION:

DEFINED EVENTS

Loss following interruption of or interference with the Business in consequence of Damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:

- (i) the Fire section of this policy;
- (ii) the Buildings Combined section of this policy;
- (iii) the Office Contents section of this policy;
- (iv) any other material Damage insurance covering the interest of the insured;

but only in respect of perils insured under the Fire section hereof (hereinafter termed Damage).

Liability shall be deemed to have been admitted if such payment is precluded solely because the insured is required to bear the first portion of the loss.

The Insurer will indemnify the insured in accordance with the provisions of the specification hereinafter set out.

SPECIFIC CONDITIONS

1. The insurance under this section shall cease if the Business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the Insurer.
2. On the happening of any Damage in consequence of which a claim may be made under this section, the Insured shall, in addition to complying with general conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss, and in the event of a claim being made under this section shall, not later than 30 days after the expiry of the indemnity period, or within such further time as the Insurer may in writing allow, at their own expense deliver to the Insurer in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No claim under this section shall be payable unless the terms of this specific condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Insurer forthwith.

ITEM 1 GROSS PROFIT (DIFFERENCE BASIS)

The insurance under this item is limited to loss of gross profit due to:

- (a) reduction in turnover and;
- (b) increase in cost of working;

and the amount payable as indemnity hereunder shall be:-

- (a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover;
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided;

less any sum saved during the indemnity period in respect of such of the charges and expenses of the Business payable out of gross profit as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

ITEM 1 GROSS PROFIT (ADDITIONS BASIS)

The insurance under this item is limited to loss of gross profit due to:

- (a) reduction in turnover and;
- (b) increase in cost of working;

and the amount payable as indemnity hereunder shall be:

- (a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover;
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided;

less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

MEMORANDUM

If any standing charges of the Business are not insured under this section, then in computing the amount recoverable hereunder as increase in cost of working, that proportion only of the additional expenditure shall be brought into account which the sum of the net profit and the insured standing charges bears to the sum of the net profit and all the standing charges.

ITEM 2 GROSS RENTALS

The insurance under this item is limited to:

- (a) loss of gross rentals and;
- (b) increase in cost of working;

and the amount payable as indemnity hereunder shall be:

- (a) in respect of loss of gross rentals the amount by which the gross rentals during the indemnity period shall in consequence of the Damage fall short of the standard gross rentals;
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of gross rentals which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of gross rentals thereby avoided;

less any sum saved during the indemnity period in respect of such of the charges and expenses of the Business payable out of gross rentals as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross rentals is less than the annual gross rentals where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 months.

ITEM 3 REVENUE

The insurance under this item is limited to:

- (a) loss of revenue and;
- (b) increase in cost of working;

and the amount payable as indemnity hereunder shall be:

- (a) in respect of loss of revenue the amount by which the revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard revenue;
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of loss of revenue thereby avoided;

less any sum saved during the indemnity period in respect of such of the charges and expenses of the Business payable out of revenue as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of revenue is less than the annual revenue where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual revenue where the maximum indemnity period exceeds 12 months.

ITEM 4 ADDITIONAL INCREASE IN COST OF WORKING

The insurance under this item is limited to reasonable additional expenditure (not recoverable under other items) incurred with the consent of the Insurer during the indemnity period in consequence of the Damage for the purpose of maintaining the normal operation of the Business.

ITEM 5 WAGES (NUMBER OF WEEKS BASIS)

The insurance under this item is limited to the loss incurred by the Insured by the payment of wages for a period beginning with the occurrence of the Damage and ending not later thereafter than the specified number of weeks.

The amount payable as indemnity under this item will be the actual amount which the Insured shall pay as wages for such period to Employees whose services cannot, in consequence of the Damage, be utilised by the Insured at all and an equitable part of the wages paid for such period to Employees whose services cannot, in consequence of the Damage, be utilised by the Insured to the full provided that if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

ITEM 6 FINES AND PENALTIES FOR BREACH OF CONTRACT

The insurance under this item is limited to fines or penalties for breach of contract and the amount payable as indemnity hereunder shall be such sum as the insured shall be legally liable to pay and shall pay in discharge of fines or penalties incurred solely in consequence of Damage for non-completion or late completion of orders.

DEFINITIONS

INDEMNITY PERIOD

The period beginning with the commencement of the Damage and ending not later than the number of months thereafter stated in the schedule during which the results of the Business shall be affected in consequence of the Damage.

TURNOVER

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the Business at the premises.

REVENUE

The money paid or payable to the Insured for goods sold and for services rendered in the course of the Business at the premises.

GROSS RENTALS

The money paid or payable to the Insured by tenants in respect of rental of the premises and for services rendered.

GROSS PROFIT (DIFFERENCE BASIS)

The amount by which:

1. the sum of the turnover and the amount of the closing stock

shall exceed

2. the sum of the amount of the opening stock and the amount of the uninsured costs.

The amount of the opening and closing stocks shall be arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation.

UNINSURED COSTS

As specified in the schedule or as advised to the Insurer or as allocated in the Insured's calculation of the Declared Values (the words and expressions used shall have the meaning usually attached to them in the books and accounts of the insured).

- Bad Debts
- Purchases
- Discounts Received
- Discounts Allowed

GROSS PROFIT (ADDITIONS BASIS)

The sum produced by adding to the net profit the amount of the Insured standing charges or, if there is no net profit, the amount of the insured standing charges less such proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the Business.

NET PROFIT

The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the Business of the insured at the premises after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

INSURED STANDING CHARGES

As specified in the schedule (the words and expressions used shall have the meaning usually given to them in the books of account of the Insured).

Standard turnover

Standard revenue


Standard gross rentals The turnover (revenue) (gross rentals) during that period in the 12 months immediately before the date of the Damage which corresponds with the indemnity period.

Annual turnover

Annual revenue

Annual gross rentals The turn-over (revenue) (gross rentals) during the 12 months immediately before the date of the Damage.

Rate of gross profit The rate of gross profit earned on the turn-over during the financial year immediately before the date of the Damage



to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

Note If the Damage occurs before the completion of the first year's trading of the Business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the Business and the date of Damage.

MEMORANDUM

If, during the indemnity period, goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the Business either by the insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover, revenue or gross rentals during the indemnity period.

EXTENSIONS AND CLAUSES

ACCOUNTANTS CLAUSE

Any particulars or details contained in the Insured's books of account or other Business books or documents which may be required by the Insurer under this section for the purpose of investigating or verifying any claim

hereunder, may be produced and certified by the Insured's auditors or professional accountants, and their certificate shall be prima facie evidence of the particulars and details to which it relates.

ACCUMULATED STOCKS CLAUSE

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in turnover or revenue due to the Damage is postponed by reason of the turnover or revenue being temporarily maintained from accumulated stocks.

DEPARTMENTAL CLAUSE

If the Business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under Items 1 (Gross Profit), 2 (Gross Rentals) or 3 (Revenue) relating to reduction in turnover/gross rentals/revenue and increase in cost of working, shall apply separately to each department or branch affected by the Damage, except that if the sum insured by the relative item is less than the aggregate of the (annual gross rentals) (annual revenue) (sums produced by applying the rate of gross profit) for each department or branch, whether or not affected by the Damage, (to the relative annual turnover thereof) (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12), the amount payable shall be proportionately reduced.

DEPOSIT PREMIUM CLAUSE

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on 75% (seventy five percent) of the sum insured, the premium is subject to adjustment on expiry of each period of insurance as follows:

In the event of the gross profit/gross rentals/revenue earned (increased proportionately if the number of months referred to in the definition of indemnity period exceeds twelve) during the financial year most nearly concurrent with any period of insurance being less or greater than 75% (seventy five percent) of the sum insured thereon, a pro rata return or additional premium not exceeding 33 1/3 % (thirty three and a third percent) of the provisional premium paid for such period of insurance will be made in respect of the difference.

In the event of a claim being made under this section, the amount paid or payable thereon shall be regarded as actually earned.

OUTPUT (ALTERNATIVE BASIS) CLAUSE

At the option of the Insured, the term output may be substituted for the term turnover and, for the purposes of this section, output shall mean the sale or transfer value, as shown in the insured's books, of goods manufactured or processed by the insured at the premises provided that;

- (a) only the meaning of output or the meaning of turnover shall be operative in connection with any one event resulting in interruption;
- (b) if the meaning of output be used;
 - (i) the accumulated stocks clause shall be inoperative;
 - (ii) the memo at the end of the definitions shall read;

If, during the indemnity period, goods shall be manufactured or processed other than at the premises for the benefit of the Business either by the Insured or by others on behalf of the Insured, the sale or transfer of such goods shall be brought into account in arriving at the output during the indemnity period.

SALVAGE SALE CLAUSE

If the Insured shall hold a salvage sale during the indemnity period clause (a) of Item 1 (Gross Profit) shall, for the purposes of such claim, read as follows:

(a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period (less the turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the standard turnover, from which sum shall be deducted the gross profit actually earned during the period of the salvage sale.

EXTENSIONS TO OTHER PREMISES

Loss as insured by this section resulting from interruption of or interference with the Business in consequence of Damage (as defined herein) at the undernoted situations or to property as undernoted shall be deemed to be loss resulting from Damage to property used by the Insured at the premises.

(a) Specified Direct Suppliers/Sub-Contractors (if stated in the schedule to be included)

The premises of the suppliers and sub-contractors specified in the schedule subject to stated limits.

(b) Unspecified Direct Suppliers (if stated in the schedule to be included)

The premises of any other of the Insured's suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any public supply undertaking from which the Insured obtains electricity, gas or water subject to the limit stated in the schedule.

(c) Storage, Transit and Vehicle

Property of the Insured whilst stored or whilst in transit by air, road, rail or inland waterway or being motor vehicles of the insured elsewhere than at premises occupied by the Insured.

(d) Contract Sites

Any situation not occupied by the Insured where the Insured is carrying out a contract.

(e) Prevention of Access

Property within a 10 km radius of the Insured's premises, destruction of or Damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the Insured therein shall be Damaged or not.

(f) Prevention of Access - Extended Cover (if stated in the schedule to be included)

Property within a 10 km radius of the premises, destruction of or Damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the Insured therein shall be Damaged or not.

(g) Additional Premises

In the event of the Insured occupying or having property at any newly added premises for the purpose of the Business during the currency of this section, such newly added premises shall be deemed to be included in those specified here subject to notification to the Insurer as soon as reasonably practicable and to adjustment of the premium if necessary.

(h) Customers (if stated in the schedule to be included)

The premises of the customers specified in the schedule subject to stated limits.

(i) Public Utilities - Insured Perils only (if stated in the schedule to be included)

Property at electricity generating stations, sub-stations or transmission networks, gasworks including the related gas distribution network, water purification plants, pumping stations, aqueducts and pipelines of an authority empowered by law to supply water, gas or electricity for consumption by the public and which results in an interruption of water, gas or electricity to the premises of the insured.

(j) Public Telecommunications - Insured Perils only (if stated in the schedule to be included)

- (i) Property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the insured;
- (ii) the transmission facilities network of the public authority mentioned in (i).

(k) Public Telecommunications - Extended Cover (if stated in the schedule to be included)

Loss as insured resulting from interruption of or interference with the Business in consequence of the failure of the public telecommunication facilities to the premises of the Insured shall be deemed to have resulted from

Damage (as defined herein) provided this extension does not cover loss resulting from Damage directly or indirectly caused by:

- (i) drought;
- (ii) a fault on any part of the premises belonging to the insured;
- (iii) a decision by any authority to legally withhold the telecommunication facility from the insured unless such decision is directly attributable to Damage to property of such authority;
- (iv) any event described in general exception 1 and 2, but cover provided under the Malicious Damage extension in the underlying policy is not excluded.

If the failure of the facility is due to its mechanical or electrical or electronic breakdown, there shall be no liability under this extension unless the interruption or interference with the Business of the Insured extends beyond 24 hours.

(l) Public Utilities - Extended Cover (if stated in the schedule to be included)

Loss as insured resulting from interruption of or interference with the Business in consequence of total or partial failure of the public supply of water, gas or electricity to the premises of the Insured shall be deemed to have resulted from Damage (as defined herein) provided that this section extension does not cover loss resulting from Damage directly or indirectly caused by:

- (i) drought;
- (ii) Pollution of water;
- (iii) shortage of fuel or water;
- (iv) a fault on any part of the installation belonging to the premises;
- (v) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority;
- (vi) any event described in General Exception 1 and 2, but cover provided by the Malicious Damage extension in the underlying material Damage section of this policy is not excluded.

In respect of interruption of or interference with the Business arising from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for interruption of or interference

with the Business unless such interruption or interference extends beyond 24 hours from commencement thereof.

THE GEOGRAPHICAL LIMITS OF:

- (b), (c), (d), (e), (f), (h), (i) and (j) of the extensions to other premises and the extended covers for Public Telecommunications and Public Utilities are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.
- (g) of the extensions to other premises is confined to the Republic of South Africa and Namibia.

ADDITIONAL EXTENSION

LOSS FOLLOWING THEFT:

This Section is extended to include loss following interruption of or interference with the Business as a direct consequence of theft of or associated Damage to the Insured's property as is more specifically covered under the Theft Section and which occurs at the Insured's Premises and in respect of which payment has been made or liability admitted under the Theft Section, providing that the Insurer's maximum liability in terms of this extension shall not exceed R50 000 in respect of each and every occurrence.

ACCIDENTAL DAMAGE (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The following defined event is added:

"Loss following interruption or interference with the Business in consequence of Damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under defined event (i) of the Accidental Damage section of this policy (hereinafter termed Damage) provided that:

- (a) the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this defined event;
- (b) the Insurer shall not pay more than the sum insured stated in the schedule of the Accidental Damage section for both this section and the Accidental Damage section combined."

ACCOUNTS RECEIVABLE

DEFINED EVENTS

Loss or Damage as a result of accident or misfortune (hereinafter termed Damage) to the Insured's books of account or other Business books or records at the premises or at the residence of any director, partner or Employee or the premises of any accountant of the Insured, in consequence whereof the Insured is unable to trace or establish the outstanding debit balances in whole or part due to it.

provided that the liability of the Insurer shall not exceed the sums insured stated in the schedule and that the basis of indemnity will be as set out in the specification which forms part of this section.

If, because of imminent danger of their destruction, such books of account or other Business books or records are removed to a place of safety, the insurance hereunder shall apply if such goods are destroyed, Damaged or lost as aforesaid during such removal or while so located or being returned to the premises, provided the Insured shall notify the Insurer in writing of such removal within 30 days thereafter.

The Insurer will also pay all reasonable collection costs and expenses incurred by the insured in excess of normal collection costs and expenses made necessary because of such Damage.

SPECIFIC EXCEPTIONS

The Insurer will not pay for:

- (a) loss resulting from loss or Damage to the books of account or other Business books or records caused by:-
 - (i) wear and tear or gradual deterioration or moths or vermin;
 - (ii) electrical or electronic or magnetic Injury, disturbances or erasure unless the insured maintains the duplicate records referred to in the Duplicate Records Clause of this section, in which case the insured will be responsible for the first R500 of each and every loss;
- (b) loss caused by fraud or dishonesty of any principal, director, partner or Employee of the insured.

SPECIFICATION

The insurance under this section is limited to the loss sustained by the Insured in respect of outstanding debit balances directly due to the Damage and the amount payable shall not exceed:

- (a) the difference between;
 - (i) the outstanding debit balances;And;
 - (ii) the total of the amounts received or traced in respect thereof;Plus;
- (b) the additional expenditure incurred in tracing and establishing customers' debit balances after the Damage provided that, if the sum insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

DEFINITIONS

OUTSTANDING DEBIT BALANCES

The total declared in the statement last given under the provisions of the following memorandum adjusted for:

- (a) bad debts;
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage;

and;

- (c) any abnormal condition of trade which had or could have had a material effect on the Business

so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

CLAUSES AND MEMORANDA

DECLARATIONS

The Insured shall, within 60 days of the end of each month or other agreed period, deposit with the Insurer a signed statement showing the total amount outstanding in customers' accounts as set out in the Insured's accounts as at the end of the said month.

ADJUSTMENT

In consideration of the premium under this section being provisional in that it is calculated on 75% (seventy five percent) of the sum insured, the premium will be adjusted as follows:

On the expiry of each period of insurance, the actual premium shall be calculated at the rate per cent per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, the insured shall pay the difference. If it is less, the difference shall be repaid to the insured, but such repayment shall not exceed 33.3 per cent of the provisional premium paid.

If the amount of a declaration exceeds the sum insured applicable at the date of such declaration, then for the purposes of this memorandum only, the insured shall be deemed to have declared such sum insured.

RIOT AND STRIKE EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa and Namibia;

- (b) consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

ACCOUNTANTS CLAUSE

Any particulars or details contained in the Insured's books of account or other Business books or records which may be required by the Insurer under this section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the Insured's auditors or professional accountants, and their certificate shall be prima facie evidence of the particulars and details to which it relates.

DUPLICATE RECORDS (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The Insured shall maintain duplicates of their books of account or other Business books or records containing details of outstanding balances and such duplicates shall be stored at different premises from the originals.

PROTECTIONS (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The Insured's books of account, or other Business books or records containing details of outstanding balances, must be kept in a fire-resistant safe, cabinet or strong room outside Business hours unless they are being worked on or are required for immediate reference.

TRANSIT EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The insurance under this section includes loss as defined to the Insured's books of account or other Business books or records whilst in transit to or from the premises or residence of any director, partner, Employee or accountant of the Insured.

THEFT

DEFINED EVENTS

Loss of or Damage to all contents (the property of the Insured or for which they are responsible) of any insured building at the insured premises described in the schedule as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence.

EXTENSIONS

1. The insurance under this section extends to cover loss of/or Damage to the property insured:
 - (a) caused or accompanied by:
 - (i) a thief or thieves being concealed upon the insured premises before close of Business;
 - (ii) entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the insured shall establish to the satisfaction of the Insurer that such a skeleton key or device was used.
 - (b) whilst in a building at any additional premises used by the Insured provided that:
 - (i) such additional premises are advised to the Insurer within 30 days from the time the risk attaches to the Insurer;
 - (ii) an additional premium, if any, is paid;
 - (iii) the Insurer's liability in respect of this extension shall not exceed 50% of the highest amount stated in the schedule applicable to any one premises.
2. In addition to the limit of indemnity stated in the schedules:
 - (a) the insurance under this section includes:
 - (i) Damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat;
 - (ii) loss of building, landlords fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat, following violence or threat of violence;
 - (b) the Insurer will reimburse the insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or Damage giving rise to a claim under this section;
provided that the Insurer's liability shall not exceed the greater of R5 000 or the amount stated in the schedule in respect of any one event.
3. In addition to the limit of indemnity stated in the schedule the Insurer will indemnify the Insured in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key to such premises or following upon the Insured having a reason to believe that any unauthorised person may be in possession of a duplicate of such key;
Provided that:
 - (a) the Insurer's liability shall not exceed R2 000 in respect of any one event;
 - (b) the Insurer shall not be liable for the first R200 of each and every event.
4. The term all contents includes personal effects, tools and pedal cycles which are the property of the insured or any principal, partner, director or Employee of the insured in so far as such property is not otherwise insured up to an amount of R5 000 in the case of any one person.
5. Vehicles in the Open:
This section is extended to include Vehicles in the Open at the insured's premises mentioned in the schedule against loss by theft provided always that the Insurer shall not be liable for the loss of:
 - 1) parts or accessories unless the vehicle to which such parts or accessories belong is stolen at the same time;

- 2) vehicles when the premises are open for Business unless the keys are removed from such vehicles and kept in a safe place;
- 3) vehicles when the premises are closed for Business unless such vehicles are locked and the keys are kept in a locked safe;
- 4) the first amount payable of 10% of the claim with a minimum of R3,000 in respect of each and every vehicle stolen.

LIMITATIONS

The Insurer's liability in respect of documents, manuscripts, Business books, computer system records and media, plans, designs, patterns, models and moulds is restricted to the value of materials and sums expended in labour.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. loss or Damage which can be insured under a fire policy except in the case of explosion caused in an attempt to effect entry;
2. loss or Damage insurable under a glass insurance policy;
3. property more specifically insured or, unless specified in the schedule, cash, bank and currency notes, cheques, postal orders, money orders, current negotiable stamps and documents or certificates of a negotiable nature;
4. loss or Damage in which any principal, partner, director or any member of the insured's household or any of the insured's Employees is concerned as principal or accessory.

SPECIFIC CONDITIONS

1. This section shall be voidable if the nature of the risk is materially altered without the prior written consent of the Insurer.
2. Burglar Alarm Warranty (if stated in the schedule to be applicable)
In respect of any premises in the schedule to be subject to this condition at which a burglar alarm is installed it is a condition precedent to the liability of the Insurer and warranted that:
 - (a) the burglar alarm installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or Employee of the insured is on the premises;
 - (b) such alarm shall be maintained in proper working order but the Insured shall be deemed to have discharged their liability in this regard if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system;
 - (c) such contract with the suppliers or servicing engineers includes a 24 hour armed response back-up.

This insurance shall not cover loss of or Damage to the property following the use of the keys of the burglar alarm or any duplicate thereof belonging to the insured unless such keys have been obtained by violence or threat of violence to any person.

- (d) unless specifically stated to the contrary, all buildings on the premises are to be protected by the alarm.

and it is further warranted that:

1. Where the installed alarm is a burglar alarm approved by the Insurer

The Insurer will be entitled to request full information of the relevant arming and disarming log after the occurrence of a claim.

Or;

2. Where the installed alarm is not a burglar alarm approved by the Insurer
 - 2.1. the said alarm is to be a dual monitoring alarm where available (for the purposes of this requirement, dual monitoring shall mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the Insurer monitoring the alarm);
 - 2.2. if the Insurer which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;
 - 2.3. the control panel shall have an event log and the arming and disarming of the alarm is to be logged and after the occurrence of a claim, the Insurer will be entitled to request full information of the relevant log;
 - 2.4. such alarm will be maintained in proper working order, but the insured shall be deemed to have discharged their his liability in this regard if he has maintained the obligations under a contract with the suppliers or servicing engineers of the alarm system.

MONEY

DEFINED EVENTS

Loss of or Damage to money (as defined) occurring in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi except as otherwise specified.

Provided that the liability of the Insurer for all loss or Damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the schedule.

DEFINITIONS

Money shall mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage revenue and holiday stamps, credit card vouchers and documents, certificates or other instruments of a negotiable nature the property of the Insured or for which they are responsible.

Receptacle shall mean any safe, strong room, strongbox, till, cash register, cash box or other receptacle for money or any franking machine.

Clothing shall mean clothing and personal effects not otherwise insured belonging to the Insured or to any principal, partner, director or Employee of the Insured.

EXTENSIONS

1. Receptacles and Clothing

In addition to any payment in respect of a defined event the Insurer will indemnify the Insured in respect of receptacles and clothing (as defined) lost or Damaged as a result of theft of money or any attempted theft of money, provided that the Insurer's liability under this extension in respect of clothing shall not exceed R2 000, and in respect of receptacles, the amount stated in the schedule or R2 000 whichever is the greater.

2. Locks and Keys

In addition to any payment in respect of a defined event the Insurer will indemnify the insured in respect of the cost of replacing locks and keys to any receptacle at the insured premises following upon the disappearance of any key to such receptacle or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that:

- (i) the Insurer's liability shall not exceed R2 000 in respect of any one event;
- (ii) the Insurer shall not be liable for the first R200 of each and every event.

3. Riot and Strike Extension (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with, any occurrence referred to in (i) above;

Provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa and Namibia;

- (b) consequential or indirect loss or Damage of any kind or description whatsoever;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1(A), (ii),(iii),(iv),(v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that by reason of provisos (a),(b),(c),(d) or (e) loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

4. Skeleton Keys

The insurance under this section extends to cover loss of or Damage to the property insured caused or accompanied by entry to receptacles by use of a skeleton key or other similar device (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Insurer that a skeleton key or device was used.

5. Personal Accident (Assault) Extension (if stated to be included)

The term "defined events" in the money section shall be deemed to include bodily Injury, caused by accidental, violent external and visible means as a result of theft, or any attempt thereat, to the Insured or to any principal, partner, director or Employee of the Insured (hereinafter in this extension referred to as such person) while such person is acting in the course of his duties in the Insured's employ.

The Insurer will pay to the insured, on behalf of such person or his estate, the sum or sums stated in the schedule in the event of bodily Injury to such person resulting within 24 calendar months in:

1.	Death	The capital sum
2.	Permanent Disability as follows	The percentage of the capital sum specified
		Percentage of compensation
a.	loss by physical separation at or above the wrist or ankle of one or more limbs	100
b.	permanent and total loss of	
	whole eye	100
	sight of eye	100
	sight of eye except perception of light	75
c.	permanent and total loss of hearing	
	both ears	100
	one ear	25
d.	permanent and total loss of speech	100
e.	injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
f.	loss of four fingers	70
g.	loss of thumb	
	both phalanxes	25

	one phalanx	10
h.	loss of index finger	
	three phalanxes	10
	two phalanxes	8
	one phalanx	4
i.	loss of middle finger	
	three phalanxes	6
	two phalanxes	4
	one phalanx	2
j.	loss of ring finger	
	three phalanxes	5
	two phalanxes	4
	one phalanx	2
k.	loss of little finger	
	three phalanxes	4
	two phalanxes	3
	one phalanx	2
l.	loss of metacarpals	
	first or second (additional)	3
	third, fourth of fifth (additional)	2
m.	loss of toes	
	all on one foot	30
	great, both phalanxes	5
	great, one phalanx	2
	other than great, if more than one toe lost, each	2

In the case of total and absolute incapacity from following usual Business or occupation the weekly sum specified in the schedule shall be payable.

The reasonable expenses incurred, up to the sum specified in the schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bring such person to a place of safety) incurred within 24 months of the defined event.

MEMORANDA (APPLICABLE TO PERMANENT DISABLEMENT BENEFITS)

- a. Where the Injury is not specified the Insurer will pay such sum as in their opinion is consistent with the above provisions;
- b. Permanent total loss of use of part of the body shall be treated as loss of such part;
- c. 100 per cent shall be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person.

Provided that:

- (i) the Insurer shall not be liable to pay in respect of any one such person more than the capital sum plus the sums specified under items 3 and 4;
- (ii) the sum specified under item 3 shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the Injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
- (iii) compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;
- (iv) this extension shall not apply to any such person under 15 or over 70 years of age;
- (v) after suffering bodily Injury for which benefit may be payable under this extension, such person shall submit to medical examination and undergo any treatment specified. The Insurer shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- (vi) general exception 2 and general conditions 2 and 9 do not apply to this extension;
- (vii) in respect of this extension only general exception 1 is deleted and replaced by the following:

This extension does not cover death or bodily Injury directly or indirectly caused by or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution or military or usurped power.

EXTENSIONS TO THE PERSONAL ACCIDENT (ASSAULT) EXTENSION

1. Bodily Injury shall be deemed to include Injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereat.
2. In the event of disappearance of any such person in circumstances which satisfy the Insurer that he has sustained Injury to which this personal accident (assault) extension applies and that such Injury has resulted in the death of such person, the Insurer will, for the purpose of the insurance afforded by this extension, presume his death provided that if, after the Insurer shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the Insurer.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for loss of or Damage to money:

- (1) arising from dishonesty of any principal, partner, director or person or persons in the employ of the insured not discovered within 14 working days of the occurrence thereof;
- (2) arising from shortage due to error or omission;
- (3) arising from the use of keys to any safe or strong room unless the keys:
 - (a) are obtained by violence or threats of violence to any person;
 - (b) are used by the key holder or some other person with the collusion of the key holder and the insured can prove to the satisfaction of the Insurer that the key holder or such other person had used the keys to open the safe or strong room.
- (4) in an unlocked safe or strong room whilst the portion of the premises containing such safe or strong room is unattended but this exception will not apply if it can be shown to the satisfaction of the Insurer that the key holder to the safe or strong room deliberately left it unlocked with the intention of allowing the money to be stolen;
- (5) not contained in a locked safe or strong room whilst the portion of the premises containing such money is unattended but this exception will not apply if it can be shown to the satisfaction of the Insurer that the person(s) responsible for the money deliberately left it outside the safe or strong room with the intention of allowing it to be stolen;

- (6) in any vehicle being used by the Insured unless a principal, partner, director or Employee of the Insured is actually in such vehicle or, if not in such vehicle, is within 5 metres of it in a position from which the vehicle is clearly visible. This exception shall not apply following an accident involving such vehicle rendering the said person incapacitated.

Specific exceptions (3), (4) (5) and (6) do not apply up to an amount of R1 500 and such losses shall not be reduced by any first amount payable.

MEMORANDA

1. Loss of or Damage to money as insured under this section arising from dishonesty of any principal, partner, director or person or persons in the employ of the Insured as insured under this section shall be subject to the following compulsory First Amount Payable Clause:
The amount payable hereunder in respect of an event involving one or any number of Employees acting in collusion shall be reduced by:
 - (a) 2% of the applicable limit under defined events plus;
 - (b) a further amount of 10% of the nett amount payable after deduction of the 2% specified in (a) above.Both amounts shall be borne in full by the insured.
2. The Insurer shall not be liable under this section of the policy in respect of loss or Damage arising from any event in respect of which a claim is payable or would be payable but for any first amount payable or co-insured clause under the Fidelity section of the policy or any other fidelity insurance.

SPECIAL CONDITIONS APPLICABLE TO CHEQUES

FIRST AMOUNT PAYABLE APPLICABLE TO THEFT OF CHEQUES

Any loss or series of losses attributable to one original event which is payable under this section and which results from the theft of any cheque or cheques shall be reduced by a first amount payable of 25% (twenty five percent) of the loss indemnifiable by this section unless:

1. Cheques drawn by the Insured:
 - (a) the cheque has been drawn and crossed exactly in accordance with the under mentioned "Recommended South African Insurance Association (SAIA) procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau;
or;
 - (b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post;
2. Cheques drawn by someone other than the Insured and which were received by the Insured by post or directly by the cashier;
 - (a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured and;
 - (b) the Insured is able to identify the drawer and amount of the cheque from their records.
3. Cheques of which the Insured is the true owner which were drawn by someone other than the Insured and posted to the Insured but not received:

(a) the cheque has been drawn and crossed exactly in accordance with the under mentioned "Recommended SAIA procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA.

Or

(b) the cheque was dispatched to the Insured by certified post or any post where security is equal or superior to certified post;

Or

(c) the invoice of the insured (to which the payment by cheque relates) contains a message (approved by the Insurer or SAIA) on it recommending or requiring that the cheque be drawn in accordance with the under mentioned "Recommended SAIA procedure for drawing and crossing of cheques".

RECOMMENDED SAIA PROCEDURE FOR DRAWING AND CROSSING OF CHEQUES AND PRINTING OF BLANK CHEQUES.

A. Drawing and Crossing of Cheques

One of the safest methods of drawing and crossing a cheque which is acceptable to banks is as noted hereunder. This method is recommended by SAIA:

1. Delete the pre-printed words "or bearer". This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment;
2. If instead of "or bearer" your cheque has pre-printed on it "or order" these words must also be deleted;
3. Write on the face of the cheque the words "not transferable";
4. Cross the cheque by drawing two parallel lines across the cheque;
5. Write the words "not negotiable" between the two parallel lines referred to in 4 above;
6. Ensure that the payee is accurately, properly and fully described for example where the payee is a Insurer its full name should be used: RH Jones (Pty) Ltd not just RH Jones; Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co No: 69/123456 or "RH Jones (Pty) Ltd ABC Bank Account no: 123456789"; Whilst highly recommended it is not compulsory to use the bank account number of the payee.
7. In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures;
8. On the front of the cheque the wording listed in Annexure B (last page of this section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements.
9. All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words "not neg" and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless;
10. The method used to complete cheques should be one which makes an ink impression on the paper like handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink. Do not use:
 - i. old ribbons;
 - ii. laser printers which do not make an impression into the paper;
 - iii. the "reverse printing technique";
 - iv. correctable type ribbons.

B. Printing of Blank Cheques

Blank cheques should only be printed by the Bank itself or a printer licensed by the Automatic Clearing Bureau. These printers know the recommended requirements of banks and should only use approved:

- i. security paper (CBS1 or superior);
- ii. security designs;
- iii. special security inks compatible with the security paper/design;
- iv. methods which make it difficult for anyone to make a supply of blank cheques by photocopying the originals.

ANNEXURE A - SAIA RECOMMENDED CHEQUE

ANNEXURE B - SAIA RECOMMENDED CHEQUE
Warning to be printed on bottom left front of cheque - leave enough space for bank stamps etc.

WARNING

To person encashing this cheque or receiving it in exchange for any consideration:
Where a cheque has been stolen from or lost by the true owner, you may be liable to reimburse him for his loss if you encash this cheque or receive it in exchange for any consideration (Section 81 of the Bills of Exchange Act, 1964).

NB This cheque is crossed and marked "not negotiable" and "not transferable".

BURGLAR ALARM WARRANTY WITH ARMED RESPONSE:

In respect of any premises in the schedule to be subject to this condition at which a burglar alarm is installed it is a condition precedent to the liability of the Insurer and warranted that:

- a) the burglar alarm installed at the premises shall be made fully operative whenever the premises are not open for Business unless a principal, partner, director or Employee of the Insured is on the premises
- b) such alarm shall be maintained in proper working order but the Insured shall be deemed to have discharged their liability in this regard if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system.
- c) such contract with the suppliers or servicing engineers is to include a 24 hour armed response back-up.

This insurance shall not cover loss of or Damage to the property following the use of the keys of the burglar alarm or any duplicate thereof belonging to the insured unless such keys have been obtained by violence or threat of violence to any person.

TRANSIT WARRANTY:

Direct transit between Insured's premises and Insured's bank shall be uninterrupted and direct.

Transit in excess of R15 000 to be conveyed by at least two armed guards/personnel

Specialised courier transit over R50 000.

The vehicle must never be left unguarded. Theft from unattended vehicles excluded.

Transit warranty excludes movement of money in the same building.

GLASS

DEFINED EVENTS

Loss of or Damage to internal and external glass (including mirrors), sign writing and treatment thereon at the insured premises as stated in the schedule, the property of the insured or for which they are responsible.

Following loss of or Damage to glass the Insurer will also indemnify the insured for:

1. the cost of such boarding up as may be reasonably necessary;
2. Damage to shop fronts, frames, window displays (including fixtures and fittings), burglar alarm strips, wires and vibrators as a direct result of such loss or Damage;
3. the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the glass;
4. the cost of employment of a watchman service prior to replacement of glass or boarding up or the repair of the burglar alarm system, unless payable under any other insurance arranged by the insured;

provided that the liability of the Insurer shall not exceed:

- (i) for the replacement of glass, sign writing and treatment — the sum insured as stated in the schedule applicable to the premises at which loss or damage occurs;
- (ii) for all other costs and expenses provided for by this section and resulting from one occurrence or series of occurrences attributable to one source or original cause — in the aggregate the sum of R2 000.

SPECIFIC CONDITION

AVERAGE

If the property insured is, at the commencement of any Damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the Insured shall be considered as being their own Insurer for the difference and shall bear a rateable share of the loss or Damage accordingly. Every item if more than one shall be separately subject to this condition.

DEFINITION OF GLASS

Unless specifically agreed, all glass (other than mirrors) insured by this section is presumed to be plain plate/float glass not exceeding 6mm in thickness, whether coated with a film or not, or laminated safety glass not exceeding 8mm in thickness.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. loss or Damage which is insured by, or would, but for the existence of this section, be insured by any fire insurance, except in respect of any excess beyond the amount which would have been payable under such fire insurance had the insurance under this section not been effected, but this specific exception shall not apply to loss or Damage for which the insured is responsible as tenant and not as owner;
2. glass forming part of stock in trade;
3. glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by the Insurer;
4. defacement or Damage other than fracture through the entire thickness of the glass or any laminate thereof.

EXTENSIONS

SPECIAL REPLACEMENT (IF STATED IN THE SCHEDULE TO BE INCLUDED)

If, following loss or Damage insured hereunder, the insured is obliged in terms of the National Building Regulations or similar legislation to replace the Damaged glass with glass of a superior quality, then the Insurer shall be liable for the increased cost of such replacement including (but not limited to) frames therefore, provided that if the cost of so replacing the whole of the insured property (inclusive of other items insured) is greater than the sum insured thereon at the time of the loss or Damage, then the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable proportion of the loss or Damage accordingly.

RIOT AND STRIKE EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Subject otherwise to the terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this Section is extended to cover loss or Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that by reason of provisos (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

This extension shall only apply to loss or Damage for which the Insured is responsible as tenant and not as owner.

BREAKAGES AND EXISTING DEFECTS WARRANTY:

Breakages during removal or alterations to the premises are excluded.

Existing defects are excluded.

FIDELITY GUARANTEE

DEFINED EVENTS

1. Loss of money and/or other property, belonging to the Insured or for which the Insured are responsible, stolen by an insured Employee during the currency of this Section;
2. Direct financial loss sustained by the Insured as a result of fraud or dishonesty of an insured Employee, all of which occurs during the currency of this Section, which results in dishonest personal financial gain for the Employee concerned

provided that:

- (i) (a) the Insurer is not liable for all losses which occurred more than 24 months prior to discovery;
- (i) (b) all losses are discovered not later 12 months after the termination of
 - (i) this Section; or;
 - (ii) this Section in respect of any insured Employee concerned in a loss; or;
 - (iii) the employment of the insured Employee or the last of the insured Employees concerned in a loss;

whichever occurs first.

- (ii) (a) Blanket Basis - the Insurer's liability for loss resulting from a Defined Event involving any one Employee or any number of Employees acting in collusion shall not exceed the Sum Insured stated in the Schedule.
- (ii) (b) Name and or Position Basis - the Insurer's liability for all loss resulting from a Defined Event involving any Employee shall not exceed the sum insured indicated opposite his name in the Schedule or, if he is unnamed in the Schedule the sum insured indicated opposite the position held by him in the Business as stated in the Schedule.
- (iii) renewal of this insurance from period to period or any extension of any Period of Insurance shall not have the effect of accumulating or increasing the liability of the Insurer beyond the sum insured stated in the Schedule. If the period of insurance is less than 12 months the Insurer's liability is limited to the sum stated in the schedule during any 12-month period of insurance calculated from inception or renewal
- (iv) the term "dishonest personal financial gain" shall not include gain by an Employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

DEFINITION

Employee shall mean:

- (a) any person while employed under a contract of service with or apprenticeship with the Insured;
- (b) any person while hired or seconded from any other party into the service of the Insured;

whom the Insured have the right at all times to govern, control and direct in the performance of his work in the course of the Business of the Insured and who, if this section is on a named and/or position basis, is described in the Schedule by name and/or by the position held by him in the Business.

SPECIFIC EXCEPTIONS

1. We shall not be liable for:
 - (a) resulting from or contributed to by any Defined Event committed by:
 - (i) any of your partners, directors or members unless such directors or members are also Employees;

- (ii) any Employee from the time You shall become aware that such Employee has committed any fraud or dishonesty;
- (b) any consequential losses of any kind following losses referred to under Defined Events;
- 2. This Section does not cover any Insurer or other legal entity acquired during the Period of Insurance.
- 3. The Insurer shall not be liable for any Defined Event if it results from dishonesty involving
 - (i) manipulation of;
 - (ii) input into;
 - (iii) suppression of input into;
 - (iv) destruction of; or
 - (v) alteration of;

any computer programme, system, data or software by any insured Employee who is employed in the Insured's electronic data processing department or area.

This exception does not apply to insured Employees who are employed in the electronic data processing department/area of any non-networked micro/personal computer.

SPECIFIC CONDITIONS

1. The Insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting their Business as has been represented to the Insurer by the Insured but the Insured may
 - (a) change the remuneration and conditions of service of any Employee;
 - (b) change the duties and position of any Employee who is described in the Schedule by name;
 - (c) remove any Employee described in the Schedule and replace him with any other person who falls within the definition of Employee;
 - (d) make such other changes as are approved beforehand in writing by your auditors.
2. If the Insured shall sustain any loss to which this Section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from surety ship, insurance, reinsurance, security or indemnity taken or effected by the Insurer or for the amount of any first amount payable) by whomsoever made on account of such loss until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be reimbursed to the Insurer and the Insured to the extent of his coinsurance in terms of item 2 the compulsory first amount payable clause.

CLAUSES AND EXTENSIONS

ACCOUNTANTS CLAUSE

Any particulars or details contained in the Insured's books of account or other Business books or documents which may be required by the Insurer under this Section for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's auditors or professional accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.

EXTENDED COVER FOR PAST EMPLOYEES EXTENSION

Any person who ceases to be an Employee shall for the purposes of this Section be considered as being an Employee for a period of 30 days after he in fact ceased to be an Employee.

RETROACTIVE COVER EXTENSION - NO PREVIOUS INSURANCE IN FORCE (IF STATED IN THE SCHEDULE TO BE INCLUDED)

This Section will also apply to Defined Events as insured herein which occurred up to 12 months prior to inception of this Section but not more than 24 months prior to discovery, provided the events are discovered within the sooner of 12 months of the termination of the employment of the Employee concerned or within 12 months of the expiry of this Section.

SUPERSEDED INSURANCE EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

This Section will apply to Defined Events insured herein which occurred during the currency of any insurance superseded by this Section and specified in the Schedule provided that

1. this extension is restricted to losses which would have been payable by the superseded insurance but which are not claimable because of the expiry of the period of time allowed by the superseded insurance for the discovery of the Defined Events;
2. the Defined Events are discovered within the sooner of 12 months of the termination of the employment of the Employee concerned or within 12 months of the expiry of this Section;
3. the amount payable under this extension shall not exceed the amount insured by this Section or the amount insured by the superseded insurance whichever is the lesser.
4. in the event of the Defined Events involving one Employee or any number of Employees occurring during both the currency of this Section and that of the superseded policy the maximum amount payable shall not exceed the amount insured by this Section at the time of discovery of the Defined Events;
5. this extension will not apply to Defined Events which occurred more than the number of years stated in the Schedule before inception of this Section.
6. The Insurer is not liable for any loss which occurred more than 24 months prior to discovery.

OTHER INSURANCES

It is the condition of this Section that other than

- (a) a money policy;
- (b) insurances declared to Us;
- (c) this Policy;

no other policy is in force or will be effected during the currency of this Policy to insure against the risks insured hereunder.

COMPULSORY FIRST AMOUNT PAYABLE

The amount payable under this Section in respect of a Defined Event involving one Employee or any number of Employees acting in collusion shall be reduced by

- (a) 2 % of the aggregate of the sum insured under this Policy and the declared policy or R 60,000 whichever is the lesser, plus
- (b) 10% of the nett amount payable after deducting the first amount payable due in (a) above.

Both amounts shall be borne in full by the Insured and remain uninsured.

COMPUTER LOSSES FIRST AMOUNT PAYABLE

The percentage shown in (b) of the compulsory first amount payable clause is increased from 10% to 20% if the Defined Event results from the dishonest

- (i) manipulation of;
- (ii) input into;

- (iii) suppression of input into;
- (iv) destruction of; or
- (v) alteration of

any non-networked micro/personal computer programme, system, data or software by any insured Employee whose duties involve the managing, supervision, design, creation or alteration of computer systems or programmes.

VOLUNTARY FIRST AMOUNT PAYABLE CLAUSE (IF STATED IN THE SCHEDULE TO BE INCLUDED)

In addition to the amount payable by the Insured under the compulsory First Amount Payable Clause, the Insured shall be responsible for the difference between such amount and the amount stated in the Schedule as the Voluntary First Amount Payable provided such voluntary amount exceeds the compulsory amount.

REDUCTION/REINSTATEMENT OF INSURED AMOUNT CLAUSE (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

The payment by the Insurer of any loss involving one Employee or any number of Employees shall not reduce the Insurer's liability in respect of the remaining insured Employees, provided that

1. the maximum amount payable by the Insurer for all insured Employees shall not exceed double the sum insured shown in the Schedule;
2. The Insured pays additional premium calculated in terms of the following formula:

$$\text{Annual premium in force at time of discovery of loss} \times \frac{\text{Amount of claim payment}}{\text{Sum insured at time of discovery of loss}}$$

The additional premium shall be payable in full and may not be reduced due to the period between the date of discovery of loss and the expiry date being less than 12 months.

COSTS OF RECOVERY EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

If the Insured shall sustain any loss to which this Section applies which exceeds the sum insured hereunder, the Insurer will, in addition to the sum insured, pay the Insured costs and expenses not exceeding the amount stated in the Schedule necessarily incurred with the consent of the Insurer (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the Employee in regard to whom the claim is made, of that part of the loss which exceeds the sum insured hereunder. All amounts recovered by the Insured in excess of the said part of the loss shall be for the benefit of the Insurer and the Insured to the extent of his coinsurance in terms of item 2 the compulsory first amount payable clause.

COMPUTER LOSSES EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The Insured having completed a satisfactory questionnaire, Specific Exception 3 and the Computer Losses First Amount Payable clauses are deleted.

MEMORANDA

1. In the event of the discovery of any loss resulting from a Defined Event, the Insured may, notwithstanding anything to the contrary contained in paragraph (ii) of General Condition 6, refrain from reporting the matter to the police but shall do so immediately should the Insurer require such action to be taken.

2. Non-disclosure of his own fraud or dishonesty or that of others with whom he is in collusion by the person signing any proposal form or giving renewal or other instructions shall not prejudice any claim under this Section.
3. General Exceptions 1 and 2 and General Condition 9 do not apply to this Section.
4. If the sum insured shall be increased at any time, such increased amount shall apply only to Defined Events committed after the date of such increase.

GOODS IN TRANSIT

DEFINED EVENTS

Loss of or Damage to the whole or part of the property described in the schedule, owned by the insured or for which they are responsible, in the course of transit by the means of conveyance or other means incidental thereto and caused by any accident or misfortune not otherwise excluded:

provided that:

- (i) the Insured shall be responsible for the first amount payable stated in the schedule in respect of each and every Defined Event.
- (ii) the liability of the Insurer for all loss or Damage arising from any one Defined Event shall not exceed the limit of indemnity stated in the Schedule.

MEMORANDA

1. Transit shall be deemed to commence from the time of moving the property described in the schedule at the consignor's premises (including carrying to any conveyance and loading thereon), continue with transportation to the consignee (including temporary storage not exceeding 96 hours in the course of the journey) and end when off-loaded and delivered at any building or place of storage at the consignee's premises.
2. If any consignee shall refuse to accept property consigned, transit shall be deemed to continue and the insurance in respect of such property shall continue in force until the property is delivered at the premises of the consignor by any means of conveyance, provided that the Insured shall take all reasonable steps to ensure that the property is returned as soon as is reasonably possible.
3. Where the means of conveyance is by specified vehicle, the insurance under this section shall apply to property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not the property of the Insured or leased or hired by them under a lease or suspensive sale agreement.
4. In the event of breakdown of the means of conveyance during transit or if, for any reason beyond the Insured's control, the property is endangered, nothing contained herein shall debar the utilisation of any other form of transport to assist completion of the transit and the insurance afforded shall not be affected thereby.

DEBRIS REMOVAL EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The insurance under this section includes costs necessarily incurred by the insured in respect of the clearing up and removal of debris following Damage to the means of conveyance or to the property thereon, subject to a limit of R1 000 or the limit stated in the schedule, whichever is the greater, in respect of any one Defined Event.

RESTRICTED COVER

FIRE, EXPLOSION, COLLISION, DERAILMENT AND OVERTURNING LIMITATION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The insurance under this section is limited to loss or Damage resulting from fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. loss or Damage resulting from or caused by;
 - (a) theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or Employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry to or exit from;
 - (b) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - (c) the dishonesty of any principal, partner, director or Employee of the insured whether acting alone or in collusion with others;
 - (d) or arising whilst in transit by sea or inland transit incidental thereto;
 - (e) breakdown of refrigeration equipment;
 - (f) transportation of fireworks, ammunition, fuses, cartridges, powder, nitroglycerine, or any other explosives;
 - (g) transportation of gases and/or air under pressure in containers;
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded;
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property unless following an accident or misfortune not otherwise excluded;
4. loss of or Damage to:
 - (a) cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
 - (b) property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
 - (c) property otherwise insured or which would, but for the existence of this section, be insured by any other insurance except in respect of any excess beyond the amount which would have been payable under such other insurance, had the insurance under this section not been effected;
5. consequential loss of any kind, delay, loss of market, depreciation or changes brought about by natural causes.

SPECIFIC EXTENSIONS

FIRE EXTINGUISHING CHARGES EXTENSION

If the property described in the schedule is lost or Damaged by fire in the course of a transit insured by this section the Insurer will in addition to indemnifying the Insured for such loss or Damage pay for the cost of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this extension shall not exceed the limit of indemnity shown in the schedule opposite this clause plus (if applicable) the increased Fire Extinguishing Charges Extension limit.

RIOT AND STRIKE EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Subject otherwise to the terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this Section is extended to cover loss or Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa and Namibia;

- (b) consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

GENERAL WARRANTY:

Cover is only given for goods transported by your own vehicles or; vehicles of your Employees and driven by drivers who are in your employment or under your supervision.

Theft of goods left in a vehicle overnight is not covered unless the vehicle is housed in a securely locked building and the theft is accompanied by visible forcible and violent entry to or exit from the building or vehicle.

Theft of goods from an unattended vehicle is not covered unless the goods are concealed in the locked boot or in a completely enclosed and securely locked loading compartment and only if there are visible signs that the vehicle was broken into.

Damage caused by Chipping, Denting, Scratching, Mechanical and/or Electrical Derangement is excluded.

BUSINESS ALL RISKS

DEFINED EVENTS

Loss of or Damage to the whole or part of the property described in the Schedule while anywhere in the world by any accident or misfortune not otherwise excluded provided that the insured shall be responsible for the first amount payable stated in the Schedule in respect of each and every event.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. loss of or Damage to property resulting from or caused by:
 - (a) theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or Employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;
 - (b) its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration;
 - (c) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - (d) the dishonesty of any principal, partner, director or Employee of the insured whether acting alone or in collusion with others;
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded;
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;
4. loss of or Damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
5. loss of or Damage to goods consigned under a bill of lading.

SPECIFIC CONDITIONS

AVERAGE

If the total value of property insured which is not separately and individually specified is, at the time of the happening of any loss or Damage to such property, of greater value than the sum insured thereon, the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable share of the amount of the loss or Damage. Each item of the Schedule covering such property shall be separately subject to this Condition.

REPLACEMENT VALUE CONDITION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The basis upon which the amount payable is to be calculated shall be either:

the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new;

or,

the repair of the property to a condition substantially the same as, but not better than, its condition when new

provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the property had been lost, destroyed or Damaged beyond repair

exceeds the sum insured thereon at the commencement of the loss or Damage, then the insured shall be considered as being their own Insurer for the difference and shall bear a rateable proportion of the loss accordingly.

SPECIFIC EXTENSIONS

INCREASE IN COST OF WORKING EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The insurance under this item is limited to expenditure not otherwise recoverable under this section, necessarily and reasonably incurred as a result of loss of or Damage to property for which payment is made or liability therefore is admitted under this section, for the purpose of maintaining the normal operation of the Business.

REINSTATEMENT OF DATA

Costs and expenses necessarily and reasonably incurred by the Insured for the reconstitution or recompilation of data and/or programs recorded on or stored in data-carrying media which are lost as a result of accidental erasure (which shall include the events defined in the indemnity clause to Sub-Section A of this section) or by theft or by the deliberate, wilful or wanton intention of causing the cancellation or corruption of data or programs as provided for in Sub-Section A of this section

provided that:

- (a) the indemnity shall not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs;
- (b) in respect of each and every event or series of events arising out of or in connection with one original cause or source indemnifiable by this item, the insured shall bear the amount stated in the Schedule as the first amount payable;
- (c) where the insured elects to insure programs (software), a schedule of such programs shall be lodged with the Insurer at the commencement of each period of insurance.

RIOT AND STRIKE EXTENSION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this section is extended to cover loss or Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or Damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

LOSSES AS A RESULT OF REMOTE BLOCKING (IF STATED IN THE SCHEDULE TO BE INCLUDED)

If the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but that the locking mechanism was blocked by thieves using an electronic device, such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle.

Where the Insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:

- (a) the police case number is supplied to the Insurer;
- (b) shall only apply to property that is separately and individually specified in the Schedule;
- (c) after deduction of the first amounts payable in the Schedule, the liability of the Insurer is further restricted to the lesser of the sum insured shown on the Schedule or R25 000 (twenty five thousand Rand) in respect of any one event.

The Insured shall be responsible for the first 10% (ten percent) of the claim, minimum R1 000 (one thousand Rand) or the amount stated on the Schedule.

BURGLAR ALARM WARRANTY WITH ARMED RESPONSE WARRANTY:

In respect of any premises in the Schedule to be subject to this condition at which a burglar alarm is installed it is a condition precedent to the liability of the Insurer and warranted that:

- (a) the burglar alarm installed at the premises shall be made fully operative whenever the premises are not open for Business unless a principal, partner, director or Employee of the insured is on the premises;
- (b) such alarm shall be maintained in proper working order but the insured shall be deemed to have discharged their liability in this regard if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system;
- (c) such contract with the suppliers or servicing engineers is to include a 24 hour armed response back-up;

This insurance shall not cover loss of or Damage to the property following the use of the keys of the burglar alarm or any duplicate thereof belonging to the insured unless such keys have been obtained by violence or threat of violence to any person.

LIGHTNING & POWER SURGE PROTECTION WARRANTY:

The insurance provided by this section of the policy, is strictly subject to the installation of Power Surge Protection equipment/Surge Arresters in accordance with SANS 10142-1:2012 Annexure L Code of Practice. Such Protection equipment/Arresters must display the SABS safety mark. Refer to SABS Standards Division Amendment No. 8 (google SANS 10142-1:2012 Annexure L) for requirements and specifications.

Furthermore, it is a condition precedent to liability that any Local Area Computer Network have specifically installed uninterrupted power supply (UPS) equipment having it's own surge protection and that such surge protection equipment is installed in accordance with SANS standards.

However, in the event of loss or Damage occurring as a result of lightning or power surge, the Insured cannot provide any proof of surge protection equipment installation as required in accordance with this clause, then

the Insurers will indemnify the Insured however subject to an additional excess first amount payable of 10% of claim amount subject to a minimum of R1 000.

UNATTENDED VEHICLE WARRANTY:

No cover applies if items are unlawfully removed from an unattended vehicle unless the vehicle itself is locked and the item is locked away in the boot of the vehicle.

ACCIDENTAL DAMAGE

DEFINED EVENTS (I)

Accidental physical loss or Damage to the insured property at or about the premises not otherwise insured or for which insurance is available and described (whether incorporated in this policy or not) in terms of any Section (other than Business All Risks) listed in the index of this policy.

The amount payable for all loss or Damage arising out of one original cause or source shall not exceed the sum stated,

and

notwithstanding General Condition 2, this section shall not be called into contribution for any Defined Event for which more specific insurance has been arranged.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

- (a) any peril excluded or circumstance precluded from any other insurance available from the Insurer at inception hereof or for any excess payable by the insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;
- (b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;
- (c) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information;
- (d) loss of or Damage to insured property caused by:
 - (i) any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the Insured property) or fraud or the dishonesty of any principal or agent of the Insured;
 - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This Exception applies only to vessels, pipes, tubes or similar apparatus;
 - (iii) breakdown, electrical, electronic and/or mechanical derangement;
 - (iv) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
 - (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, Pollution, change in colour, flavour, texture or finish or its own wear and tear;
 - (vi) denting, chipping, scratching or cracking not affecting the operation of the item;
 - (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light;
- (e) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any Insured property;
- (f) loss of or Damage
 - (i) to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
 - (ii) resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;

- (g) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;
- (h) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms);

DEFINITION

INSURED PROPERTY

Any tangible property belonging to the insured or held in trust or on commission for which they are responsible other than:

- (a) current coin (including Krugerrands and similar coins), bank and currency notes, travellers and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, and other certificates, documents or instruments of a negotiable nature;
- (b) furs, jewellery, bullion, precious and semi precious metals and stones, curios, rare books and works of art;
- (c) property in transit by air, inland waterway or sea;
- (d) railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motor cycles, mobile plant, caravans and trailers;
- (e) standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises), cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives;
- (f) electronic data processing equipment and external data media (punch cards, tape discs and the like) and the information they contain
- (g) property in the course of construction, erection or dismantling including materials or supplies related thereto ;
- (h) property in the possession of customers under lease, rental, credit or suspensive sale agreements;
- (i) glass, china, earthenware, marble and other fragile or brittle objects;

unless stated in the Schedule to be insured.

DEFINED EVENTS (II) (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Accidental physical loss of or Damage to the insured property caused by discharge or leakage from tanks, pipes or apparatus of chemicals, oils, liquids, fluids, gases or fumes (including loss of such chemicals, oils, liquids, fluids, gases or fumes) other than loss or Damage resulting from wear and tear or other gradually operating causes of the tanks, pipes or apparatus.

CLAUSES AND EXTENSIONS

RESTRICTED COVER CLAUSE

The insurance in respect of documents, manuscripts, Business books, plans, designs, patterns, models, moulds and computer system records is limited to the value of the materials and the cost of labour for recreating and excludes any expenses in connection with the Production of any information contained therein or the value of such information to the Insured.

ADDITIONAL COSTS CLAUSE

In respect of buildings, plant and machinery insured, the sum insured includes:

- (a) any costs incurred, due to the necessity to comply with the building or other regulations of any public authority, in repair or reinstatement following an insured event, provided that such costs do not include:
 - (i) anything for which notice had been served on the insured prior to the insured event;
 - (ii) anything connected with undamaged property or undamaged portions of property;
 - (iii) rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
- (b) fees for the examination of municipal or other plans;
- (c) costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
- (d) the professional fees of architects, quantity surveyors and other consultants;

And the sum insured on all insured property includes:

- (e) charges levied by any authorised fire brigade for their services;

But the Insurer shall not be liable under (a), (b) or (d) unless the lost or Damaged property is replaced or reinstated without undue delay nor under (d) for any expenses in connection with the preparation of the insured's claim.

Further, the Insurer shall not be liable under (c) for any costs or expenses:

- (i) incurred in removing debris except from the site of such property destroyed or Damaged and the area immediately adjacent to such site;
- (ii) arising from Pollution or contamination of property not insured by this Policy/Section.

MORTGAGEES CLAUSE

From the date of notification, the Insurer accepts the interest of a mortgagee or others with an insurable interest in the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge, provided that the mortgagee advises the Insurer as soon as such act or omission comes to his knowledge and agrees to be responsible for any additional premium resulting from the Insurer assuming any increased hazard.

RAILWAY AND OTHER SUBROGATION CLAUSE

The insured shall not be prejudiced by signing the "Transnet Cartage (Hazardous Premises) Indemnity "or other special agreements with Transnet Administration regarding private sidings or similar agreements with other government bodies.

TENANTS CLAUSE

The Insured shall not be prejudiced by the act of any tenant in premises he owns or in which he is a co-tenant or of the owner of any premises of which he is a tenant, provided that the Insurer is notified as soon as he becomes aware of such act and he pays any additional premium resulting from the Insurer assuming any additional hazard.

MEMORANDA

1. Average (if stated in the schedule to be included)

If, on the occurrence of an insured event, the value of the insured property is greater than the sum insured thereon the Insured shall be considered his own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

Each item, if more than one, shall be separately subject to this memorandum.

2. Excluded Property (if stated in the schedule to be included)

The property listed in the schedule is added to the excluded property in the definition of insured property.

3. Reinstatement (if stated in the schedule to be included)

The basis upon which the amount payable is to be calculated following an insured event to buildings, plant and machinery shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than such insured property when new, provided that:

- (a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to requirements of the insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section shall be made;
- (b) the Insurer shall not be liable for any payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section, until expenditure has been incurred by the insured in replacing or reinstating the lost or Damaged insured property;
- (c) if, at the time of replacement or reinstatement, the sum representing, the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been lost or Damaged exceeds the sum insured thereon on the occurrence of an insured event, the insured shall be considered his own insurer for the difference and shall bear a rateable share of loss accordingly. Each item, if more than one, to which this memorandum applies shall be separately subject to this provision;
- (d) this memorandum shall not apply if:
 - (i) the insured fails to intimate to the Insurer within six months of the insured event or such further time as the Insurer may allow in writing their intention to replace or reinstate the lost or Damaged insured property;
 - (ii) the insured is unable or unwilling to replace or reinstate the lost or Damaged insured property on the same or another site.

4. First Loss Average (if stated in the schedule to be included)

If, at the time of any loss or Damage arising, the total value of the property described by each item does not exceed the sums stated in the schedule then this insurance shall be declared free of average, but if the total value of such property shall be greater than the aforementioned sums, the Insured shall be considered as being their own Insurer for the difference and the Insurer shall be liable only for such proportion of the first loss sum insured as the aforementioned sums shall bear to the total value not exceeding in all the total sum insured by each item.

PUBLIC LIABILITY SECTION (CLAIMS MADE BASIS)

DEFINED EVENTS

Damages which the Insured shall become legally liable to pay consequent upon Injury or Damage which occurred in the course of or in connection with the Business within the territorial limits and on or after the retroactive date shown in the schedule, and which results in a claim or claims first being made against the Insured in writing during the period of insurance.

THE LIMITS OF INDEMNITY

The amount payable inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Insurer's consent for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the schedule.

In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one extension of this section, each extension shall apply separately and be subject to its own separate limit of indemnity provided always that the total amount of the Insurer's liability shall be limited to the highest limit of indemnity available under any one of the extensions affording indemnity for the claim or series of claims.

Where more than one period of insurance of this policy, following its renewal or replacement may apply to an originating cause or source, the insurer's liability will be limited to the maximum limit of indemnity for any one such period of insurance.

TERRITORIAL LIMITS

Anywhere in the world but not in connection with

- (i) any Business carried on by the Insured at or from premises outside or
- (ii) any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi.
- (iii) in respect of Injury or Damage happening in the United States of America or Canada caused by or through or

in connection with any goods or Products sold or supplied by or to the order of the insured, if such goods or Products have, to the insured's knowledge, been exported to the United States of America or Canada by or on behalf of the insured.

DEFINITIONS

Damage means loss of or physical Damage to tangible property or wrongful interference with the enjoyment of rights over tangible property.

Employee means persons employed under a contract of service or apprenticeship with the Insured.

Injury means death, bodily Injury, mental Injury, illness (mental or physical) or disease of or to any person.

Product means any tangible property (including containers and labels) 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.

Pollution means the emission, discharge, release, dispersal, disposal, seepage or escape of any solid, liquid, gaseous or thermal contaminants or irritants, including vapours, smell, odours, humidity, fumes, smoke, soot or other airborne particulates, acids, alkalis, chemicals and waste, electromagnetic waves, noise, vibrations, other emission of effluent or noxious substances into or upon the soil, the atmosphere or any watercourse or body of water.

Legal costs means costs, charges and expenses incurred by the Insurer or by the Insured with the Insurer's prior consent

- in the defence or settlement of any claim under this section of the policy or any action or prosecution brought against the Insured in respect of Injury or Damage or other liability as Insured in terms of this section of the policy.
- in the representation at any inquest or accident inquiry in respect of Injury which may form the subject of indemnity under this section of the policy and/or in defending any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this section of the policy.

SPECIFIC EXCEPTIONS

The Insurer will not indemnify the Insured in respect of

1. liability consequent upon Injury to any Employee and arising from and in the course of such employment by the Insured
2. Damage to
 - (i) property belonging to the Insured
 - (ii) property in the custody or control of the Insured or any Employee of the Insured but this exception shall not apply to premises or the contents thereof temporarily occupied by the Insured for work thereon
 - (b) that part of any property on which the Insured is or have been working if such Damage results directly from such work
3. Liability consequent upon Injury or Damage
 - (a) caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured
 - (b) caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft (other than non-motorized watercraft not exceeding 5 meters in length and used on inland waterways only), locomotive or rolling stock, provided that this exception shall not relieve the Insurer of liability to indemnify the Insured in respect of liability consequent upon Injury or Damage caused or arising beyond the limits of any carriage-way or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such Injury or Damage is not insured by any other insurance policy
 - (c) caused by or through or in connection with
 - (i) the refuelling or defueling of aircraft
 - (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline
 - (iii) the ownership, hire or leasing of any airport or airstrip or helicopter pad
 - (d) caused by or through or in connection with any Product other than food and drink provided for consumption on the premises of the Insured.
 - (e) caused by the spread of fire to adjoining properties
 - (f) caused by or through or in connection with animals straying due to inadequate or neglected or defective boundary fencing or gates
 - (g) caused by flood including the bursting or overflowing of dams or reservoirs

- (h) caused by the droving of livestock, game on a public thoroughfare
 - (i) caused by shark or any wild animal attack
4. Damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure
 5. (a) liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by Pollution, provided always that this exception shall not apply where such Pollution is caused by a sudden unintended and unforeseen occurrence;
(b) the cost of removing, nullifying or cleaning up substances resulting from Pollution unless the Pollution is caused by a sudden, unintended and unforeseen occurrence.
This exception shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exception
 6. Fines, penalties, punitive, exemplary or vindictive Damages
 7. Damages in respect of judgement, award or settlement made within the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part). For the purpose of this specific exception, "Damages" shall be deemed to include costs and expenses of litigation recovered by any claimant from the Insured.
 8. Any claim arising from an event known to the Insured
(a) which is not reported to the Insurer in terms of General condition 6 (b) prior to inception of this Section or prior to inception of any extension under this section.
 9. Liability consequent upon Injury or Damage directly or indirectly caused by or in connection with or arising from or attributable to:
 - (a) explosives or the explosion of a boiler
 - (b) fire and / or explosion
 - (c) flood including the bursting of a dam wall
 - (d) application of firearms in whatever form
 10. Attachment or the diverting of water by the Insured or any person acting on behalf of the Insured
 11. Damage to any type of plantations (sugar cane, timber plantations, forests and the like) by spread of fire
 12. Liability consequent upon Injury or Damage arising out of the deliberate, conscious and intentional disregard by the Insured's management of the need to take reasonable precautions to prevent any event or circumstance which may give rise to a claim.
 13. Any claim or claims whether actual or alleged howsoever arising in connection with or based upon or arising from or in any way involving actual or alleged unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or relate to any breach of a provision of the Competition act no 89 of 1998 (as amended) or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose.

FIRST AMOUNT PAYABLE

The Insured shall be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from Damage and shall apply to Legal Costs incurred by the Insured.

MEMORANDUM

In respect of this section only, General exception 1 is deleted and replaced by the following:

This section does not cover Injury, Damage or liability directly or indirectly caused by, related to, or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

SPECIFIC CONDITIONS

1. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Insurer.
2. In the event of cancellation or non-renewal of the policy, the Insured may report an event in terms of General condition 6 to the Insurer within 30 days after the expiry of the period of insurance provided that such event occurred during the period of insurance.
3. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one originating cause or source shall be treated as if they all had first been made against the Insured
 - (a) on the date that the event was reported by the Insured in terms of General condition 6 or
 - (b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.
4. When the facts do not speak for themselves and the Insurer and the Insured cannot mutually agree when the Injury or Damage occurred, then for the purposes of determining the indemnity granted:
 - (a) the Injury shall be deemed to have occurred when the claimant first consulted a qualified practitioner regarding such Injury, whether or not it was correctly diagnosed at the time. If no such consultation took place, then the Injury shall be deemed to have occurred when the Insured was first advised of the Injury.
 - (b) the Damage shall be deemed to have occurred when it first became evident to the claimant, even if the cause was unknown.

EXTENSIONS

1. Extended Reporting Option (if stated in the Schedule to be included)

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, the Insurer agrees to extend the period during which the Insured may report an event in terms of General condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period) provided that

- (a) This option may only be exercised in the event of the Insurer cancelling or refusing to renew this section
- (b) This option must be exercised by the Insured in writing within 30 days of cancellation or non-renewal
- (c) Once exercised, the option cannot be cancelled by either the Insured or the Insurer
- (d) The Insured has not obtained insurance equal in scope and cover to this section as expiring
- (e) The Insurer shall only be liable for a defined event which occurred after the retroactive date but prior to date of cancellation or non-renewal
- (f) Claims first made against the Insured or any reported event by the Insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal
- (g) The total amount payable by the Insurer for claims made or reported events during the extended reporting period shall not have the effect of increasing the Limit of Indemnity applicable as on the last day preceding the cancellation or non-renewal

2. Additional Insured

The Insurer will also, as though a separate policy had been issued to each, indemnify

- (a) In the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured

- (b) Any partner or director or Employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance.
- (c) to the extent required by the conditions of any contract and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the Insured for the purposes of the Business
- (d) In respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by the Insured for the benefit of their Employees
 - (i) Any officer or member thereof
 - (ii) Any visiting sports team or member thereof provided that:
 - (1) The aggregate liability of the Insurer is not increased beyond the limits of indemnity stated in the schedule;
 - (2) Any person or organisation to which this extension applies is not entitled to indemnity under any other policy
 - (3) The indemnity under (a), (b) and (c) applies only in respect of liability for which the Insured would have been entitled to indemnity if the claim had been made against the Insured;

For the purposes of this extension, the Insurer waives all rights of subrogation or action which they may have or acquire against any of the above, and each party to whom the indemnity hereunder applies shall observe, fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this insurance in so far as they can apply.

3. Cross Liabilities

Where more than one Insured is named in the schedule, the Insurer will indemnify each Insured separately and not jointly, and any liability arising between such Insured's shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the schedule.

4. Tool of Trade

Specific exception 3(b) shall not apply to the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto, provided that the Insurer shall not be liable hereunder in respect of so much of any liability as falls within the scope of any form of motor insurance or compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected, nor shall the Company be liable where any other form of motor insurance has been effected by the Insured covering the same liability.

5. Employees' and Visitors' Property

Specific exception 2(a) (ii) shall not apply to property belonging to any partner, director or Employee of the Insured or any visitor to the Insured's premises.

6. Liability by Agreement

Notwithstanding the provisions of specific exceptions 2(a) (ii), and 3(b), this section extends to indemnify the Insured:

- (a) against liability assumed by the Insured under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature
- (b) Against liability arising from loss of or Damage to property belonging to Transnet while in the Insured's custody or control

- (c) in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on behalf of the Insured at any railway siding.

7. Unattached Trailers

Specific exception 3(b) shall, as far as it relates to trailers, not apply in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle, provided that the Company shall not be liable hereunder in respect of so much of any liability

- (i) which is insured by or would, but for the existence of this section, be insured by any other policy or policies effected by the Insured
- (ii) As falls within the scope of any compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

8. Emergency Medical Expenses

The Insurer will indemnify the Insured for all reasonable expenses incurred by the Insured for such immediate medical treatment as may be necessary at the time of an accident causing Injury to any person who may be the subject of a claim for indemnity by the Insured in terms of this section.

9. Car Parks

Notwithstanding the provisions of Specific exception 2(a)(ii), the Insurer will indemnify the Insured in respect of liability as herein provided arising from loss of or Damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or Employees of the Insured using parking facilities provided by the Insured.

10. Tenant's Liability

Specific exceptions 2(a)(ii) and 3(b) of this section shall not apply to premises occupied by the Insured as tenant (but not as the owner) thereof.

11. Products Liability (if stated in the Schedule to be included)

Notwithstanding anything to the contrary contained in Specific exception 3(d), the Company will indemnify the Insured in respect of defined events happening anywhere in the Territorial Limits elsewhere than at premises occupied by the Insured, and caused by any Products (including wrongful delivery and delivery of incorrect Products).

The amount payable under this extension, inclusive of any Legal Costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Insurer's consent, for any one event or series of events with one originating cause or source or during any one (annual) period or any one period of twelve consecutive months from inception date or anniversary date of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

ADDITIONAL SPECIFIC EXCEPTIONS (APPLICABLE TO PRODUCTS LIABILITY EXTENSION)

This extension does not cover liability

- (i) For the cost of repair, alteration, recall, reconditioning or replacement of the Product or part thereof (including containers and labels) causing Injury or Damage and/or the loss of use of any Product or part thereof. For the purposes of this additional specific exception, the term "replacement" shall be deemed to include any credit or refund granted or alternative Product provided by or on behalf of the Insured in lieu of replacement of the defective Product.

- (ii) for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the Product and any other property essential to such repair, alteration or replacement unless physically Damaged by the Product.
- (iii) arising from the failure of any Product or any part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed but this exception shall not apply to consequent Injury or Damage.
- (iv) Arising from Products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft
- (v) in respect of Injury or Damage happening in the United States of America or Canada caused by or through or in connection with any Products sold or supplied by or to the order of the Insured, if such Products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured.
- (vi) For any defect in any Product or any part thereof of which the Insured was aware prior to the inception of this extension.

12. Defective Workmanship Liability (If stated in the schedule to be included)

Specific Exception 2(b) is deleted.

The amount payable under this extension, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and all other costs and expenses incurred with the company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

ADDITIONAL SPECIFIC EXCEPTIONS (APPLICABLE TO DEFECTIVE WORKMANSHIP LIABILITY)

This extension does not cover liability:

- (i) for the cost of rectifying or recalling defective work;
- (ii) arising from inefficacy of such work or because the work did not produce the result anticipated or claimed;
- (iii) arising prior to the handing over of such work;
- (iv) arising from defective design;
- (v) arising from any work on any aircraft or part thereof.

13. Statutory Legal Defence Costs (if stated in the Schedule to be included)

If the Insured so request, the Insurer will indemnify the Insured or any Employee, partner or director of the Insured against costs and expenses not exceeding the amount stated in the Schedule incurred by or on behalf of the Insured or any Employee, partner or director of the Insured with the consent of the Insurer in the defence of any prosecution of the insured or any Employee, partner or director of the Insured arising from an alleged contravention of any statute in the course of the Business during the period of insurance;

provided that:

- (i) In the case of an appeal, the Insurer shall not indemnify such person unless a senior counsel approved by the Insurer shall advise that such appeal should, in his opinion, succeed;
- (ii) The Insurer shall not indemnify such person in respect of any fine or penalty imposed or any loss consequent thereon;
- (iii) Such person shall, as though he were the Insured, observe, fulfil and be subject to the Terms, Exceptions and Conditions of this Policy and this section thereof in so far as they can apply;

- (iv) If the prosecution arises from or in connection with any Product, the Insurer will only indemnify the Insured or any Employee, partner or director of the Insured if the Extension for Products liability is stated in the Schedule to be included;
- (v) The limit of indemnity under this Extension shall not exceed R50 000.00 (fifty thousand rand) any one event or series of events with one original cause and R50 000.00 (fifty thousand rand) in any one (annual) period of insurance or the amount stated in the Schedule whichever is the greater.

14. Wrongful Arrest and Defamation (if stated in the schedule to be included)

The defined events are extended to include Damages

- (i) Resulting from wrongful arrest (including assault in connection with such wrongful arrest)
- (ii) in respect of defamatory statements whether written or verbal provided always that the limits of indemnity as stated shall not exceed R50 000 per event or R100 000 any one period of 12 consecutive months from inception date or anniversary date or in any one (annual) period of insurance or the amount stated in the schedule.

15. Gratuitous Advice

Notwithstanding anything to the contrary contained in specific exception 3(a) the Insurer will indemnify the Insured in respect of defined events caused by the unintentional failure of the Insured to perform the legal duty to exercise due care owed to another person or party in providing technical information or advice to such person or party

provided that

This section does not cover liability:

- (i) Arising out of the insolvency of the Insured;
- (ii) Arising out of financial services and/or cost estimates provided by or on behalf of the Insured;
- (iii) Arising out of defamation;
- (iv) Arising out of design, formula, supervision, treatment or advice given by or on behalf of the Insured in exchange for a fee;
- (v) Arising out of technical information or advice given in connection with a Product unless the extension for Products liability is included in the schedule

If at the time of any event giving rise to a claim under this extension, indemnity is also provided under any other insurance, this extension shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.

16. Acquisitions and New Business

The indemnity granted by this section of the policy extends to any Insurer formed and/or acquired by the Insured during the period of insurance for a period of 90 days of such formation and/or acquisition provided always that

- (i) the retroactive date in respect of such new Insurer shall be deemed to be the date when a newly formed and/or acquired Insurer first purchased liability insurance of the type hereby insured on a "Claims made" basis, subject to a declaration from the newly acquired Insurer's previous management of no known or reported claims or circumstances likely to give rise to a claim at the date of acquisition. In the event of no such declaration, the retroactive date shall be the date of such acquisition.
- (ii) The Insured's Business activities remain unchanged
- (iii) The annual turnover of all newly formed and/or acquired companies does not exceed 5% (five percent) of the estimated annual turnover of the Insured as advised to the Company at inception hereof.

- (iv) The Insured shall advise the Insurer of such formations and/or acquisitions before the expiry of 90 days thereof and the Insurer may amend the terms of this section of the policy accordingly.

17. Spreading of Fire (if stated in the schedule to be included)

In consideration of the payment of an additional premium, Specific Exceptions 3(e) and 9(b) are deleted.

The amount payable under this extension, inclusive of any Legal Costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the insurer's consent for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the sum insured less the first amount payable stated in the schedule.

It is a condition of this extension that, at the happening of an occurrence that gives rise to a claim in terms of this extension, the Insured complies with the requirements of the National Law Veld and Forest Fire act no. 101 of 1998, or any amendment thereto, and any other regulations relating to the spread of fire to adjoining properties.

This extension does not cover Damage to any type of plantations (sugar cane, timber plantations, forests and the like) by spread of fire.

18. Food and Drink Extension (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in specific exception 3(d), the Insurer will indemnify the Insured in respect of defined events happening at the premises occupied by the Insured and caused by the nature or condition of food and drink sold and supplied by the Insured in connection with the Business provided that:

- (a) the Insured complies with all statutory laws and regulations pertaining to the sale and/or supply of food and drink and takes all reasonable precautions to ensure that food and drink sold and supplied is free from contamination and fit for human consumption
- (b) the amount payable under this extension inclusive of any Legal Costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Insurer's consent for any one event or series of events with one original cause or source or during any one (annual) period of insurance shall not exceed in aggregate the limit of indemnity less the first amount payable stated in the schedule.

SPECIFIC ADDITIONAL EXCEPTION (APPLICABLE TO THE FOOD AND DRINK EXTENSION)

This extension does not cover liability for the cost of replacement of the food or drink causing Injury or Damage and/or the cost of recalling any deleterious food and drink.

19. Hairdressers Extension (if stated in the schedule to be included)

Specific exception 3(a) shall not apply to any dyeing, tinting or other treatment given or administered in the course of the Insured's Business as a hairdresser provided that:

- (a) The Insured if he or she is a qualified hairdresser or any Employee of the Insured who is a qualified hairdresser and
- (b) Apprentices but only when they are under the direct supervision of a qualified hairdresser.

It is a condition precedent to liability of the Insurer under this extension that:

- (a) All plant, utensils and appliances shall be kept clean, sterilized and in a proper state of efficacy at all times

- (b) The Insured shall comply with all tests, recommendations, requirements and precautions laid down by the manufacturers or suppliers prior to the use of or sale of any dyes, tints, shampoos and other preparations. Should the result of the test prove unsatisfactory, the Insurer shall not be liable to make any payment in respect of any accidental bodily injury arising from any subsequent treatment.
- (c) Customers must be notified of the name and nature of the risks of use of any dyes, tints, shampoos, and other preparations before use and/or sale thereof

The liability of the Insurer under this extension, inclusive of any Legal Costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Insurer's consent, for any one event or series of events with one original cause or source or during any annual period of insurance, shall not exceed the limit less the first amount payable stated in the schedule.

20. Beauty Salon Extension (if stated in the schedule to be included)

Specific exception 3(a) shall not apply to any error or omission or other treatment in advice or treatment given or administered in the course of the Insured's Business as a beautician provided that:

- (a) The Insurer shall not be liable for any claims arising directly or indirectly out of the cutting or puncturing of the skin or any procedure in the nature of a surgical operation
- (b) Advice or treatment shall be given or administered only by qualified personnel holding recognized certificates of proficiency

It is a condition precedent to liability of the Insurer under this extension that:

- (a) All plant, utensils and appliances shall be kept clean, sterilized and in a proper state of efficiency at all times and all electrical apparatus shall be examined at intervals of not more than 12 months by a competent electrician and that all parts found worn or Damaged shall immediately be replaced
- (b) The Insured shall comply with all tests, recommendations or required by the manufacturers or suppliers prior to the use of or sale of any dyes, lotions or ointments. Should the result of the test prove unsatisfactory, the Insurer shall not be liable to make any payment in respect of any Injury arising from any subsequent treatment.
- (c) Customers must be notified of the name and nature of the risks of use of any dyes, lotions and ointments before use and/or sale thereof
- (d) Only proprietary brands of ointments, preparations, creams and the like shall be used

The liability of the Insurer under this extension, inclusive of any Legal Costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Insurer's consent, for any one event or series of events with one original cause or source or during any annual period of insurance, shall not exceed the limit less the first amount payable stated in the schedule

21. Forecourt Service Extension (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in specific exceptions 2 (a) (ii), 2 (b) and 3 (a) but subject otherwise to the terms and conditions and limitations of the section and policy, the Insurer will indemnify the Insured in respect of defined events happening as a result of the Insured or any forecourt Employee of the Insured

- (a) Dispensing incorrect fuel or top-up lubricant
- (b) After providing forecourt service to customer's vehicles failing to correctly
 - (i) Tighten or close caps (lids in such vehicle)
 - (ii) Close the bonnet or boot lid of such vehicle. Damage to such bonnet or boot lid is specifically covered by this extension

- (c) Denting, scratching or otherwise damaging customers' vehicles while providing forecourt service.
- (d) for the purposes of this extension only, Damage shall include the costs incurred in cleaning the fuel or lubrication system of the vehicle whether visible physical Damage has been caused by the incorrect dispensing of fuel and / or lubricants or not.
- (e) Forecourt service shall mean the dispensing of fuel and) or top-up lubricant and / or the topping of the water and other reservoirs in or on the vehicle and / or the inflation / deflation of tyre pressures and / or the cleaning of window glass and shall not include any form of mechanical and / or electrical repair or service nor the removal repair or fitting of any tyre wheel or tube nor shall it include any car wash or valet service.

that the Insurer will not indemnify the Insured in respect of

- (i) The cost of the fuel and / or lubricant dispensed
- (ii) The first 10% of any claim with a minimum of R2 500 or the amount stated in the schedule whichever is the greater
- (iii) The amount payable under this extension, inclusive of any Legal Costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source shall not exceed R50 000 any one event and R100 000 in the aggregate any one (annual) period of insurance

22. Car Wash and Valet Extension (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in exceptions 2 (a) (ii), 2 (b) and 3 (a) but subject otherwise to the terms and conditions and limitations of this section and policy, the Insurer will indemnify the Insured in respect of defined events happening as a result of Damage to customers vehicles whilst being cleaned / washed only, on the Insured's premises

provided always that

- (a) The Insurer will not indemnify the Insured in respect of the first 10% of any claim with a minimum of R2 500 or the amount stated in the schedule whichever is the greater.
- (b) the amount payable under this extension, inclusive of any legal costs recoverable from the Insured by a claim- ant or any number of claimants, and all other costs and expenses incurred with the Insurer's consent, tor any one event or series of events with one original cause or source shall not exceed R50 000 any one event and R100 000 in the aggregate any one (annual) period of insurance
- (c) It is hereby confirmed and agreed that this extension does not cover any loss or Damage caused or attributed to by any person who drives the vehicle for whatsoever reason

23. Guesthouse Liability (if stated in the schedule to be included)

Notwithstanding anything contained to the contrary under the specific exception 2 (a) (ii), it is hereby declared and agreed that the indemnity extends to include all sums inclusive of any legal costs recoverable from the Insured or any other cost and expenses incurred with the Insurer's consent for which the Insured may become legally liable to pay in respect of loss or Damage to property of any registered guest

- (i) To guests property, the amount stated in the schedule
- (ii) To guests vehicles, the amount stated in the schedule
- (iii) To contents of guests vehicles, the amount stated in the schedule

Provided that:

The Insured shall be liable for the first amount payable of 10% (ten percent) of claim with a minimum of R2 500 or the amount stated in the schedule whichever is the greater of each and every claim in terms of this extension.

WARRANTIES

INDEMNITY DISCLAIMER FORMS:

The insurance provided by this section of the policy is strictly subject to there being disclaimer Forms, containing an indemnity, signed by each guest upon arrival at the premises. It is noted that this requirement is only applicable to guests who will be staying on the premises overnight. An indemnity Form is to be signed by the contracting party, on behalf of all guests who will be attending a conference or banqueting function on the premises.

HAZARDOUS ACTIVITIES:

The insurance provided by this section of the policy is strictly subject to there being specific disclaimer forms signed by each guest who intends participating in any outdoor activity of a hazardous nature, but excluding swimming, Golf, Tennis, Bowls or other ball sports.

DISCLAIMER NOTICE BOARDS:

The insurance provided by this section of the policy is strictly subject to there being prominently displayed disclaimer notice boards at the entrance(s) to the premises whenever rivers and/or wild animals are present on the premises.

SWIMMING POOLS:

The insurance provided by this section of the policy is strictly subject to there being prominently displayed disclaimer notice boards at all swimming pools.

EMPLOYERS' LIABILITY

DEFINED EVENTS

Damages which the Insured shall become legally liable to pay consequent upon death of or bodily Injury to or illness of any person employed under a contract of service or apprenticeship with the Insured, which occurred in the course of and in connection with such person's employment by the Insured within the territorial limits and on or after the retroactive date shown in the Schedule, and which results in a claim or claims first being made against the Insured in writing during the period of insurance.

THE LIMIT OF INDEMNITY

The amount payable, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Insurer's consent for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the Schedule.

TERRITORIAL LIMITS

Anywhere in the world but not in connection with:

- (i) any Business carried on by the insured at or from premises outside; or
- (ii) any contract for the performance of work outside;

the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi

SPECIFIC EXCEPTIONS

This section does not cover:

- (a) liability assumed by the Insured under any contract, undertaking or agreement where such liability would not have attached to the Insured in the absence of such contract, undertaking or agreement;
- (b) liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event;
- (c) fines, penalties, punitive, exemplary or vindictive Damages;
- (d) (i) Damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland;
- (d) (ii) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in (d)(i) above;
- (e) any claim arising from an event known to the insured:
 - (i) which is not reported to the Insurer in terms of General Condition 6;
 - (ii) prior to inception of this Section;
- (f) any claim (in the event of cancellation or non-renewal of this section) not first made in writing against the Insured within the 48-month period (or extended period in respect of minors) as specified in Specific Condition 2.

SPECIFIC CONDITIONS

1. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the insured on the same day that the insured reported the event to the Insurer.
2. In the event of cancellation or non-renewal of the Policy:

- (a) any claim resulting from a reported event, first made in writing against the Insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant.
 - (b) the Insured may report an event in terms of General Condition 6 to the Insurer for up to 15 days after cancellation or non-renewal, provided that:
 - (i) such event occurred during the period of insurance;
 - (ii) any subsequent claim first made in writing against the Insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 month period specified in 2(a) above.
3. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the Insured.
- (a) on the date that the event was reported by the Insured in terms of General Condition 6;
 - or
 - (b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.

EXTENSIONS

EXTENDED REPORTING OPTION

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the Terms, Exceptions and Conditions of this Section, the Insurer agrees to extend the period during which the Insured may report an event in terms of General Condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period);

provided that:

- (a) this option may only be exercised in the event of the Insurer cancelling or refusing to renew this Section;
- (b) this option must be exercised by the Insured in writing within 30 days of cancellation or non-renewal;
- (c) once exercised, the option cannot be cancelled by either the Insured or the Insurer;
- (d) the Insured has not obtained insurance equal in scope and cover to this Section as expiring;
- (e) the Insurer shall only be liable for a Defined Event which occurred after the retroactive date but prior to date of cancellation or non-renewal;
- (f) claims first made against the Insured or any reported events by the Insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal;
- (g) the total amount payable by the Insurer for claims made or reported events during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal;
- (h) any claim made, following a reported event during the extended reporting period, which is first made against the Insured in writing more than 48 months after the last day preceding cancellation or non-renewal, shall not be subject to indemnification by this Extension. If the claimant is a minor, the period of 48 months is extended until the expiry of 12 months after the attainment of majority by the claimant.

PRINCIPALS

Where a principal and the Insured are liable for the same Damages and where any contract or agreement between a principal and the Insured so requires, the Insurer will, notwithstanding the aforementioned Specific

Exception (a) above, indemnify the principal in like manner to the Insured but only so far as concerns the liability of the principal to an Employee as aforementioned for death or bodily Injury to or illness of such person resulting from the negligence of the Insured or the Insured's Employees;

provided that:

- (a) in the event of a claim in terms of this extension, the Insured shall endeavour to arrange with the principal for the conduct and control of all claims to be vested in the Insurer;
- (b) the principal shall, as though he were the Insured fulfil and be subject to the Terms, Exceptions and Conditions (both General and Specific) of this Policy in so far as they can apply;
- (c) the liability of the Insurer is not hereby increased.

MEMORANDUM

In respect of this Section only, General Exception 1 is deleted and replaced by the following:

This Section does not cover death, Injury, illness or liability directly or indirectly caused by, related to, or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

1. OPERATIVE CLAUSE

The Insurers will indemnify the Insured subject to the terms, exclusions, conditions and Limit of Indemnity as more particularly described under Basis of Indemnification (Clause 4, 5, 6 & 7) against the Insured's legal liability to pay Damages and associated claimants' costs in consequence upon of causing Injury or Damage and the giving of Negligent Advice arising out of the performance of the Business within the Territorial Limits and in accordance with the law and procedure anywhere in the World but not in respect of any judgement, award or settlement made within countries which operate under the laws of North America (or any order made anywhere in the world to enforce such judgement, award or settlement either in whole in part).

2. DEFINITIONS

For the purpose of this section, wherever they appear, the words or terms below shall be interpreted as follows:-

- 2.1. Injury is death, Injury, illness (mental or physical) disease, assault, defamation, false imprisonment or arrest of/or to any person.
- 2.2. Damage is loss of or Damage to tangible property, conversion, trespass, nuisance, infringement of copyright, title, slogan, idea or wrongful interference with the enjoyment of rights over tangible property.
- 2.3. Negligent Advice is incorrect or inadequate advice given in promotion of the Insured's Products, but without expectation of any other reward.
- 2.4. The "Business" is defined in the Schedule, but also includes all organizations or functions operated for the benefit of the Insured's Employees or visitors or for the protection or promotion of the Insured's activities.
- 2.5. "Product" shall mean any tangible property including labels and/or containers (other than a vehicle) 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 but not food or drink provided mainly to the Insured's Employees as a staff benefit.
- 2.6. North America is the United States of America (being the 50 States of the Union plus district of Columbia) Canada any territory operating under the laws of or subject to jurisdiction of courts of the aforementioned territories.
- 2.7. Underlying Insurance shall mean cover in force in terms of:
 - (i) the Public Liability section of this policy
or
 - (ii) Motor third party liability of this policy
or
 - (iii) any liability extension on any section of this policy providing cover to property, including the Building Combined section, the House owners section and the Householders section
or
 - (iv) the Employers Liability section of this policy.

3. LIMIT OF INDEMNITY

The Insurers shall only be liable to pay Damages and costs as detailed in Clause 1, the excess of either:

- (a) the Limits of any Underlying Insurance which may apply in respect of each Occurrence/Claim indemnified by Excess Layer Protection, or

- (b) the amount stated in the Schedule as the Deductible, in respect of each Occurrence/Claim indemnified by Difference in Conditions Protection and Additional Risks Protection.

and then limited to a further sum as stated in the Schedule as the Deductible, in respect of each and every Occurrence/Claim but in the aggregate during the Period of Insurance when an aggregate limit in the Underlying Insurances applies.

In the event of one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one insuring section of, or more than one of, any Underlying Insurance, the total amount of the Insurers liability in terms of this section shall be limited to the Limit of Indemnity stated in the Schedule.

The extent the Insured is accountable to the tax authorities for Value Added Tax in respect of any payment in terms of this section the Insurers will include the amount of such tax in the final settlement of any claim under this section in addition to the Limits of indemnity.

4. BASIS OF INDEMNIFICATION

Within the limits of the Operative Clause, this section provides indemnity in the following alternative circumstances:-

4.1. **EXCESS LAYER PROTECTION**

where the claim is prima facie covered by the terms of the policies listed as Underlying Insurance, then this clause operates only to the extent that the claim is not met by such Underlying Insurance solely because of the inadequacy of the Underlying Limit of Indemnity.

4.2. **DIFFERENCE IN CONDITIONS**

where the claim is within the scope of the operative clause of the Underlying Insurance, then this clause operates only when such claim is rejected because of a policy term, condition or exclusion.

4.3. **ADDITIONAL RISKS PROTECTION**

where the claim is outside the scope of the operative clause of the Underlying Insurance, then this clause operates within the limitations of its own Operative Clause.

This clause 4, establishes the intention of this section, but does not modify, alter or extend the specific terms, Conditions and Exclusions of this section, by a Underlying Insurance which remain paramount.

5. EXCESS LAYER PROTECTION

5.1. This clause provides indemnity in respect of claims which are indemnified, during the period of this section, by a Underlying Insurance:-

5.1.1. in excess of the Limit of Indemnity stated to apply to the Underlying Insurance, except where such limit has been reduced or exhausted by reason of claims, in which case, this section pays in excess in excess of the residual limit (if any).

5.1.2. for claimants' costs provided these are not recoverable from the Underlying Insurance. In the event the wording of the Underlying Insurance contradicting and thereby legally amending this provision, the Insurers maximum liability under this sub clause shall be the same proportion of incurred costs as the settled claim bears to the respective Limit of Indemnity.

6. ADDITIONAL RISKS PROTECTION

6.1. This Clause will indemnify the Insured in respect of any claim which is not the subject of indemnity by any other policy of insurance, is not indemnified (either in whole or in part) by Clauses 5 or 6 of this Section and which forms the subject of indemnity by the Operative Clause.

6.2. The indemnity granted by this Clause 7 is limited to claims made against the Insured during the period of this section, or events or circumstances notified by the Insured to the Insurers during such Period which subsequently give rise to claims being made.

- 6.3. The Limit of Indemnity of this section in respect of cover granted by this Clause 7 is limited to the aggregate of all claims made during the period of this section, or events or circumstances notified by the Insured to the Insurers during such period which subsequently to claims being made.
- 6.4. No indemnity is provided by this Clause where Insurers declines to grant indemnity in respect of a claim on the grounds that the Injury, Damage, Negligent Advice or event did not occur or the claim was not made, during the section period (as the case may be).

7. INDEMNITY TO OTHERS

The indemnity granted shall extend at the Insured's option and subject to Insurers which consent shall not be unreasonably withheld to:-

- 7.1. directors, partner or Employees of the Insured in that capacity or in their private capacity arising out of any temporary engagement (undertaken with the Insured's consent) of the Insured's Employees;
- 7.2. any person or party to the extent that any contract entered into by the Insured requires that such indemnity is given;
- 7.3. the personal representatives of any person or party indemnified; provided always that all such persons or parties shall observe, fulfil and be subject to the Terms, Exceptions and Conditions of this Section.

8. CROSS LIABILITIES

The Insured and all such persons and parties indemnified by Clause 8 are indemnified separately and not jointly, and any liability arising between such insured's shall be treated as though separate policies had been issued to each, subject to the Insurers total liability not exceeding the Limit of Indemnity.

9. ADDITIONAL SPECIFIC EXCLUSION APPLICABLE TO CLAUSE 5 EXCESS LAYER PROTECTION AND 6. ADDITIONAL RISK PROTECTION

No indemnity is granted by Clauses 6 and 7 in respect of liability for or arising out of:-

- 9.1. AIRCRAFT OR WATERCRAFT
the ownership, hire purchase or leasing of any aircraft, watercraft or hovercraft (other than watercraft not exceeding 15, 25 meters in length and then only whilst on inland waterways) by or on behalf of the Insured.
- 9.2. SHIP AND AVIATION REPAIRING
the repair, maintenance, refuelling or defueling of any aircraft, watercraft or hovercraft undertaken by or on behalf of the Insured as a revenue producing activity.
- 9.3. PROPERTY
Damage to property owned, leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insureds care, custody or control, other than premises (or the contents thereof) temporarily occupied by the Insured or for work therein, or other property temporarily occupied by the Insured for work therein, or other property temporarily in the Insureds possession for work thereon (but no indemnity is granted for Damage to the property on which the Insured is working and which arises out of such work).
- 9.4. POLLUTION
seepage, Pollution or contamination being the natural consequence of the operation or existence of the Insured's Business;

Exclusions 9.1 and 9.2 do not apply to liability for death, Injury, illness or disease of/or to Employees of the Insured arising out of such employment.

10. POLICY EXCLUSIONS

No indemnity is granted by this Section against liability:-

10.1. FINES AND PENALTIES

for fines, penalties, punitive or exemplary or vindictive Damages.

10.2. POLLUTION

Arising out of:-

10.2.1. seepage, Pollution or contamination provided always that this Exclusion shall not apply where such seepage, Pollution or contamination is caused by a sudden, unintended and unexpected happening;

10.2.2. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, Pollution or contamination is caused by a sudden, unintended and unexpected happening.

Nothing herein shall be construed as extending this Insurance to indemnify the Insured for any liability which would not have been covered under this Insurance in absence of this Exclusion 10.2.

10.3. RETROACTIVE DATE (APPLICABLE ONLY WHEN UNDERLYING INSURANCE IS ON A CLAIMS MADE BASIS)

for any Injury, Damage or Malice or for the provision of Negligent Advice which occurs prior to the Retroactive Date which is applicable to the Underlying Insurances or as stated in the Schedule, whichever is the later.

For the purpose of this Exclusion where any Injury or Damage occurred then:-

10.3.1. Injury shall be deemed to have occurred when the claimant first obtained medical advice or treatment for Injury, whether or not the Injury was correctly diagnosed at the time;

10.3.2. Damage shall be deemed to have occurred when the claimant first became aware of the existence of the Damage.

10.4. KNOWN EVENTS

arising out of circumstance, matter or thing which the Insured may reasonably be expected to suppose may give rise to a claim against the Insured and known by the Insured to have occurred prior to the inception of this Section.

10.5. DELIBERATE ACTS

arising out of any deliberate or intentional failure of the Insured or the Insured's management to take reasonable precautions to prevent Injury, Damage or Malice and/or Negligent Advice being given.

10.6. EMPLOYEE BENEFITS

for any benefits for which the Insured is liable under any relevant workmen's compensation, unemployment compensation or disability benefits or similar law scheme.

10.7. PRODUCT REPLACEMENTS

for the necessary costs to repair, replace, recondition or modify any Product or part thereof and/or for the loss of use of any Product or part thereof.

10.8. PRODUCT RECALL

arising out of the recall of any Product or part thereof.

10.9. PERFORMANCE GUARANTEE

arising out of performance warranties or guarantees, or clauses stipulating pre-estimated liquidated Damages or penalties.

10.10. GRADUALLY OPERATING CAUSES

Injury caused or contributed to by prolonged exposure to substances, factors or circumstances peculiar to any particular employment or occupation.

10.11. ASBESTOS EXCLUSION

whether actual or alleged, for any claim or claims in respect of loss, or losses directly or indirectly caused by, arising out of, and resulting from, in consequence of, in any way involving, or to the extent contributed to by the hazardous nature of asbestos in whatever form or quantity. This Exception does not apply to any Personal or Motor Liability Sections, if included in the Underlying Policy.

10.12. CARRIAGE OF FARE PAYING PASSENGERS

arising out of the carriage of passengers for hire or reward or carriage of fare paying passengers.

10.13. CYBER LIABILITY

loss or Damage to any Electronic Data howsoever caused including detrimental change thereto and consequence arising there from provided that in respect of:

10.13.1. transmission of Viruses; and

10.13.2. inaccessibility of the Insured's Computer Network by persons otherwise authorized to access; and

10.13.3. loss of Electronic Data

this exclusion shall apply at all times.

Electronic Data means any information, facts or programs stored as or on, created or used, or transmitted to or from computer software including systems and application software, disks in whatever form, tapes, cells, data processing devices or any other media which form part of or are used in connection with any electronic equipment.

10.14. UNFAIR LABOUR PRACTICE

arising out of any actual or alleged unfair labour practice as contemplated by the Labour Relations Act 66 of 1995 (as amended) or any Act passed in substitution thereof.

10.15. RADIOACTIVE CONTAMINATION

10.15.1. for loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising from resulting there from or any consequential loss;

10.15.2. of whatsoever nature; directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

For the purpose of this Exclusion only, combustion shall include any self-sustaining process of nuclear fission.

The indemnity provided by this Policy shall not apply to nor include any loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

10.16. NORTH AMERICAN EXPORTS

for Injury or Damage happening in North America arising out of any Product (including any marketing advisory service in connection with any Product) sold or supplied by or to the order of the Insured, where such Product was to the knowledge of the Insured, been exported to North America by or on behalf of the Insured or such sale or resale could reasonably have been contemplated by the Insured.

10.17. DIRECTORS AND OFFICERS LIABILITY AND PROFESSIONAL INDEMNITY

for acts or errors or omissions of the directors or officers of the Insured when acting in their capacity as such, or in the provision by the Insured of professional services which shall include advice given, any action taken or work done by the Insured when carrying on their functions in any capacity involving special skill or knowledge in their calling, or the failure, to discharge any obligations pursuant thereto. This exclusion does not apply to the provision of Negligent Advice (as defined).

10.18. UNFAIR COMPETITION

for any claim or claims whether actual or alleged howsoever arising in connection with or based upon or arising from or in any way involving actual unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or related to any

breach of a provision of Competition Act No.89 of 1998 as amended or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insureds liability arose.

10.19. HAZARDOUS GOODS

For the transport of hazardous goods substances not in compliance with chapter VIII of the Road Traffic Act 1996 (Act 93 of 1996).

10.20. COMPULSORY MOTOR INSURANCE

except for so much of any compensation payable in respect of liability for death of or bodily Injury to persons being carried in or upon or getting into or alighting from a vehicle, for Injury which:-

10.20.1. is the subject of legislation enacted for the purpose of providing compensation for or Damage wrongfully caused by the driving of a motor vehicle, or

10.20.2. is the subject of legislation controlling the use of motor vehicles or trailers and in respect of which liability:-

10.20.2.1. the Insured is compelled to effect insurance or otherwise furnish security, or

10.20.2.2. the State or other governmental authority has accepted responsibility, or

10.20.3. is suffered as a result of emotional shock by a person other than an injured party on witnessing, observing or being informed of the Injury of another person as a result of the driving of a motor vehicle.

This Exclusion shall apply notwithstanding that no insurance under such legislation is in force or has been effected, or that compensation is not paid for any reason whatsoever.

11. SPECIFIC CONDITIONS

11.1. LAW AND JURISDICTION

Any dispute between the Insured and the Insurers in connection with or arising out of this section shall be decided exclusively in accordance with the law of the Republic of South Africa and exclusively by a competent court of the Supreme Court of South Africa.

The Insured undertakes that they will not institute action against the Insurers nor bring joint proceedings against the Insurers in the court of any country other than the Republic of South Africa.

11.2. BANKRUPTCY OR INSOLVENCY

In the event of bankruptcy, insolvency or sequestration of the Estate of the Insured, whether voluntary or involuntary, or upon takeover of the Insured's Business in a Court Official, Trustee or Liquidator, acting or appointed for this purpose, this Section shall thereupon terminate without the necessity of the Insurers giving notice of such cancellation. In the event of such termination the Insurers will refund such Court Official, Trustee or Liquidator the unearned premium or pro-rata thereon whichever is the lesser.

11.3. UNDERLYING INSURANCES

The Indemnity granted by this Section is conditional upon the Underlying Insurances remaining in force throughout the Period of Insurance and that the limits of indemnity in terms of the Underlying Insurance shall not be less than:

(a) the Public Liability section: R2,500,000

(b) the Employers Liability section: R1,000,000

(c) any liability extension on any section of this policy providing cover to property, including the Building Combined section; the House owners section and the Householders section: R1,000,000

(d) Motor third party liability: R2,500,000

If, at the date of loss, the limit of indemnity in terms of the Underlying Insurance, is less than the limits indicated above, then the Insured shall be considered as being their own insurer for the difference.

11.4. CHANGES

Notice to or knowledge possessed by any agent or by any other person shall not effect a waiver or a change of any part of this section nor stop the Insurers from asserting any rights under the terms of

this section, nor shall the terms of this section be waived or changed, except by endorsement issued to form a part of this section, signed by an authorized representative of the Insurers.

11.5. ASSIGNMENT

Assignment of interest under this section shall not bind the Insurers until their consent is endorsed hereon.

11.6. DUE OBSERVANCE

The due observance and fulfilment of all provisions in this section that require anything to be done or complied with by the Insured is precedent to any liability of the Insurers in respect of any occurrence for which the Insured makes a claim under this section.

STATED BENEFITS

DEFINED EVENTS

Bodily Injury caused by accidental, violent, external and visible means to any partner director or Employee of the Insured (hereinafter in this section referred to as such person) specified in the Schedule.

The Insurer will pay to the Insured on behalf of such person or his estate the compensation stated in the Schedule in the event of accidental bodily Injury to any such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the Schedule under the heading Details.

DEFINITIONS

Permanent Disability shall mean		Percentage of compensation
a.	loss by physical separation at or above the wrist or ankle of one or more limbs	100
b.	permanent and total loss of	
	whole eye	100
	sight of eye	100
	sight of eye except perception of light	75
c.	permanent and total loss of hearing	
	both ears	100
	one ear	25
d.	permanent and total loss of speech	100
e.	injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
f.	loss of four fingers	70
g.	loss of thumb	
	both phalanxes	25
	one phalanx	10
h.	loss of index finger	
	three phalanxes	10
	two phalanxes	8
	one phalanx	4
i.	loss of middle finger	
	three phalanxes	6
	two phalanxes	4
	one phalanx	2
j.	loss of ring finger	
	three phalanxes	5
	two phalanxes	4
	one phalanx	2
k.	loss of little finger	

	three phalanxes	4
	two phalanxes	3
	one phalanx	2
l.	loss of metacarpals	
	first or second (additional)	3
	third, fourth or fifth (additional)	2
m.	loss of toes	
	all on one foot	30
	great, both phalanxes	5
	great, one phalanx	2
	other than great, if more than one toe lost, each	2

MEMORANDA

- (i) Where the Injury is not specified, the Insurer will pay such sum as, in their opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part.
- (iii) 100% (hundred percent) shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

Temporary Total Disability shall mean total and absolute incapacity from following usual Business or occupation.

Medical Expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily Injury and incurred within 24 months of the Defined Event.

Annual Earnings shall mean the annual rate of wage, salary and cost of living allowance being paid or allowed by the Insured to such person at the time of accidental bodily Injury, plus overtime, house rents, food allowances, commissions and other considerations of constant character paid or allowed by the insured to such person during the 12 months immediately preceding the date of accidental bodily Injury.

Average Weekly Earnings shall mean one fifty-second part of annual earnings.

Business Limitation (if stated in the schedule to be applicable)

This section applies only in respect of accidental bodily Injury to such person arising from and in the course of his employment in the Business.

PROVISOS

It is declared and agreed that:

1. the Insurer shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;

2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the Injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any such person under 15 or over 70 years of age;
4. any compensation payable by the Insurer for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
5. after suffering accidental bodily Injury for which compensation may be payable under this section, such person shall, when reasonably required by the Insurer so to do, submit to medical examination and undergo any treatment specified. The Insurer shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General Conditions 2 and 9 do not apply to this Section;
7. in respect of this Section only, General Exception 1 is deleted and replaced by the following:

This Section does not cover death or Injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

EXTENSIONS

1. Exposure

Bodily Injury shall be deemed to include Injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

2. Disappearance

In the event of the disappearance of any such person in circumstances which satisfy the Insurer that he has sustained Injury to which this section applies, and that such Injury has resulted in the death of such person, the Insurer will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the Insurer shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the Insured to the Insurer.

3. Burns Disfigurement (if stated in the Schedule to be included)

Subject to the exclusion shown below, the following item is added to the "Permanent Disability" definition:

Permanent Disability shall mean		Percentage of compensation
n.	permanent disfigurement resulting from accidental external burns to the combined surface area of the face and neck	
	100% surface area disfigurement	50
	less than 100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
	remaining parts of the body other than the face and neck	

	100% surface area disfigurement	25
	less than 100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement

The Insurer shall not pay under any sub item of this Extension unless the disfigurement exceeds 10% for the sub item under which a claim is lodged.

4. Life Support Machinery

Notwithstanding anything contained in the Defined Events, the 24 month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable to pay compensation for death, disability or medical expenses in respect of such person

- a) while he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- b) by his suicide or intentional self Injury;
- c) caused solely by an existing physical defect or other infirmity of such person;
- d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by a member of the medical profession (other than himself) or unless prescribed by and taken in accordance with the instruction of a member of the medical profession (other than himself);
- e) as a result of his participation in any riot or civil commotion;
- f) in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequel thereof;
- g) while he is, or as a result of his, engaging in
 - (i) motor cycling (whether as driver or passenger) other than on the Business of the Insured;
 - (ii) racing of any kind involving the use of any power driven;
 - (a) vehicle;
 - (b) vessel;
 - (c) craft;
 - (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football, hang-gliding.
- h) whilst engaged in the manufacture, storage, filling, breaking down, transportation of:
 - (i) fireworks, ammunition fuses, cartridges, gunpowder, nitroglycerine, or any explosives
 - (ii) gases and/or air under pressure in containers as the main Business of the Insured.
- i) whilst involved in:
 - (i) underground mining or tunnelling risks
 - (ii) subaqueous construction and/or other work
 - (iii) naval, military or air force service operations
- j) whilst working as a crew member of offshore drilling rigs whilst working as a crew member of a ship and as a diver during professional activities

MAIN LIMITS

The Insurers' liability in respect of

- 1.1. Death and Permanent Disability is limited to any one Insured Person in respect of each and every claim for the amount stated on the Policy Schedule
- 1.2. Any one event is limited to the amount stated on the Policy Schedule

GROUP PERSONAL ACCIDENT

DEFINED EVENTS

Bodily Injury caused by accidental, violent, external and visible means to any principal, partner, director or Employee of the Insured (hereinafter in this Section referred to as such person) specified in the schedule.

The Insurer will pay to the Insured, on behalf of such person or his estate, the compensation stated in the Schedule in the event of accidental bodily Injury to any such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the Schedule under the heading Detail.

DEFINITIONS

Permanent Disability shall mean Compensation

Permanent Disability shall mean		Percentage of compensation
a.	loss by physical separation at or above the wrist or ankle of one or more limbs	100
b.	permanent and total loss of	
	whole eye	100
	sight of eye	100
	sight of eye except perception of light	75
c.	permanent and total loss of hearing	
	both ears	100
	one ear	25
d.	permanent and total loss of speech	100
e.	injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
f.	loss of four fingers	70
g.	loss of thumb	
	both phalanxes	25
	one phalanx	10
h.	loss of index finger	
	three phalanxes	10
	two phalanxes	8
	one phalanx	4
i.	loss of middle finger	
	three phalanxes	6
	two phalanxes	4
	one phalanx	2
j.	loss of ring finger	
	three phalanxes	5
	two phalanxes	4

	one phalanx	2
k.	loss of little finger	
	three phalanxes	4
	two phalanxes	3
	one phalanx	2
l.	loss of metacarpals	
	first or second (additional)	3
	third, fourth or fifth (additional)	2
m.	loss of toes	
	all on one foot	30
	great, both phalanxes	5
	great, one phalanx	2
	other than great, if more than one toe lost, each	2

MEMORANDA

- (i) Where the Injury is not specified, the Insurer will pay such sum as, in their opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part.
- (iii) 100% (hundred percent) shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

Temporary Total Disability shall mean total and absolute incapacity from following usual Business or occupation.

Medical Expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily Injury and incurred within 24 months of the Defined Event.

Business Limitation (if stated in the schedule to be applicable)

This Section applies only in respect of accidental bodily Injury to such person arising from and in the course of his employment in the Business.

PROVISOS

It is declared and agreed that:

1. the Insurer shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the Injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this Section shall not apply to any such person under 15 or over 70 years of age;

4. after suffering accidental bodily Injury for which compensation may be payable under this section, such person shall, when reasonably required by the Insurer so to do, submit to medical examination and undergo any treatment specified. The Insurer shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
5. General Conditions 2 and 9 do not apply to this Section;
6. in respect of this Section only, General Exception 1 is deleted and replaced by the following:

This Section does not cover death or Injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

EXTENSIONS

1. Exposure

Bodily Injury shall be deemed to include Injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

2. Disappearance

In the event of the disappearance of any such person in circumstances which satisfy the Insurer that he has sustained Injury to which this Section applies, and that such Injury has resulted in the death of such person, the Insurer will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the Insurer shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the Insured to the Insurer.

3. Burns Disfigurement (if stated in the Schedule to be included)

Subject to the Exclusion shown below, the following item is added to the "Permanent Disability" definition:

Permanent Disability shall mean		Percentage of compensation
n.	permanent disfigurement resulting from accidental external burns to the combined surface area of the face and neck	
	100% surface area disfigurement	50
	less than 100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
	remaining parts of the body other than the face and neck	
	100% surface area disfigurement	25
	less than 100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement

The Insurer shall not pay under any sub item of this extension unless the disfigurement exceeds 10% for the sub item under which a claim is lodged.

4. Life Support Machinery

Notwithstanding anything contained in the Defined Events, the 24-month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable to pay compensation for death, disability or medical expenses in respect of such person

- a) while he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- b) by his suicide or intentional self Injury;
- c) caused solely by an existing physical defect or other infirmity of such person;
- d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- e) as a result of his participation in any riot or civil commotion;
- f) in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequel thereof;
- g) while he is, or as a result of his, engaging in:
 - (i) motor cycling, motor quadrucycling or motor tricycling (whether as a driver or passenger) other than on the Business of the Insured;
 - (ii) racing of any kind involving the use of any power-driven:
 - (a) vehicle;
 - (b) vessel;
 - (c) craft;
 - (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football or hang-gliding.

MAIN LIMITS

The Insurers' liability in respect of

- 1.1. Death and Permanent Disability is limited to any one Insured Person in respect of each and every claim for the amount stated on the Policy Schedule
- 1.2. Any one event is limited to the amount stated on the Policy Schedule

DEFINED EVENTS

Loss of or Damage to any vehicle described in the schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or Damage Insured hereby, the Insurer will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the Insurer to the extent of but not exceeding R5 000, provided that a detailed estimate is first obtained and immediately forwarded to the Insurer. The Insurer will also pay the reasonable cost of delivery to the Insured, after repair of such loss or Damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

provided that:

1. the limit of indemnity for each type of vehicle is as stated in the schedule and shall be the maximum amount payable by the Insurer in respect of such loss or Damage, but shall not exceed the retail value of the vehicle and its accessories and spare parts at the time of such loss or Damage;

New for Old: If the insured vehicle stated in the Schedule is stolen and not recovered or is Damaged beyond economical repair within 1 year of first registration and the vehicle has travelled less than 20,000Km (Twenty Thousand Kilometres), we will replace the vehicle or at our option, we will pay you up to the current purchase price at the time of the loss inclusive of VAT (and less any appropriate discount) but not more than the Sum Insured stated in the Schedule.

Agreed Value: The amount your vehicle is insured for as agreed by the Insured and the Insurers represents the value reflected on the valuation submitted by a reputable dealer or alternate valuator from the Motor Trade. This amount is as reflected on the Schedule of Insurance and includes all manufacturer fitted extras and modifications and any non- value manufacturer extras or modifications approved by us. The valuation expires after every 12 months from the date on the previous valuation and must be replaced by a revised valuation from a reputable dealer or alternate valuator from the Motor Trade, failing which the Insured value will be adjusted in accordance with the value stipulated in the TransUnion Auto Dealers Guide plus an additional percentage not exceeding 10%.

2. the Insurer may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or Damage not exceeding the retail value of such vehicle and/or its accessories and/or spare parts at the time of such loss or Damage;
3. if, to the knowledge of the Insurer, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Insurer in respect of such loss or Damage;
4. in respect of each and every occurrence giving rise to a claim under this Sub-Section, the Insured shall be responsible for the first amounts payable stated in the Schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Sub-Section (including any payment in respect of costs, expenses and fees), and of any expenditure by the Insurer in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Insurer shall include any first amount payable for which the Insured is responsible, such amount shall be paid by the Insured to the Insurer forthwith;

5. the Insurer shall not be liable for more than the amount stated in the Schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of radios, tape players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new;
6. the Insurer shall be liable for costs related to the protection and removal of the vehicle to the nearest approved repair facility and subsequent delivery to your permanent address in the Republic of South Africa. Storage costs will be limited to a maximum of 14 days and not more than the limit as specified in the Schedule.
7. Repatriation (outside the RSA's Borders). The policy covers vehicles in terms of the territorial limits whilst vehicles are travelling outside the borders of the Republic of South Africa (RSA) subject to the following exclusions:
 - (a) Any parts stripped from the vehicle whilst left unguarded at the scene of an accident or whilst in transit back to the RSA.
 - (b) All and any government-imposed duties, customs, charges or stamps.
 - (c) In all territories covered by the policy outside the borders of the RSA, Section B - Liability to Third Parties, will only apply following the countries/territories underlying compulsory insurance.
 - (d) Towing and recovery costs are excluded unless the extension to the Repatriation Clause is stated in the schedule to be included.
 - (e) If, following an accident, the insured vehicle is not returned to the RSA and it is declared by the Insurer to be a constructive total loss outside the RSA then:
 - (i) The Insurer will settle the claim for the estimated cost of repairs or the lesser of the Market Value preceding the loss and the sum insured less;
 - The First Amount Payable/Excess,
 - The value of the salvage calculated on what would have been realised in the RSA if the vehicle had been repatriated.

On payment of the amount under (a) above the salvage will belong to the Insured.

EXTENSION TO THE REPATRIATION CLAUSE (IF STATED IN THE SCHEDULE TO BE INCLUDED):

Towing and recovery fees are included subject to a limit of R15 000 per claim or as stated on the Schedule.

NOTE:

All cover in terms of this endorsement will cease if the vehicle is abandoned outside the RSA.

EXCEPTIONS TO SUB-SECTION A

The Insurer shall not be liable to pay for:

- (a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages;
- (b) Damage to tyres by application of brakes or by road punctures, cuts or bursts;
- (c) Damage to springs/shock absorbers/suspension system due to inequalities of the road or other surface or to impact with such inequalities.
- (d) any loss or damage associated with an insured vehicle, operating on a public road, and not having a valid roadworthy certificate and/or not being in a roadworthy condition and/or not being legally permitted to operate on a public road, at the time of such loss.

SUB-SECTION B - LIABILITY TO THIRD PARTIES

DEFINED EVENTS

Any accident caused by or through or in connection with any vehicle described in the schedule or in connection with the loading and/or unloading of such vehicle in respect of which the insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of:

- (i) death of or bodily Injury to any person, but excluding death of or bodily Injury to the Insured or to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured;
- (ii) Damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from such vehicle.

The Insurer will also, in terms of and subject to the limitations of and for the purposes of this Sub-Section,

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Sub-Section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Sub-Section, provided that the total of the Insurer's liability under both this extension and Sub-Section B shall not exceed the limit of indemnity stated to apply to Sub-Section B;
2. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission provided that:
 - (a) such person shall, as though he were the Insured, observe, fulfil and be subject to the Terms, Exceptions and Conditions of this insurance in so far as they can apply;
 - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any Insurer;
 - (c) indemnity shall not apply in respect of claims made by any member of the same household as such person;
 - (d) such person is not entitled to indemnity under any other Policy except in respect of any amount not recoverable there under.
3. indemnify the Insured while personally driving or using any private type motor car not belonging to him and not leased or hired to him under a lease or suspensive sale agreement, provided the Insured is an individual and has insured hereunder a vehicle described under definition (a) or (b) and provided the Insurer shall not be liable for Damage to the vehicle being driven or used;
4. indemnify the Insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the Insurer shall not be liable for Damage to the towed vehicle or trailer or to property therein or thereon.

EXCEPTIONS TO SUB-SECTION B

The Insurer shall not be liable under this Sub-Section in respect of:

- (a) so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This Exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected;
- (b) death of or Injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition (b), (c), (d) or (e) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from

- a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1 500kg);
- (c) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.
 - (d) any loss or Damage associated with an insured vehicle, operating on a public road, and not having a valid roadworthy certificate and/or not being in a roadworthy condition and/or not being legally permitted to operate on a public road, at the time of such loss;
 - (e) liability in respect of Injury, Damage or loss or use of property directly or indirectly caused by any seepage, spillage, Pollution or contamination by or of any materials or substances whatsoever as well as the cost of removing, nullifying or cleaning up any seeping, spilled, polluting or contaminating materials or substances whatsoever.

LIMITS OF INDEMNITY

Unless otherwise stated, the liability of the Insurer under this Sub-Section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the Schedule.

SUB-SECTION C - MEDICAL EXPENSES

DEFINED EVENTS

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily Injury by violent, accidental, external and visible means, the Insurer will pay to the insured the medical expenses incurred as a result of such Injury up to R5 000 per injured occupant but not exceeding R20 000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this Sub-Section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

The term medical expenses include any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

Defined vehicle but only if it is insured under Subsection A of this section	Specified part of vehicle in which the Injury must occur
Any private type motor car or motorised caravan	Anywhere inside the vehicle
Any other type of insured vehicle other than a bus or a permanently enclosed passenger taxi	carrying compartment

DEFINITIONS

1. Occurrence

The term occurrence shall mean an occurrence or series of occurrences arising from one cause in connection with any one vehicle in respect of which indemnity is provided by this insurance.

2. Vehicle

The term vehicle shall mean:

- (a) private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 12 persons including the driver);
- (b) commercial vehicles and special type vehicles as described in the Schedule;
- (c) motor cycles (including motor scooters and 3-wheeled vehicles);
- (d) buses (including any vehicle used for Business purposes and designed to seat more than 12 persons, including the driver);
- (e) trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto;

any such vehicle being owned by or hired or leased to the Insured, including any such vehicle temporarily operated by the insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the Insurer's maximum liability shall not exceed the lesser of the retail value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.

EXTENSIONS

1. Contingent Liability Extension (if stated in the Schedule to be included)

The indemnity under Sub-Section B includes claims made against:

- (a) the insured in the event of an accident arising in the course of the Business and caused by or through or in connection with any motor vehicle not the property of or provided by the Insured, while being used by any partner or director or Employee of the Insured (hereinafter in this Extension referred to as such person);
- (b) any such person in the event of an accident arising in the course of the Business and caused by or through or in connection with any motor vehicle not belonging to him or to the insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer;
provided that:
 - (i) all the words in (b) of the exceptions to Sub-Section B are deleted;
 - (ii) the Insurer shall not be liable for loss of or Damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above;
 - (iii) the payment by the Insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension;
 - (iv) if, at the time of the occurrence of any accident giving rise to a claim under this Extension, the Insured or such person is entitled to indemnity under any other Policy in respect of the same occurrence, the Insurer shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other Policy;
 - (v) the Terms, Exceptions and Conditions of the Policy shall otherwise apply.

2. Passenger Liability Extension (if stated in the Schedule to be included)

Exception (b) to Sub-Section B shall not apply to vehicles described in definition (b), other than special types, or in definitions (c), (d) or (e). The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

3. Unauthorised Passenger Liability Extension (if stated in the Schedule to be included)

The indemnity under Sub-Section B, notwithstanding exception (b) thereto, extends to cover the Insured's legal liability for death of or bodily Injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the Insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

4. Parking Facilities and Movement of Third Party Vehicles Extension (if stated in the Schedule to be included) This Section extends to indemnify the Insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased to the Insured) by any person in the employ of the Insured or acting on the insured's behalf, provided always that such vehicle was being moved:

- (a) with the authority of any tenant, customer or visitor of the Insured or;
- (b) in connection with the insured's parking arrangements or;
- (c) to facilitate the carrying out of the insured's Business;

and provided further that this Extension shall not apply in respect of Damage to vehicles which are parked for reward.

For the purpose of this Extension, such vehicle (and its contents) shall not be deemed to be held in trust by, or in the custody or control of, the Insured.

5. Windscreen Extension (if stated in the Schedule to be included)

The provisions of this section relating to first amount payable and No Claim Rebate shall not apply to any payment for Damage to windscreen glass, side or rear glass forming part of any vehicle provided that

- (a) no other Damage has been caused to the vehicle giving rise to a claim under the policy
- (b) the Insured shall be responsible for the first amount payable (applicable to glass) stated in the Schedule of each and every loss.

6. Waiver of Subrogation Rights

For the purposes of this section, the Insurer waives all rights of subrogation or action which they may have or acquire against any other person to whom the indemnity hereunder applies, and each such person shall observe, fulfil and be subject to the Terms, Exceptions and Conditions (both general and specific) of this insurance in so far as they can apply.

7. Principals

Notwithstanding Specific Exception 2 of this Section, the indemnity under Sub-Section B extends to indemnify, to the extent required by the Conditions of any contract of the Building Industries Federation of South Africa, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the insured for the purposes of the Business, provided that the liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

8. Cross Liabilities

Where more than one Insured is named in the Schedule, the Insurer will indemnify each insured separately and not jointly, and any liability arising between such insured's shall be treated as though separate Policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

9. Riot and Strike Extension (if stated in the Schedule to be included)

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this Section is extended to cover loss or Damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;

- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or Damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

10. Loss of Keys Extension (if stated in the Schedule to be included)

The Insurer will indemnify the insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, following upon the disappearance of any key or alarm controller of such vehicle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that

- (i) the Insurer's liability shall not exceed, in respect of any one event, the amount stated in the Schedule;
- (ii) such amount shall be reduced by the first amount payable stated in the Schedule.

11. Fire Extinguishing Charges Extension

Any costs (not exceeding R5 000) relating to the extinguishing or fighting of fire shall be deemed to be Damage to the insured property and shall be payable in addition to any other payment for which the Insurer may be liable in terms of this section, provided the insured is legally liable for such costs and the insured property was in danger from the fire.

12. Wreckage Removal Extension (if stated in the Schedule to be included)

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following Damage to such vehicle by a Defined Event, provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Insurer's liability under this Extension shall not exceed, in respect of any one occurrence, the limit stated in the Schedule to apply to this Extension.

MEMORANDA

1. Premium Adjustment Clause

If this Section is issued on a non-specified vehicle basis, the Insured shall submit to the Insurer at the end of each period of insurance a declaration of the total number of vehicles owned, hired or leased at such expiry date.

The Insurer shall, upon receipt of this declaration, make a premium adjustment of 50% (fifty percent) of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

2. War Clause

In respect of Sub-Sections B and C only, General Exception 1 is deleted and replaced by the following:

This section does not cover war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

3. Description of Use Clause

Use for social, domestic and pleasure purposes and use for the Business or occupation of the insured excluding hiring, carriage of passengers for hire or carriage of fare-paying passengers, racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair.

OPTIONAL LIMITATIONS

THIRD PARTY ONLY LIMITATION (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

Sub-Sections A and C are cancelled.

THIRD PARTY, FIRE AND THEFT ONLY LIMITATION (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

The liability of the Insurer under Sub-Section A is restricted solely to loss or Damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, Sub-Section C is cancelled.

SPECIFIC EXCEPTIONS

1. The Insurer shall not be liable for any accident, Injury, loss, Damage or liability:
 - (a) whilst the vehicle is being used with the general knowledge and consent of the insured otherwise than in accordance with the description of use clause;
 - (b) incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, but the insurers will indemnify the insured against loss of or Damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit;
 - (c) whilst the vehicle is used for racing (including test runs), rallies, speed testing, trial runs and endurance testing.
 - (d) Vehicles not in compliance with SABS standard specifications incorporated in chapter VIII of the National Road Traffic Act 93 / 1996 covering dangerous goods.
 - (e) incurred while any vehicle is being driven by:-
 - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while not licensed to drive such vehicle;
 - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or who is not licensed to drive such vehicle or who does not hold a current valid Professional Driving Permit (PrDP) to drive such a vehicle as required in terms of the National Road Traffic Amendment Act of 1998 (as amended) – [Regulation 251 (1)].

This exception applies if the said person has held a PrDP but has not renewed it and is applicable to all drivers of:

 - (iii) goods vehicles with a GVM exceeding 3,500 kg;
 - (iv) breakdown vehicles;
 - (v) buses;
 - (vi) mini-buses with a GVM exceeding 3,500 kg or with 12 or more people (including the driver);
 - (vii) a motor vehicle designed to carry 12 or more people (13 persons and upwards)

- (viii) motor vehicles conveying persons for reward;
- (ix) motor vehicles conveying more than 12 persons;
- (x) dangerous goods vehicles

but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Insurer that, in the normal course of his Business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles

Provided that any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories referred to under Specific Exception (b) or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learner drivers.

2. The Insurer shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.

SPECIFIC CONDITIONS

1. Roadworthiness:

Cover provided by this Section of the Policy, including all Sub Sections thereof, is strictly subject to the vehicle/s being used in a condition which complies fully with the provisions and regulations of the National Road Traffic Act 93 of 1996, the National Road Traffic Regulations 2000 and/or any other applicable or subsequent legislation and/or regulations providing for the use of motor vehicles on a public roadway in South Africa or any similar legislation which applies to the countries as the territorial limits in the Schedule.

2. Drivers Licence

If, during the currency of this Section, any driver's licence in favour of the Insured or his authorised driver is endorsed, suspended or cancelled, or if he or they shall be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Insurer immediately the insured has knowledge of such fact.

3. Driver Licence – Public Roads:

Cover provided by this Section of the Policy, including all Sub Sections thereof, is strictly subject to the driver of any vehicle being licensed to drive such vehicle in accordance with the terms, provisions and regulations of the National Road Traffic Act 108 of 1996, the National Road Traffic Regulations 2000 and/or any other applicable or subsequent legislation and/or regulations providing for the licensing of drivers of motor vehicles on a public roadway in South Africa.

4. Driver Licence – Private Roads:

Cover provided by this Section of the Policy, including all Sub Sections thereof, is strictly subject to the driver of any vehicle, whilst being driven on a private roadway, being licensed, in accordance with the terms, provisions and regulations of the National Road Traffic Act 108 of 1996, to drive such a vehicle of like description.

5. Minimum Vehicle Security Requirements:

Vehicles valued up to R349,999: Requirement VESA Level 4 Alarm/Immobiliser or VESA approved Gearlock or Transponder Key (No theft cover if not fitted)

Vehicles valued R350,000 and over: Requirement Advanced Early Warning Tracking Device, which means an activated tracking device that alerts the Insured immediately of any unauthorised tampering of the vehicle, no theft cover if not fitted.

An Early warning device is a tracking system/ device that sends an instant signal or a real time warning to the Tracking Company if there is any unauthorised movement of the vehicle/ battery disconnect / ignition tampering/ stripping of the vehicle or any tampering that result in the vehicle being stolen.

ELECTRONIC EQUIPMENT

SUB-SECTION A - MATERIAL DAMAGE

DEFINED EVENTS

Physical loss of or Damage to the property insured described in the Schedule from any cause not hereinafter excluded whilst

- (a) at work or at rest anywhere within that part of the building occupied by the Insured at the Insured premises described in the Schedule;
- (b) in transit including loading and unloading or whilst temporarily stored at any premises en route;
- (c) temporarily removed from that part of the building occupied by the Insured at the Insured premises described in the Schedule to any other building.

DEFINITION

Electronic data processing equipment is limited to computers and all related hardware, peripherals and computer software and the information or data stored therein or thereon.

EXCEPTIONS TO SUB-SECTION A

The Insurer will not be liable to indemnify the Insured irrespective of the original cause in respect of:

1. the first amount payable as stated in the Schedule in respect of Sub-Section A, of each and every event giving rise to a claim. Where more than one item of property insured suffers physical loss or Damage in any one event, the first amount payable shall be the highest single amount applicable to such property insured;
2. derangement unless accompanied by physical Damage otherwise covered by this Section;
3. loss or Damage recoverable in terms of any maintenance and/or leasing agreement effected by or on behalf of the Insured covering the Insured equipment;
4. faults or defects known to the Insured (or their responsible Employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Insurer or any consequences thereof;
5. wastage of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching of painted or polished surfaces of a cosmetic nature;
6. parts having a short life such as (but not limited to) bulbs, valves, contacts, x-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are Damaged as a result of physical loss or Damage as provided for by this Sub-Section to other parts of the property insured, the Insurer shall indemnify the Insured for the residual value prior to the loss of such exchangeable parts;
7. the cost of reproducing data and/or programs whether recorded on cards, tapes, disks or otherwise unless specifically provided for in Sub-Section B hereof;
8. loss of use of the property or other consequential loss, Damage or liability of whatsoever nature other than losses specifically provided for herein;
9. (a) loss by theft or by disappearance of the property insured, other than laptops and data processing projectors, unless accompanied by forcible and violent entry into or exit (or any attempt thereat) from that part of the building occupied by the Insured at the insured premises described in the Schedule or as a result of theft or any attempt thereat, following violence or threat of violence;

- 9. (b) loss of the property insured by theft during transit or whilst temporarily removed from the insured premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Insurer.
- 9. (c) The Insurer shall not indemnify the insured for the theft of the property insured from any motor vehicle where the property insured has been:
- 9. (d) left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit;
- 9. (e) contained in a compartment of the motor vehicle and is visible to passers-by, provided that (a) and (b) above shall not apply to theft of the property insured where the transport vehicle;
 - (i) has been hijacked or;
 - (ii) has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

BASIS OF INDEMNIFICATION

The indemnity by this Sub-Section subject always to the sums insured contained in the Schedule or any specific limit of liability contained in this Sub-Section, shall be as hereinafter provided and as appropriate including dismantling, re-erection, transportation, removal of Damaged property insured (but less the value of the remains) and, where applicable, importation duties and value added tax.

(1) PARTIAL LOSS

If the property insured suffers Damage that can be repaired, the basis of indemnification shall be the restoration expenses reasonably and necessarily incurred to restore the Damaged property to working order provided that:

- (a) the value of Damaged parts which can be used will be deducted;
- (b) the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this Sub-Section;
- (c) if, without the consent of the Insurer, temporary repairs are carried out by the Insured in the interests of safety or to minimize further loss or Damage to the property insured, the cost of such temporary repairs will be borne by the Insurer. In the event that the temporary repairs aggravate the loss or cause additional loss or Damage to the property insured, any additional costs so incurred or consequence arising therefrom will be for the account of the Insured;
- (d) where the Damage is restricted to a part or parts of an insured item, the Insurer shall not be liable for an amount greater than the value of such part or parts which are lost or Damaged allowed for within the sum insured.

(2) TOTAL LOSS

- A. In cases where the new property insured is totally lost or destroyed, the basis of indemnification shall be the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or Damaged provided always that:
 - (i) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured, subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the property insured immediately before the Damage shall be made;

- (ii) until expenditure has been incurred by the insured in replacing or reinstating the property insured, the Insurer shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
- (iii) these conditions shall be without force or effect if:
 - (a) the Insured fails to intimate to the Insurer within six (6) months of the date upon which the Damage occurred (or such further time as the Insurer may in writing allow) his intention to replace or reinstate the property insured.
 - (b) the Insured is unable or unwilling to replace or reinstate the property insured on the same or another site
- (iv) at the sole option of the Insurer, following commercial and technical appraisal by a representative of the Insurer, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this Section.

DEFINITION OF NEW PROPERTY INSURED

New property shall mean property purchased no more than seven (7) years (or such extended period as may be approved by the Insurer in writing) prior to the Defined Event, it being expressly agreed that in applying this definition upgrades and enhancements will be taken into account in arriving at an indemnifiable amount and the age of the property insured.

- A. In respect of property insured not provided for in (A) above, the basis of indemnification shall be the market value of the property insured immediately before the loss or Damage. At the option of the Insurer, the property insured shall be regarded as totally destroyed if the repair costs as defined in (1) above equal or exceed its market value immediately before the Damage.

DEFINITION OF MARKET VALUE

The current day purchase price of second-hand/used property of equal performance and/or capacity to the property lost or Damaged and of substantially similar condition. Where no similar property is available, market value shall be calculated by deducting from the current new replacement value of the nearest equivalent property, an amount representing:

- (i) 20% (twenty per cent) for the first year after the date of purchase;
 - and
 - (ii) 10% (ten per cent) per year for each succeeding year.
- subject always to a minimum indemnity of 40% (forty percent) of the current new replacement value of the nearest equivalent property.

AVERAGE

In respect of (1) and (2) above, if at the time of repair, replacement or reinstatement, the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the property insured had been lost or Damaged exceeds the sum insured thereon at the time of any loss of or Damage to such property, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss or Damage accordingly. Each item of this Section (if more than one) to which these Conditions apply shall be separately subject to this Provision.

LIMIT OF LIABILITY

The amount of liability shall not exceed, in respect of any of the items specified in the Schedule, the sums insured set opposite thereto respectively and, in addition thereto, the following:

(a) Architects' and Other Professional Fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or Damage, provided that the amount payable in respect of such fees does not exceed 15% (fifteen percent) of the total amount of the claim, but shall not include expenses incurred in connection with the preparation of the Insured's claim.

(b) Clearance Costs

Costs necessarily and reasonably incurred by the insured in respect of demolition or dismantling of property and/or removal of debris and in providing, erecting and maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss of or Damage to such property, provided that the total amount recoverable does not exceed 15% (fifteen percent) of the total amount of the claim.

(c) Express Delivery and Overtime

Extra charges for express delivery, airfreight, overtime, Sunday and holiday rates of wages payable in respect of the necessary and reasonable additional costs incurred by the Insured for effecting repairs or replacement approved by the Insurer, limited to 50% (fifty percent) of the amount which the repair or replacement would have cost had these additional costs not been incurred.

CLAUSES AND EXTENSIONS

FIRE BRIGADE CHARGES

If any public authority empowered to do so shall charge the Insured with any costs arising from their activities in dealing with the consequences of an insured peril having operated, such costs will be deemed to be Damage to the property insured and will be payable in addition to any other payment for which the Insurer may be liable in terms of this insurance.

TENANTS

This insurance will not be invalidated by any act or neglect on the part of a tenant of the Insured (where the Insured owns the building) or another tenant or the owner of the building (where the insured is a tenant) provided that the Insured notifies the Insurer as soon as such act or neglect comes to their knowledge and pays on demand the appropriate additional premium.

HIRE PURCHASE/FINANCE AGREEMENTS

Where the Insurer has knowledge of the property insured or any individual item thereof being the subject of a suspensive sale or similar agreement, payment hereunder shall be made to the owner described therein whose receipt shall be a full and final discharge to the Insurer in respect of loss or Damage indemnifiable by this Sub-Section of the Section.

LOSSES AS A RESULT OF REMOTE BLOCKING:

Excluded and only covered if the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but that the locking mechanism was blocked by thieves using an electronic device, such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle.

Where the Insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:

1. the police case number is supplied to the Insurer;
2. shall only apply to property that is separately and individually specified in the Schedule;
3. after deduction of the first amounts payable in the Schedule, the liability of the Insurer is further restricted to the lesser of the sum insured shown on the Schedule or R25 000 (twenty five thousand Rand) in respect of any one event.

The Insured shall be responsible for the first 10% (ten percent) of the claim, minimum R1 000 (one thousand Rand) or the amount stated on the Schedule.

SUB-SECTION B: CONSEQUENTIAL LOSS

DEFINED EVENTS

The insurance provided by this Sub-Section (if stated in the Schedule) shall be subject to the limits of indemnity stated in the Schedule and shall include:

(i) Increased Cost of Working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal Business of the insured less any sum saved during the indemnity period in respect of such of the charges and expenses of the Business as may cease or be reduced in consequence of the accident.

The indemnity by this item shall not apply directly or indirectly to:

- (a) the cover provided for in item (ii) of this sub-section;
- (b) the intrinsic value (including reinstatement value) of the property insured by Sub-Section A of this section.

(ii) Reinstatement of Data

Costs and expenses necessarily and reasonably incurred by the insured for the reconstitution or recompilation of data and/or programs recorded on or stored in data-carrying media which are lost as a result of accidental erasure (which shall include the events defined in the indemnity clause to Sub-Section A of this Section) or by theft or by the deliberate, wilful or wanton intention of causing the cancellation or corruption of data or programs as provided for in Sub-Section A of this Section:

provided that;

- (a) the indemnity shall not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs;
- (b) in respect of each and every event or series of events arising out of or in connection with any one original cause or source indemnifiable by this item, the Insured shall bear the amount stated in the Schedule as the first amount payable
- (c) where the Insured elects to insure programs (software), a schedule of such programs shall be lodged with the Insurer at the commencement of each period of insurance.

DEFINITIONS

INDEMNITY PERIOD

The period during which the results of the Business shall be affected in consequence of the accident beginning with the number of hours/days detailed in the schedule as the time excess after the occurrence of the accident and ending not later than the expiry of the period detailed in the Schedule as the indemnity period after such occurrence.

ACCIDENT

1. (Applicable to Increased Cost of Working only) physical loss of or Damage to the property insured described in the Schedule from any cause as provided for under Sub-Section A of this Section, liability under which Sub-Section shall, except for the provisions relating to the first amount payable or the maintenance/lease agreements, be a condition precedent to liability hereunder.
2. Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than:
 - (a) the deliberate act of the insured or any supply authority;
 - (b) drought or shortage of fuel at any electricity utility.

Special conditions applicable to failure of the public supply of electricity:

- (a) The liability of the Insurer shall not exceed the sum insured by this Sub-Section.
- (b) The indemnity period shall commence 24 hours after the failure and end not later than 30 days after such failure.

THE LIMIT OF LIABILITY

The liability of the Insurer shall not exceed the amounts specified in the Schedule (relating to Sub-Section B) in respect of any one accident or series of accidents arising out of or in connection with any one event. In the event of the payment by the Insurer of any sum or sums in discharge of the Insurer's liability in terms of this Sub-Section, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance.

The Insured shall pay to the Insurer the additional premium required by the Insurer calculated pro rata from the day of the accident to the end of the period of insurance.

SPECIFIC EXCEPTIONS TO SUB-SECTION B

Unless specifically provided for:

1. Fines and Penalties
the Insurer shall not be liable to indemnify the Insured in respect of fines or penalties for breach of contract for late or non-completion of orders or any penalties of whatsoever nature.
2. Loss of Profit
the Insurer shall not be liable to indemnify the Insured in respect of loss of profit or consequential loss of whatsoever nature unless specifically provided for herein.

CLAUSES AND EXTENSIONS

REINSTATEMENT

Notwithstanding anything to the contrary contained in this Sub-Section, it is hereby declared and agreed that, in the event of any interruption, following loss or Damage, being aggravated by:

- (a) the Insured being unable or unwilling to replace or reinstate property destroyed or Damaged, or failing to carry out such replacement or reinstatement within a reasonable time, or;
- (b) additions, alterations or improvements being effected to the property insured on the occasion of its repair,

the Insurer's liability under this section shall be related solely to the Business interruption which would have arisen in the absence of (a) and (b).

TELKOM ACCESS LINES (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Subject to the limits specified in the Schedule, consequential loss as provided for under Defined Events (i) and (ii) of Sub-Section B arising from accidental failure of the Telkom Access Lines is included, provided always that the insurance under this extension shall be subject to the special conditions below.

SPECIAL CONDITIONS APPLICABLE TO TELKOM ACCESS LINES

- (a) The liability of the Insurer shall not exceed the sum insured by this Sub-Section.
- (b) The indemnity period shall commence 24 hours after the failure and end not later than 30 days after such failure.
- (c) The insurance provided does not cover loss occasioned by the deliberate act of any Telkom authority or by the exercise of such Telkom authority of its power to withhold or restrict access to its lines.

GENERAL MEMORANDA

MEMO 1 - CAPITAL ADDITIONS AND CURRENCY FLUCTUATIONS

The indemnity by this Section shall include:

- (a) additional equipment or programs purchased by the Insured of a similar nature to that specified in the Schedule, provided that, in respect of loss or Damage due to electrical, mechanical or electronic breakdown or explosion, the insurance shall only commence after satisfactory completion of installation or commissioning/testing and put into use at the insured's premises;
- (b) provision for devaluation or revaluation of the currency of the Republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the property insured provided that the increase shall not exceed, by more than 25% (twenty five percent), the total sum insured for Sub-Section A specified in the Schedule, it being agreed that the insured will advise the Insurer of such alterations after the expiry of each period of insurance and pay the appropriate premium thereon but not exceeding 50% (fifty percent) of the difference.

MEMO 2 - PREVENTION OF ACCESS

If, during the indemnity period, the Business at the premises is interrupted or interfered with in consequence of the Insured being prevented from having access to the property insured situated at the premises caused by Damage to property within a 10 km radius of the insured premises as described in the schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, the Insurer shall

indemnify the Insured for loss resulting from such interruption or interference in accordance with the provisions contained herein:

provided that;

- (i) the insured is not entitled to indemnity as provided for in this Extension under any other Policy or Section of this Policy
- (ii) this Section shall not be brought into contribution with any other Policy or Section of this Policy bearing a like Extension.

MEMO 3 – TERRITORIAL LIMITS

The Territorial Limits in respect of laptops, notebooks/palm top computers as well as all other portable computer equipment temporarily located outside of the premises specified in this Policy shall be deemed to be worldwide.

SPECIAL EXCEPTION (SUB-SECTIONS A AND B)

VIRUSES, TROJANS AND WORMS

The Insurer shall not indemnify the Insured for loss or Damage of whatsoever nature arising directly or indirectly out of or in connection with the action of any computer Virus, Trojan or Worm(s) or other similar destructive media.

LOSSES AS A RESULT OF REMOTE BLOCKING:

Excluded and only covered if the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but that the locking mechanism was blocked by thieves using an electronic device, such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle.

Where the Insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:

1. the police case number is supplied to the Insurer;
2. shall only apply to property that is separately and individually specified in the Schedule;
3. after deduction of the first amounts payable in the Schedule, the liability of the Insurer is further restricted to the lesser of the sum insured shown on the Schedule or R25 000 (twenty five thousand Rand) in respect of any one event.

The Insured shall be responsible for the first 10% (ten percent) of the claim, minimum R1 000 (one thousand Rand) or the amount stated on the Schedule.

GENERAL EXTENSION

INCOMPATIBILITY COVER (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Notwithstanding anything to the contrary contained in the Policy, the indemnity by Sub-Sections A and B of this Section shall indemnify the Insured for costs incurred in respect of:

- (a) modifications or alterations to the property insured directly consequent upon indemnifiable loss or Damage to ensure the operating integrity of the electronic system;
- (b) replacement or upgrading of legal programs to achieve compatibility with the modified or altered electronic system;

- (c) the restoration of previously captured data which has become inaccessible due to the modifications to or alterations of the electronic system or in consequence of the replacement or upgrading of legal programs provided always that:
- (1) the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions;
 - (2) such additional costs shall be incurred as a direct consequence of indemnifiable loss or Damage in terms of Sub-Sections A or B (item ii) of this Section;
 - (3) the cover afforded hereunder shall be restricted to:
 - (i) parts or components of the electronic system which are not indemnifiable under Sub-Section A hereof;
 - (ii) programs or data reinstated not indemnifiable under item (ii) of Sub-Section B hereof;
 - (4) the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to 20% (twenty percent) of the applicable total sum insured under Sub-Section A (the limit of indemnity) and Sub-Section B (item (ii)) or R25 000, whichever is the lesser.

BURGLAR ALARM WARRANTY WITH ARMED RESPONSE:

In respect of any premises in the Schedule to be subject to this condition at which a burglar alarm is installed it is a condition precedent to the liability of the Insurer and warranted that:

- (a) the burglar alarm installed at the premises shall be made fully operative whenever the premises are not open for Business unless a principal, partner, director or Employee of the Insured is on the premises;
- (b) such alarm shall be maintained in proper working order but the Insured shall be deemed to have discharged their liability in this regard if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system; c) such contract with the suppliers or servicing engineers is to include a 24 hour armed response back-up.

This insurance shall not cover loss of or Damage to the property following the use of the keys of the burglar alarm or any duplicate thereof belonging to the Insured unless such keys have been obtained by violence or threat of violence to any person.

LIGHTNING & POWER SURGE PROTECTION WARRANTY:

The insurance provided by this Section of the Policy, is strictly subject to the installation of power surge protection equipment in accordance with SANS 10142-1:2012 Annexure L Code of Practice. Such Protection Equipment/Arresters must display the SABS safety mark. Refer to SABS Standards Division Amendment No. 8 (google SANS 10142-1:2012 Annexure L) for requirements and specifications.

Furthermore, it is a condition precedent to liability that any Local Area Computer Network have specifically installed uninterrupted power supply (UPS) equipment having it's own surge protection and that such surge protection equipment is installed in accordance with SANS standards.

In the event of loss or Damage occurring as a result of lightning or power surge, the Insured cannot provide proof of adequate or suitable surge protection equipment as required in accordance with this clause, then the Insurers will indemnify the Insured however subject to an additional first amount payable of 10% (ten percent) of the claim amount subject to a minimum of R1000.

MOTOR TRADERS INTERNAL RISKS

DEFINED EVENTS

SUB-SECTION A - DAMAGE TO THE INSURED VEHICLE

The Insurer will indemnify the Insured against Damage to any insured vehicle the property of the Insured occurring in or on the premises.

Provided always that:

- (a) the Insurer may at its own option repair, reinstate or replace such insured vehicle or any part thereof or may pay in cash the amount of the Damage;
- (b) the liability of the Insurer under Sub-Section A of this Section is limited to the retail value of such insured vehicle but not in any case exceeding the amount stated in respect of Sub-Section A under the heading "LIMIT OF INDEMNITY" in the Schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence;
- (c) in the event of any part (which shall include any spare wheel, tool, accessory and spare part) needed to repair or replace Damage (insured against under Sub-Section A of this Section) to such insured vehicle being unobtainable in the Republic of South Africa as a standard (ready manufactured) article the liability of the Insurer shall be discharged by the payment of a sum equal to the value of such part (including the reasonable cost of freight other than by air) at the time of the accident but not in any case exceeding such part's price as stated in the manufacturer's last issued catalogue or price list.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION A

The Insurer shall not be liable under Sub-Section A of this Section to pay for:

- (a) loss of use, depreciation, wear and tear, mechanical or electrical breakdowns, failures or breakages;
- (b) Damage to tyres unless caused by an accident involving Damage to the insured vehicle itself for which indemnity is provided under Sub-Section A of this Section.

SUB-SECTION B - LIABILITY TO THIRD PARTIES

The Insurer will indemnify the Insured against all sums, including claimant's costs and expenses, which the Insured shall become legally liable to pay in respect of:

1. accidental death of or bodily Injury to any person;
2. accidental Damage to any insured vehicle held in trust by or in the custody or control of the Insured;
3. accidental Damage to any other property (that is, any property other than a vehicle); arising in or on the premises, the situation of which is stated in the schedule, out of the activities of the Insured's Business.

Provided always that:

- (a) the Insurer will indemnify the Insured against all costs and expenses (which are connected with the indemnity provided under Sub-Section B of this section) incurred with the Insurer's written consent;
- (b) the liability of the Insurer under Sub-Section B of this Section in respect of death, Injury, Damage, costs and/or expenses shall be limited to the sum specified in respect of Sub-Section B under the heading "LIMITS OF INDEMNITY" in the Schedule of this Section, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance; the liability of the Insurer under Sub-Section B of this Section shall be limited to the sum specified in respect of Sub-Section B under the heading "LIMITS OF INDEMNITY" in the Schedule, or the sum of R2 500 000 (Two Million Five Hundred

Thousand Rand), whichever is the lesser, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION B

The Insurer shall not be liable under Sub-Section B of this section in respect of:

- (a) death of or Injury to any person in the employment of the Insured arising out of and in the course of such employment;
- (b) death of or Injury to any person being a member of the same household as the Insured;
- (c) Damage to property belonging to, held in trust by or in the custody or control of the Insured or belonging to a member of the same household as the Insured or belonging to an Employee of the Insured;
- (d) Damage to any insured vehicle the property of the Insured or a member of the same household as the Insured or an Employee of the Insured.

DEFINITIONS

For the purposes of this Section the expression:

“schedule” used in this Section shall mean - the Schedule of this Section.

“premises” used in this Section shall mean - the premises, the situation of which is stated in the Schedule.

“Insured’s Business” used in this section shall mean - the Insured’s Business as stated in the Schedule.

“insured vehicle” used in this section shall mean - any motor vehicle and/or trailer including the spare wheel(s) and standard issued tools, accessories and spare parts of such motor vehicle and/or trailer whilst thereon as well as other accessories and spare parts of such motor vehicle and/or trailer whilst attached thereto.

CLAUSE REGARDING APPLICATION OF LIMITS OF INDEMNITY

In the event of any accident involving indemnity to more than one person any limitation by the terms of this Section and/or of any endorsement thereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the Insured.

CLAUSE REGARDING FIRST AMOUNT PAYABLE FOR WHICH THE INSURED IS RESPONSIBLE

In respect of each and every occurrence regarding Sub-Section A and B of this Section and notwithstanding anything to the contrary contained in such Sub-Sections the Insured shall be responsible for the first amount payable, as stated under the heading “First Amount Payable” in the schedule, of any expenditure (or any less expenditure which may be insured) for which provision is made under the aforesaid Sub-Sections (including any payment in respect of costs, expenses and fees) and of any expenditure by the Insurer in the exercise of the Insurer’s discretion under Sub-Section A of this Section and General Condition 7(a)(ii) of this policy. If the expenditure incurred by the Insurer shall include the amount for which the Insured is responsible in terms of this Clause, such amount shall be paid by the Insured to the Insurer forthwith.

For the purpose of this Clause the expression “occurrence” used in this Clause shall mean an occurrence or series of occurrences due to or arising out of one cause in connection with any one vehicle in respect of which indemnity is provided by this Section.

SPECIFIC EXCEPTIONS APPLICABLE TO ALL SUB-SECTIONS OF THIS SECTION

The Insurer shall not be liable under this section in respect of:

1. so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This Exception shall apply notwithstanding that no insurance under the said enactments is in force or has been effected;
2. death, Injury or Damage directly or indirectly caused by fire or explosion or lightning, provided that this Exception shall not apply to any claim under Sub-Section B (a) and B (b) of this section arising from death, Injury or Damage caused by fire or explosion resulting directly from the possession of any motor vehicle;
3. any consequence of theft or housebreaking or any attempt thereat;
4. Damage to any vehicle or any other property sustained while it is being worked upon and directly resulting from such work;
5. any defective workmanship or any consequence thereof;
6. death, Injury or Damage caused by or through any demolition of or structural alteration or addition to the premises or by or through the installation of any equipment;
7. death, Injury or Damage caused by or through or in connection with the use by or on behalf of the Insured or animals, power-driven cranes, elevators, lifts or hoists other than cranes or elevators forming part of any insured vehicle;
8. death, Injury or Damage resulting from the driving of the insured vehicle elsewhere than in or on the premises;
9. Damage caused by weather conditions to the insured vehicle;
10. any claim arising out of any contractual liability.

APPENDIX 1 - EXTENSIONS AND MODIFICATIONS

It is expressly declared and agreed that the following Extensions / Modifications (each individually) shall otherwise be subject to all the Terms, Exceptions and Conditions of this Section and all the Terms, Exceptions and Conditions (in so far as they can apply) of this policy, as if they had been incorporated in such Extensions / Modifications.

(1) Extension regarding Work Away from Premises (only applicable if stated in the Schedule as being included)

In consideration of the payment of an additional premium which is included in the premium of this Section it is hereby declared and agreed that the expression "premises" as defined in the definitions of this Section shall be deemed to include any premises at which the Insured is performing work provided that such premises are not under the control of the Insured.

(2) Extension regarding Car Hoists (only applicable if stated in the schedule as being included)

In consideration of the payment of an additional premium which is included in the premium of this Section it is hereby declared and agreed that the words "and car hoists having a lift not exceeding two metres" are added at the end of Specific Exception (7) of the Specific Exceptions applicable to all Sub-Sections of this Section.

(3) Modification regarding Third Party Only cover (only applicable if stated in the Schedule as being included)

It is hereby declared and agreed that Sub-Section A is cancelled.

MOTOR TRADERS EXTERNAL RISKS

DEFINED EVENTS

The Insurer will in accordance with the Terms, Exceptions and Conditions of Sub-Sections A and B indemnify the Insured in respect of any accident, loss or Damage occurring whilst any insured vehicle is elsewhere than in or on any Business premises owned by or in the occupation of the insured and such insured vehicle is being used in accordance with the terms of the Basis of Insurance which is mentioned under the heading "BASIS OF INSURANCE" in the Schedule.

SUB-SECTION A - LOSS OF OR DAMAGE TO THE INSURED VEHICLE

The Insurer will indemnify the Insured against loss of or Damage to any insured vehicle including the spare wheels and standard issued tools, accessories and spare parts of such insured vehicle whilst thereon as well as other accessories and spare parts of such insured vehicle whilst attached thereto.

Provided always that:

- (a) the Insurer may at its own option repair, reinstate or replace such insured vehicle or any part thereof and/or the spare wheels, tools, accessories and spare parts as mentioned above thereof or may pay in cash the amount of the loss or Damage;
- (b) the liability of the Insurer under Sub-Section A of this Section is limited to the retail value of the insured vehicle (including the spare wheels, tools, accessories and spare parts as mentioned above) but not in any case exceeding the amount stated in respect of Sub-Section A under the heading "LIMITS OF LIABILITY" in the Schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence;
- (c) in the event of any part (which shall include any spare wheel, tool, accessory and spare part) needed to repair or replace Damage (insured against under Sub-Section A of this Section) to such insured vehicle being unobtainable in the Republic of South Africa as a standard (ready manufactured) article the liability of the Insurer shall be discharged by the payment of a sum equal to the value of such part (including the reasonable cost of freight other than by air) at the time of the accident but not in any case exceeding such part's price as stated in the manufacturer's last issued catalogue or price list;
- (d) if such insured vehicle is disabled by reason of any loss or Damage insured against under Sub-Section A of this Section the Insurer will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the previous consent of the Insurer to the extent of but not exceeding R5,000 on the understanding that a detailed estimate is first obtained and immediately forwarded to the Insurer. The Insurer will also pay the reasonable cost of delivery to the Insured after repair of the aforesaid loss or Damage but not exceeding the reasonable cost of transport to the address of the insured anywhere in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi on condition, however, that the Insurer's liability for the aforesaid cost in respect of protection, removal and delivery shall in any case be limited to R2,000 in total.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION A

The Insurer shall not be liable under Sub-Section A of this Section to pay for:

- (a) consequential loss arising in any way whatsoever, depreciation, wear and tear, mechanical, electrical or electronic breakdowns, failures or breakages;
- (b) Damage to tyres by application of brakes or by road punctures, cuts or bursts;
- (c) Damage to springs due to inequalities of the road or other surface or to impact with such inequalities;

- (d) loss or Damage to accessories or spare parts by theft unless the vehicle is stolen at the same time.

SUB-SECTION B - LIABILITY TO THIRD PARTIES

The Insurer will:

- (1) indemnify the Insured in the event of an accident caused by or through or in connection with any insured vehicle, including the loading and/or unloading of such insured vehicle, against all sums, including claimant's costs and expenses, which the Insured shall become legally liable to pay in respect of:
 - (a) death of or bodily Injury to any person;
 - (b) Damage to property.
- (2) pay all costs and expenses (which be connected with the indemnity provided under Sub-Section B of this Section) incurred with the Insurer's written consent.
- (3) indemnify, in terms of and subject to the limitations of and for the purposes of Sub-Section B of this Section, any person who is driving any insured vehicle on the Insured's order or with the Insured's permission, on the understanding that:
 - (a) such person is not entitled to indemnity under any other Policy or any other Section of this Policy;
 - (b) such person shall as though he were the Insured observe, fulfil and be subject to the Terms, Limitations, Exceptions and Conditions of this Section and of this Policy in so far as they can apply;
 - (c) such person has not been refused any motor vehicle insurance or continuance thereof by any insurance Insurer or Underwriter.

Provided always that the liability of the Insurer under Sub-Section B of this Section in respect of death, Injury, Damage, costs and/or expenses shall be limited to the sum specified in respect of Sub-Section B under the heading "LIMITS OF LIABILITY" in the Schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence; the liability of the Insurer under Sub-Section B of this Section shall be limited to the sum specified in respect of Sub-Section B under the heading "LIMITS OF LIABILITY" in the Schedule or the sum of R2,500,000 (Two Million Five Hundred Thousand Rand), whichever is the lesser, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION B

The Insurer shall not be liable under Sub-Section B of this Section in respect of:-

- (a) death, Injury or Damage caused by or arising out of the operation, demonstration or use for purposes other than maintenance or repair of any insured vehicle (unless it be a forklift truck) of any tool or plant forming part of or attached to or used in connection with any insured vehicle or anything manufactured by or contained in any such tool or plant;
- (b) death, Injury or Damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of a load to any insured vehicle for loading thereon or the taking away of a load from any insured vehicle after unloading there from;
- (c) death of or Injury to any person in the employment of the Insured arising out of and in the course of such employment;
- (d) death of or Injury to any person being carried in or upon or entering or getting on to or alighting from any motor scooter, motor cycle or side-car attached thereto at the time of the occurrence of the event out of which any claim arises;
- (e) death of or Injury to any person being a member of the same household as the Insured;
- (f) Damage to property belonging to, held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from any insured vehicle;
- (g) Damage to any viaduct bridge or weighbridge or to any road and/or anything beneath by vibration or by the weight of any insured vehicle or load carried by such insured vehicle.

DEFINITIONS

For the purposes of this section the expression:

“Insured Vehicle” used in this section shall mean - any motor vehicle or trailer the property of or in the custody or control of the Insured (excluding any vehicle the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such vehicle is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises) and any vehicle (mechanically-propelled or otherwise) attached to any aforementioned vehicle for the purposes of being towed or salvaged.

APPLICATION OF LIMITS OF INDEMNITY

In the event of any accident involving indemnity to more than one person, any limitation by the terms of this Section and/or of any endorsement thereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the Insured.

FIRST AMOUNT PAYABLE

In respect of each and every occurrence regarding Sub-Sections A and B of this Section and notwithstanding anything to the contrary contained in such Sub-Sections the Insured shall be responsible for the first amount payable, as stated under the heading “First Amount Payable” in the Schedule, of any expenditure (or any less expenditure which may be incurred) for which provision is made under the aforesaid Sub-Sections (including any payment in respect of costs, expenses and fees) and of any expenditure by the Insurer in the exercise of the Insurer’s discretion under Sub-Section A of this Section and General Condition 7(a) (ii) of this Policy. If the expenditure incurred by the Insurer shall include the amount for which the Insured is responsible in terms of this clause, such amount shall be paid by the Insured to the Insurer forthwith.

For the purpose of this clause the expression “occurrence” used in this clause shall mean an occurrence or series of occurrences due to or arising out of one cause in connection with any one vehicle in respect of which this Section provides indemnity.

DESCRIPTION OF USE

Use for the Insured’s Business or occupation as stated in the Schedule.

EXCLUDING

Hiring, carriage of passengers for hire or carriage of fare paying passengers, driving instruction for reward, racing, speed or other contests, rallies or trials, carriage of explosives, carriage of passengers in excess of the number for which the vehicle is licensed or authorised by law to carry or carriage of any load in excess of that for which the vehicle is licensed to carry.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable under this Section in respect of: -

- (1) so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This Exception shall apply notwithstanding that no insurance under the aforementioned enactment is in force or has been effected;
- (2) any accident, Injury, loss, Damage, liability, costs and/or expenses caused, sustained or incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi provided, however, that the Insurer will indemnify the Insured in terms of Sub-Section A of this Section against loss

- of or Damage to any insured vehicle whilst in transit by sea between any ports in the aforementioned area including loading and unloading incidental to such transit;
- (3) any accident, Injury, loss, Damage, liability, costs and/or expenses caused, sustained or incurred while any Insured vehicle in respect of or in connection with which insurance is granted under this Section:
- (a) is being used otherwise than in accordance with the terms of the DESCRIPTION OF USE CLAUSE of this Section and the BASIS OF INSURANCE which is mentioned in the Schedule;
 - (b) is being driven by the insured or by any other person with the general knowledge and consent of the Insured unless duly and fully licensed to drive such vehicle in terms of the legislation applying to the area referred to in Specific Exception (2) of the Specific Exceptions applicable to this Section provided, however, that if such a licence be subject to renewal he has held and is not disqualified from holding or obtaining such a licence and provided further that this Exception shall not apply whilst the Insured or any such other person is driving such vehicle whilst leaning to drive it at such time he is complying with the laws and regulations in force relating to learners;
 - (c) is being driven by the insured, a member or a director of the Insured whilst under the influence of any drug or intoxicating liquor;
 - (d) is being driven with the general consent of the Insured or of his representative by any person who to the knowledge of the Insured or of such representative is under the influence of any drug or intoxicating liquor;
 - (e) is being used for any unauthorised purpose by an Employee of the Insured or by any other person with whom such Employee is or was in collusion;
- (4) any claim arising out of any contractual liability.

SPECIFIC CONDITIONS

- (1) If during the currency of this section any driver's licence in favour of the Insured or in favour of any authorized driver of the Insured be endorsed, suspended or cancelled or if he be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Insurer immediately the Insured has knowledge of such fact.
- (2) In addition to complying with General Condition 5 of this Policy:
- (a) the Insured shall take all reasonable steps to maintain any insured vehicle in efficient and roadworthy condition;
 - (b) all reasonable steps shall in the event of any accident or breakdown be taken to prevent further Damage or loss and if the insured vehicle which is involved be driven or used before the necessary repairs are effected, any extension of the Damage or any further Damage to such insured vehicle shall be entirely at the Insured's own risk.

PROVISIONS

Only the Basis which is mentioned under the heading "BASIS OF INSURANCE" in the Schedule is applicable and such Basis is subject to all the Terms, Exceptions and Conditions of this Section and all the Terms, Exceptions and Conditions (in so far as they can apply) of this Policy.

WAGES BASIS

- (1) The cover under this Section shall only be operative whilst the insured vehicle is being used:
- (a) for Business purposes of the Insured by the Insured or a member, director or Employee of the Insured excluding transit, delivery or conveying for or on behalf of the Insured by casual drivers or persons not wholly and regularly engaged in the employ of the Insured;
 - (b) for purposes of tuition provided that the person being taught to drive is complying with the law in force relating to learner-drivers and is accompanied by a fully licensed driver who shall be either the Insured or a member, director or Employee of the Insured;

- (c) for purposes of demonstration which shall include driving by the person to whom the Insured vehicle is being demonstrated provided that such person is fully licensed to drive such vehicle and is accompanied by a fully licensed driver who shall be either the Insured or a member, director or Employee of the Insured;
 - (d) for social, domestic and pleasure purposes (whether such use is incidental to the Business of the Insured or not) by any person other than the Insured or a member, director or Employee of the Insured.
- (2) It is a condition precedent to any liability of the Insurer under this Section that the Insured shall regularly record in a proper wage register the name of every Employee together with the wages, salary, commission and other consideration paid or allowed to such Employee and shall immediately record in such wage register the date of engagement and of discharge of each Employee.

EXTENSIONS

It is declared and agreed that:

- (a) only those Extensions which are specifically stated in the Schedule to be applicable, shall apply to this Section;
- (b) the following Extensions (each individually) shall otherwise be subject to all the Terms, Exceptions and Conditions of this Section and all the Terms, Exceptions and Conditions (in so far as they can apply) of this Policy, as if they had been incorporated in such Extensions.
 - (1) **Use for Social, Domestic and Pleasure Purposes**
In consideration of the payment of an additional premium which is included in the premium on this Section and notwithstanding anything contained to the contrary in this Section, the indemnity provided by this Section applies whilst any insured vehicle is being used for social, domestic and pleasure purposes by any person whose name is mentioned in respect of this Extension in the Schedule.
 - (2) **Loss of Use of Customers' Vehicles**
In consideration of the payment of an additional premium which is included in the premium on this Section in the event of the Insurer being liable to indemnify the Insured under Sub-Section A of this Section in respect of loss of or Damage to any insured vehicle the property of a customer whilst in the custody or control of the Insured the Insurer will also indemnify the Insured notwithstanding anything contained to the contrary in Specific Exception (a) of the Specific Exceptions applicable to Sub-Section A of this Section against all sums which the Insured shall become legally liable to pay as compensation for loss of use of such vehicle. Provided that the liability of the Insurer in respect of any one occurrence, shall not exceed the amount stated in the Schedule in respect of this Extension.
 - (3) **Unauthorised Use of Vehicles by Employees**
In consideration of the payment of an additional premium, which is included in the premium on this Section Specific Exception (3) (e) of the Specific Exceptions to this Section is cancelled.
 - (4) **Legal Liability of Passengers for Acts of Negligence**
In consideration of the payment of an additional premium which is included in the premium on this Section the Insurer will at the request of the Insured indemnify in terms of Sub-Section B of this section any person using the insured vehicle.

Provided always that such person:

- (a) is not personally driving or in control of the insured vehicle;
- (b) is not entitled to indemnity under any other Policy;
- (c) is not under the influence of intoxicating liquor or drugs;

- (d) shall as though he were the Insured observe, fulfil and be subject to the Terms, Exceptions and Conditions of this Section and of this Policy in so far as they can apply.
- (5) Legal Liability in Respect of Passengers (applicable to motor cycles and motor scooters only)

In consideration of the payment of an additional premium which is included in the premium on this Section

Specific Exception (d) of the Specific Exceptions applicable to Sub-Section B of this Section is cancelled.

Provided always that the liability of the Insurer in respect of any one occurrence shall not exceed the amount stated in the Schedule in respect of this Extension.

- (6) Driving of Motor Cycles
In consideration of the payment of an additional premium which is included in the premium on this Section and notwithstanding anything to the contrary contained in this section the indemnity provided by this Section is extended to apply whilst any insured motorcycle or insured motor scooter is being driven by a person for the purpose of tuition or demonstration without being accompanied by the Insured or a member, director or Employee of the Insured.
- (7) Windscreen
The Insured shall be responsible for the first amount payable stated in the Schedule for each and every loss.
- (8) Riot and Strike
Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this Section is extended to cover loss or Damage directly occasioned by or through or in consequence of:
- (i) civil commotion, labour disturbances, riot, strike or lockout;
 - (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (1) above;

Provided that this extension does not cover:

- (a) loss or Damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or Damage of any kind or description whatsoever;
- (c) loss or Damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or Damage related to or caused by any occurrence referred to in General Exception 1(A) (ii) (iii) (iv) (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurer alleges that by reason of provisos (a) (b) (c) (d) or (e) loss or Damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

OPTIONAL LIMITATIONS

It is declared and agreed that:

- (a) only those Optional Limitations which are specifically stated in the Schedule as being included, shall apply to this Section;

(b) the following Optional Limitations (each individually) shall otherwise be subject to all the Terms, Exceptions and Conditions of this Section and all the Terms, Exceptions and Conditions (in so far as they can apply) of this Policy, as if they had been incorporated in such Optional Limitations.

(1) Cover for Motorcycles and Motor Scooters only

The expression “insured vehicle” used in this Section shall bear the following meaning and not as stated in the Definitions of this Section:

any two-wheeled motorcycle or motor scooter (including any side car attached thereto) the property of or in the custody or control of the Insured, excluding any motorcycle or motor scooter the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such motorcycle or motor scooter is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises.

(2) Cover for Special Type Vehicles only

The expression “insured vehicle” used in this Section shall bear the following meaning and not as stated in the Definitions of this Section:

any tractor, agricultural, horticultural or forestry vehicle or load and earth moving equipment, lift truck or mobile crane (hereafter termed “Special Type Vehicle”) the property of or in the custody or control of the Insured (excluding any “Special Type Vehicle”, the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such “Special Type Vehicle” is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises) and any vehicle (mechanically-propelled or otherwise) attached to any aforementioned “Special Type Vehicle” for the purpose of being towed or salvaged.

(3) Exclusion of Own Vehicles

The expression “insured vehicle” used in this section is deemed not to include any vehicle the property of the Insured.

(4) Exclusion of Demonstration Risk

The Insurer shall be under no liability whilst any insured vehicle is being used for the purpose of demonstration.

(5) Exclusion of Legal Liability in Respect of Passengers

The Insurer shall not be liable under Sub-Section B of this Section in respect of death of or Injury to any person being carried in or upon or getting onto or entering or alighting from any Insured vehicle at the time of the occurrence of the event out of which any claim arises.

(6) Restricted Cover (Third Party, Fire and Theft)

The liability of the Insurer under Sub-Section A of this Section shall be restricted solely to loss or Damage resulting from fire, self-ignition, lightning or explosion and to loss or Damage by theft or any attempt thereat.

(7) Third Party Only Cover

Sub-Section A of this Section is cancelled.

MACHINERY BREAKDOWN

DEFINED EVENTS

Sudden and unforeseen, fortuitous physical Damage to the insured property (or any part thereof) whilst on the premises from any cause not specifically excluded whilst at work or at rest or being dismantled for the purpose of cleaning, inspection, repair, overhaul or removal to another position within the premises or in the course of these operations and subsequent re-erection by, but not restricted to:-

“defects in casting, defects in material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit or from any other cause not specifically excluded in terms of any Exception that is applicable to this Policy as a whole or this Section in particular that necessitates repair or replacement of the insured property.”

Provided always that this insurance shall only apply to the insured property after successful completion of their performance acceptance tests whether they are at work or rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. the first amount payable to be borne by the Insured in any one occurrence stated in the Schedule. If more than one item is lost or Damaged in one occurrence the Insured shall not be called upon to bear more than the highest single first amount payable applicable to such items;
2. loss of or Damage to exchangeable tools (for example but not restricted to dies, moulds, engraved cylinders), parts that by their use and/or nature suffer a high rate of wear and depreciation (for example, but not restricted to, refractory linings, crushing hammers), objects made of glass, belts, ropes, wires, rubber tyres, and operating media (for example but not restricted to lubricants, fuels, catalysts);
3. loss or Damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, wind, storm, water, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
4. loss or Damage for which a supplier, contractor or repairer is responsible either by law or under contract;
5. loss or Damage caused by any faults or defects within the knowledge of the Insured or his representatives existing at the time of commencement of this Section, whether such faults or defects were known to the Insurer or not;
6. loss or Damage as a direct consequence of the continual influence of operation (for example but not restricted to wear and tear, cavitation, erosion, corrosion, rust, boiler scale);
7. consequential loss or liability of any kind or description;
8. Damage resulting from the misapplication of tools or from experiment, overhauls or tests requiring the imposition of abnormal conditions.

BASIS OF INDEMNITY

1. Partial loss

Where Damage to the insured property can be repaired the Insurer will pay the expenses necessarily incurred to restore the Damaged insured property to its former state of serviceability plus the cost of

dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent that such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the Insured the Insurer shall pay the costs of materials and wages incurred for the purposes of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of the parts replaced, but the value of any salvage shall be taken into account if the cost of repairs equals or exceeds the actual value of the insured property immediately before the occurrence of the Damage, the property shall be regarded as destroyed and settlement shall be made on the basis provided for in (2) below.

2. Total loss

- (a) If equipment not exceeding 3 years from date of manufacture is totally Damaged the basis of calculating the amount payable shall be the cost of replacing or reinstating the equipment with equipment of the same kind or type but not superior to or more extensive than the insured equipment when new including freight and erection costs customs duties and the cost of removing the destroyed equipment less the value of the remains subject to provisos (a), (b) and (c).
- (b) If equipment exceeding 3 years from date of manufacture is totally Damaged the basis of calculating the amount payable shall be the cost of replacement at market value and the cost of removing the destroyed equipment less the value of any salvage subject to provisos (a), (b), (c), (d) and (e).

The Insured item shall be regarded as totally Damaged if the repair costs (as defined under partial loss) equal or exceed the value as defined in 2 (b) above immediately before the insured event.

Provided that:

- (a) the cost of any alterations, additions, improvements or overhauls carried out at the time of repair shall not be recoverable;
- (b) the cost of any provisional repairs shall be borne by the Insurer if such repairs constitute part of the final repairs and do not increase the total cost of repairs;
- (c) the Insurer shall make payments only after being satisfied by Production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be;
- (d) the work of replacement or reinstatement (which may be carried out at other premises and in any manner suitable to the requirements of the Insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made;
- (e) in either event (1) or (2) the amount claimable shall not exceed the amount specified in the Machinery Insurance Schedule.

SUM INSURED AND AVERAGE

It is a requirement of this section that the sum insured is equal to the cost of replacement of the insured property by new property of the same kind and capacity, which means its cost of replacement including freight, dues and customs duties, if any, and cost of erection. If the sum insured is less than the amount required to be Insured, the Insurer shall pay only in such proportion as the sum insured bears to the amount required to be Insured. Every item (if more than one) shall be separately subject to the foregoing stipulation.

DEFINITIONS

For the purposes of this section the following expressions mean:

“Insured property” - the property described in the schedule of this Section under the heading “Description of insured property”

“premises” - the premises, the situation of which is stated in the Schedule of this Section.

CLAUSES AND EXTENSIONS

OVERTIME, NIGHT WORK, WORK ON PUBLIC HOLIDAYS AND EXPRESS FREIGHT

The insurance under this Section covers extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight).

Provided that such extra charges are incurred in connection with Damage to the insured property recoverable under this Section.

Provided further that the amount payable in respect of this Extension shall not exceed the sum insured set opposite the applicable item and not exceeding in all the total sum insured stated in the Schedule of this Section.

CAPITAL ADDITIONS

This Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum insured) to the insured property for an amount not exceeding 20% (twenty percent) of the sum insured under the applicable item, it being understood that the insured undertakes to advise the Insurer each quarter of such alterations, additions and improvements and pay or agree to pay the additional premium thereon.

SPECIFIC CONDITIONS

1. The due observance and fulfilment of the terms of this Section and of this Policy in so far as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Insurer.
2. In the event of any material alteration in the risk undertaken by the Insured, the Insured shall as soon as possible give notice in writing to the Insurer. The Premium, Terms and Conditions shall thereupon be subject to adjustment accordingly. Any claim in respect of loss or Damage that may arise before such notice is given shall be handled in accordance with the Insurer’s normal Conditions, Exceptions and first amount payable for risks of a similar nature, provided the insured agrees to pay the increased premium that may be required in respect of the altered risk.
3. (a) On the happening of any Damage the Insured shall in addition to complying with General Condition 6 of this Policy:
 - (i) take all reasonable steps to minimise the extent of such Damage;
 - (ii) preserve any Damaged or defective parts for inspection by the Insurer.(b) On notification being given to the Insurer in terms of General Condition 6 of this Policy the Insured may carry out the repairs or replacement of any minor Damage; in all other cases a representative of the Insurer shall have the opportunity of inspecting the loss or Damage before any repairs or replacements or alterations are effected. If a representative of the Insurer does not carry out the inspection within a period of time that could be considered adequate under the circumstances, the Insured is entitled to proceed with the repairs or replacement.
 - (c) The liability of the Insurer under this Section in respect of the insured property shall cease if such insured property is kept in operation after a claim without being repaired to the satisfaction of the

Insurer, or if temporary repairs (other than in terms of 3(b) above) are carried out without the Insurer's consent.

4. The Insured shall, in addition to complying with General Condition 5 of this Policy:
 - (a) take all reasonable steps to maintain the insured property in efficient working order and to ensure that no part of the insured property is habitually or intentionally overloaded;
 - (b) fully observe the manufacturer's/agent's instructions for the operation, inspection and maintenance of the insured property and fully observe government regulations, statutory regulations, municipal regulations and all other binding regulations in force concerning the operation and maintenance of the insured property.

DETERIORATION OF STOCK

DEFINED EVENTS

Loss of or Damage to the Insured Property specified in the Schedule caused by Deterioration due to unforeseen physical loss of or Damage to the plant and machinery and as specified under the Machinery Breakdown Section in force;

Provided that the liability of the Insurer during any one year of insurance shall not exceed the Limit of Indemnity stated in the Schedule in respect of each item specified in respect of each item specified.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. loss arising within the no-claim period stated in the Schedule of goods stored in the refrigeration chambers due to deviation from the prescribed refrigeration temperature, unless deterioration is caused by contamination as a result of leakage of refrigerant or by accidental freezing of goods or unless fresh goods that have not yet reached the prescribed refrigeration temperature is affected thereby, no-claim period is defined at the time period immediately following the cessation of cooling which, with the storage room left sealed, no deterioration would take place;
2. loss arising from improper storage, Damage to packing material, insufficient circulation of air, non-uniformity of temperature;
3. loss to the goods stored arising as a result of shrinkage, inherent defects or diseases, natural deterioration or natural putrefication;
4. loss caused by temporary repair carried out without the Insurer's consent of refrigeration machinery specified in the Insured's list of machinery;
5. penalties for delay, consequential loss or Damage or liability of any nature whatsoever;
6. loss or Damage directly or indirectly caused by, or arising out of, or aggravated by:
 - (a) the wilful act or wilful negligence of the Insured or his representatives;
 - (b) fire, lightning, chemical explosion, extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempt thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslip, avalanche, hurricane, cyclone, volcanic eruption, or other natural catastrophes.

SPECIFIC CONDITIONS

This Section shall apply only if:

1. the refrigeration machinery is insured under an in force machinery breakdown Section;
2. the insured refrigeration machinery is connected to an automatic alarm system in an attended location;
3. the stock is not stored in "controlled atmosphere" chamber;
4. at the time of the loss or Damage the goods are stored in the refrigeration chambers;
5. the insured maintains on a daily basis a stock book in which the type, quantity and value of the goods stored and the beginning and the end of the storage period are entered separately for each refrigeration chamber;
6. the sum insured is equal to the estimated maximum selling price obtainable for the stored goods during the period of this Section. The Insured shall be obliged to furnish the Insurer not later than 10 days after the close of each month either with copies of the aforesaid stock books or with a duly completed declaration showing the average quantity and value per day of the goods stored during the preceding month (monthly declaration).

The monthly declarations shall be based on the selling price obtainable for the goods.

Stock book copies and monthly declarations shall be regarded as forming an integral part of this Policy.

The Sum Insured shall be reduced by any indemnity paid under this Section for the remaining Policy Period unless it has been reinstated by payment of a pro-rata additional premium, from the date of the insured loss or Damage for the remaining portion of the (annual) Period of Insurance;

7. all claims shall be settled on the basis of the value stated in the monthly declaration immediately prior to the occurrence of the loss or the selling price that would have been obtainable, whichever is the lesser. When determining the Indemnity the Insurer shall take into consideration all circumstances that may influence the amount of Indemnity, such as proceeds from a sale of goods as well as storage costs saved due to the termination of the storage.

If after an occurrence of a partial loss it is found that the last monthly declaration preceding the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last monthly declaration bears to the amount that ought to have been declared.

WARRANTIES

AUTOMATIC ALARM SYSTEM (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The Insured refrigeration machinery must be connected to an automatic alarm system in a controlled and permanent attended location failing which the Insurer will not be liable for any claim arising therefrom.

STOCK BOOK WARRANTY (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The Insured maintains on a daily basis a stock book in which the type, quantity and value of goods stored and the beginning and end of storage period are entered for each refrigerating chamber separately.

CONSTANT SUPERVISION (IF STATED IN THE SCHEDULE TO BE INCLUDED)

The insured refrigeration machinery is under constant supervision by qualified personnel failing which the Insurer will not be liable for any claim arising therefrom.

TEMPERATURE READINGS (IF STATED IN THE SCHEDULE TO BE INCLUDED)

During the entire period of storage the Insured records in a logbook the condition of the insured goods and at least three temperature readings per day from each refrigeration chamber, the accuracy of the temperature readings being verified by means of a calibrated independent reference thermometer at least every 14 days.

MACHINERY BREAKDOWN - CONSEQUENTIAL LOSS OF PROFIT

DEFINED EVENTS

If during the period of insurance any of the machinery and plant used by the Insured at the premises for the purpose of the Business be affected by an accident and the Business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with, the Insurer will (subject to the Exceptions and Conditions of this Section and of this Policy) pay to the Insured as indemnity in respect of item 1 mentioned under the heading "Property insured" in the Schedule of this Section, the amount of loss resulting from the aforesaid interruption or interference in accordance with the provisions contained in Appendix 1 of this Section, provided that

- (a) the machinery and plant shall during the currency of this section be insured against machinery breakdown;
- (b) the liability of the Insurer in respect of the aforementioned item 1, shall in no case exceed the sum insured stated in respect of such item 1 in the Schedule of this Section.

SPECIFIC EXCEPTIONS

This Section does not cover any loss or claim resulting from interruption of or interference with the Business directly or indirectly attributable to any of the following causes:

1. Loss or Damage to:
 - (a) foundations and masonry, unless specifically included and described in the list under the heading "List of machinery and plant" in the Schedule of this Section:
 - (b) exchangeable and replaceable parts such as, but not restricted to, bits, drills, knives, saw blades;
 - (c) dies, moulds, patterns, blocks, stamps, punches coatings or engravings on cylinders and rolls;
 - (d) parts which by their use and/or nature suffers a high rate of wear or depreciation such as, but not restricted to, crushing surfaces, balls, hammers, screens and sieves, engraved soft metal cylinders, wear plates, elevator and conveyor belts or bands, chains, flexible pipes, jointing and packing materials, filter cloths, parts made of glass, rubber, textile or synthetic, grinding wheels, ropes, belts, straps, cables other than electrical conductors, brushes, batteries, tyres, refractory materials, grate bars, burner jets;
 - (e) operating media such as, but not restricted to, fuels, chemicals, catalysts, filter substances, heat transfer media, cleansing agents, lubricants.
2. Loss or Damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, burglary or theft or attempts thereat, collapse of buildings, wind, storm, water, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes.
3. Loss or Damage for which a supplier, contractor or repairer is responsible either by law or under contract.
4. Loss or Damage due to any faults or defects within the knowledge of the Insured or his representatives existing at the time of commencement of this Section, whether such faults or defects were known to the Insurer or not.
5. Repair or replacement necessitated by direct Damage due to wear and tear, corrosion, erosion, deposits of scale sludge or other sediment, rust, or by scratching of painted or polished surfaces, or by any other direct consequences or progressive or continuous influences from working or atmospheric or chemical action; but the Insurer shall be liable for any loss resulting from interruption or interference caused by Damage arising from such causes and otherwise insured by this Section.
6. Loss or Damage due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments.

7. Shortage, destruction, deterioration of or Damage to raw materials, semi-finished or finished Products or other materials required for proper operation, even if the consequence of material Damage to an item described in the list under the heading "List of machinery and plant" in the Schedule of this Section is involved.
8. Any restrictions or reconstruction or operation imposed by any public authority.
9. The Insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or Damaged machinery.
10. Loss or Damage to machinery, mechanical installations and their additional installations or other item which are not described in the list under the heading "List of machinery and plant" in the Schedule of this Section, even if the consequence of material Damage to an item described in the aforesaid list is involved.
11. Loss of Business due to causes such as suspension, lapse or cancellation of a lease, license or order et cetera that occurs after the date when the machinery and plant affected by an accident is again in operating condition and the Business could have been resumed if the aforesaid lease, license or order et cetera had not been suspended, lapsed or cancelled.
12. the Insurer shall not be liable under this Section in respect of the prolongation of any period of interruption of or interference with the Business resulting directly or indirectly from the operation of:
 - (a) any gazette law of the Republic of South Africa, including any exchange control regulation, directed against any other country;
 - (b) any law of a foreign country or international law directed against the Republic of South Africa;
 - (c) any economic sanctions, conventions, trade embargoes, boycotts, strikes or actions directed against the Republic of South Africa, other than occurring within the borders of the Republic of South Africa.

If the Insurer alleges that this clause is applicable by reason of any or all of the stipulations (a), (b) or (c) above, the burden of proving the contrary shall rest on the Insured.

If the Insurer alleges that by reason of any of the provisions of Specific Exceptions (3) and (4) above, any loss or claim is not covered by this section the burden of proving the contrary shall rest on the Insured.

DEFINITIONS

For the purposes of this Section the following mean:

"Premises" — the premises, the situation of which is stated in the Schedule of this Section;

"Business" — the Insured's Business as stated in the Schedule of this Section

"Machinery and plant"- machinery and plant described in the list under the heading "List of machinery and plant" in the Schedule of this Section.

"Accident" — any unforeseen and sudden fortuitous physical Damage to the machinery and plant necessitating its immediate repair or replacement due to causes such as but not restricted to defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, malice, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, storm, or any other cause not specifically excluded whilst such machinery and plant are:

- (a) working or at rest;
- (b) being dismantled, moved, or re-erected for the purpose of cleaning, inspection, repair or installation at another location within the premises, provided such machinery and plant have successfully completed its acceptance tests.

SPECIFIC CONDITIONS

1. The due observance and fulfilment of the terms of this Section and of this Policy insofar as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Insurer.
2. (a) Representatives of the Insurer shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Insurer with all details and information necessary for the assessment of the risk;
(b) The Insured shall as soon as possible notify the Insurer in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.
3. Should at any time after the commencement of this Section:
 - (a) the Business be wound up or carried on by a liquidator, receiver, trustee or judicial manager or be permanently discontinued;
 - (b) the Insured's interest ceases other than by death;
 - (c) any alteration be made or admitted by the Insured whereby the risk of accident is increased;
 - (d) the retention of standby or spare machinery or any other loss-minimising factors in existence when the insurance under this section was effected, be reduced or discontinued or such stand-by or spare machinery be not maintained in an efficient working condition and available for immediate use then the insurance under this Section shall, notwithstanding anything contained to the contrary in General Condition 1 of this Policy, cease unless and until the continuance of the insurance under this Section is confirmed in writing by the Insurer.
4. The Insured shall exercise all reasonable care in the selection of employment and supervision of all Employees and in the prevention of any loss or Damage and in compliance with any statutory regulations and manufacturer's recommendations. The stipulations of this specific condition 4 are applicable in addition to the stipulations of General Condition 5 of this Policy.
5. The Insured shall be obliged to keep complete records. All records (for example, but not limited to, inventories, Production and balance sheets) for the three preceding years shall be held in safe-keeping, or (as a precaution against their being simultaneously destroyed) the Insured shall keep separate sets of such records.
6. On the happening of any occurrence that may result in a claim under this Section the Insured shall, notwithstanding General Condition 6:
 - (a) immediately notify the Insurer by telephone or telegram of the aforesaid occurrence and send the Insurer written confirmation thereof within 48 hours after the aforesaid occurrence;
 - (b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimise or establish the extent of any interruption of or interference with the Business or to avoid or diminish the loss resulting therefrom;
 - (c) as far as may be reasonable practicable without causing any increase in the period of interruption or interference with the Business take precautions to preserve anything that might prove necessary or useful by way of evidence in connection with any claim;
 - (d) discontinue the use of any Damaged machinery and plant unless the Insurer authorized otherwise, and the Insurer shall not be liable in respect of any further interruption or interference with the Business arising out of the continued use of any Damaged machinery and plant without the Insurer having given its consent in writing to such use until the aforesaid machinery and plant have been repaired to the satisfaction of the Insurer.
7. In the event of a claim being made under this Section the insured shall, notwithstanding General Condition 6, at the insured's own expense within 30 days after the expiry of the indemnity period (or within such further time as the Insurer may in writing allow) submit to the Insurer a written statement setting forth full particulars of the Insured's claim together with details of all other insurances covering the accident or any part of it or consequential loss (of any kind whatsoever) resulting therefrom. The insured shall at his own

expense also produce and furnish to the Insurer such books of account and other Business books, documents, proofs, information, explanation and other evidence as may be reasonably required by the Insurer for the purpose of investigating or verifying the claim, together with (if required) a statutory declaration regarding the truth of the claim and of any matters connected with the claim.

8. If at the time of any accident resulting in a loss insured against under this Section there by any other insurance effected by or on behalf of the insured covering the same loss or any part thereof the Insurer shall not be liable to pay or contribute more than its rateable proportion of any sum payable in respect of the whole of such loss. Provided that the Insurer shall not be liable to pay for or contribute to any loss that is insured by or would but for the existence of this Section be insured by any Business interruption or loss of profits or consequential loss Policy or Policies covering marine risks or fire and/or explosion risks.
9. The total amount of the indemnity that is provided under this Section shall be payable two weeks after the final determination of such amount. If after the expiry of one month since the beginning of an interruption of or interference with the Business and after the expiry of each further month it is possible to determine the minimum amount that the Insurer is liable to pay in respect of the then elapsed period of the aforesaid interruption or interference the Insured shall be entitled to demand that the aforesaid minimum amount be paid to the Insured as an instalment in respect of the total amount of the indemnity that is provided under this Section.
Provided that:
 - (a) the Insurer shall be entitled to postpone any payment:
 - (i) if there is any doubt as to the Insured's right to receive payment until the necessary proof is furnished;
 - (ii) police or penal investigation have been initiated against the Insured, until the completion of such investigations.
 - (b) the Insurer shall not be liable to pay interest other than interest for default.
10. In the event of an accident to any machinery and plant that may result in a claim under this Section the Insurer shall have the right to take over and control all necessary repairs or replacements.
11. On the happening of any occurrence in respect of which a claim is or may be made under this Section the Insurer and every person authorized by the Insurer (without thereby incurring any liability and without diminishing the right of the Insurer to rely upon any other conditions of this Policy) enter any building where the loss had happened and may take possession of or require that any of the machinery and plant be surrendered to them and may keep possession of and deal with such machinery and plant for all reasonable purposes and in any reasonable manner. This Condition shall be evidence of the leave and license of the Insured to the Insurer so to do. If the Insured or anyone acting on his behalf does not comply with the requirements of the Insurer or hinders or obstructs the Insurer during the aforementioned acts, then all benefit under this Section shall be forfeited.

DEFINITIONS

GROSS PROFIT

The insurance under Item 1 of this Section is limited to loss of gross Product due to (a) reduction in turnover and (b) increase in cost of working and the amount payable as indemnity thereunder shall be:

- (a) in respect of reduction in turnover: The sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover;
- (b) in respect of increase in cost of working: The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover that but for that expenditure would have taken place during the indemnity period in consequence of the accident, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided,

less any sum saved during the indemnity period in respect of such of the charges and expenses of the Business payable out of gross profit as may cease or be reduced in consequence of the accident, provided that the amount payable shall be proportionately reduced if the sum insured in respect of Item 1 of this Section be less than the sum produced by applying the rate of gross profit to the annual turnover.

For the purpose of the insurance under Item 1 of this Section the expression "gross profit" used in this Section shall mean: the amount by which;

- (1) the sum of the value of the turnover and the value of the closing stock shall exceed;
- (2) the sum of the value of the opening stock and the amount of the specified working expenses.

"Stock" - The values of the opening and closing stocks shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

"Specified working expenses" - those variable expenses of the Business that are specified under the heading "Specified Working Expenses" in the Schedule of this Section.

"Turnover" - the money (less discounts allowed) paid or payable to the insured for goods sold and delivered and for services rendered in the course of the Business at the premises.

"Indemnity period" - the period, not exceeding the indemnity period stated in the Column under the heading "Indemnity period limit" of the list under the heading "List of machinery and plant" in the Schedule of this Section, commencing with the occurrence of the accident during which the results of the Business shall be affected in consequence of such accident, provided always that the Insurer shall not be liable for the amount of the loss arising during the time excess, such time excess to commence as from the beginning of the interruption of or interference with the Business resulting in a claim under this Section.

"Time excess" - the period stated in the Column under the heading "Time excess" of the list under the heading "List of machinery and plant" in the schedule of this Section.

"Rate of gross profit" - the rate of gross profit earned on the turnover during the financial year immediately before the date of the accident, to which such adjustments shall be made as may be necessary to provide for the trend of the Business and of variations in or special circumstances affecting the Business either before or after the accident or that would have affected the Business had the accident not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results that would but for the accident have been obtained during the relative period after the accident.

"Standard turnover" - the turnover during that period in the twelve months immediately before the date of the accident that corresponds to the indemnity period to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations in or special circumstances affecting the Business either before or after the accident or that would have affected the Business had the accident not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the result that but for the accident would have been obtained during the relative period after the accident.

"Annual turnover" - the turnover that, but for the accident, the insured would have been able to obtain during the 12-month period immediately before either the date when the Business is no longer affected, or when the indemnity period ends, whichever occurs first.

OTHER PREMISES

If during the indemnity period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the Business either by the insured or by others on his behalf the money paid or payable in

respect of such sales or services shall be brought into account in arriving at the turnover during the indemnity period.

EXTENSIONS AND CLAUSES

1. Overhauls

In determining the amount payable as indemnity under this Section, due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption of or interference with the Business.

2. Benefits after re-commissioning

If during a period of 6 months immediately following the re-commissioning of the machinery and plant after an accident the insured derives benefit from deferred sales or from increased Production and/or profits as a consequence of an interruption of or interference with the Business, such benefits shall be taken into account in determining the amount payable as indemnity under this Section.

3. Reinstatement of sum insured

For the period following the occurrence of an accident up to the last day of any (annual) period of insurance, the sum insured under this Section shall be reinstated by payment of an additional premium on a pro-rata basis, such additional premium to be calculated on that part of the aforesaid sum insured that corresponds to the amount paid as indemnity under this Section. The sum insured shall, however, remain unaltered.

4. Return of premium

If the Insured declares at the latest six months after the expiry of any (annual) period of insurance that the gross profit earned during the accounting period of 12 months most nearly concurrent with the aforesaid (annual) period of insurance, as certified by the insured's auditors, was less than the sum insured thereon, a pro-rata return of premium, not exceeding one third of the premium paid on such sum insured for such (annual) period of insurance, shall be made in respect of the difference. If any accident has occurred giving rise to a claim under this section the aforesaid return shall be made in respect only of so much of the aforesaid difference as is not due to such accident.

HOUSEOWNERS

DEFINITIONS

For this Section:

1. "You / Your / Yours / Yourself" means the Insured.
2. "Dwelling" refers to the immovable structures and includes the private residence and its domestic outbuildings including all fixtures, fittings and improvements such as:
 - 2.1. water, sewerage, gas, electricity and telephone connections;
 - 2.2. paths and driveways constructed of brick, concrete, pavers, asphalt or stone (not gravel);
 - 2.3. walls, gates and fences (excluding hedges);
 - 2.4. swimming pools (excluding movable swimming pools) including fixed filtration plant, water pumping machinery (not automatic pool cleaners);
 - 2.5. tennis courts;
 - 2.6. sauna and spa baths;
 - 2.7. aerials, antennae and satellite receivers;

belonging to You and situated at the Risk Address on the Schedule.

COVER PROVIDED

1. Indemnity to You

- 1.1. We will decide whether We will settle a claim by repairing or replacing or paying cash, or a combination of the three, at current replacement cost but subject always to the limit of indemnity stated in this Policy.

If at the time of the loss or Damage, the amount which is needed to replace Your property with similar new property is more than the amount for which it is insured, You will be considered to be Your own Insurer for the difference and will bear a proportional share of the loss or Damage accordingly.

or

- 1.2. You may choose within 6 (six) consecutive months of the date of destruction or Damage to reinstate the Dwelling on the same site as nearly as possible to its condition when new (or another site and in the way You want subject to our liability not being increased and in the way You want provided that this does not increase Our liability, provided:
 - 1.2.1. the reinstatement must be started and finished in a reasonable time otherwise We will settle in terms of 1.1;
 - 1.2.2. We will not pay more than the cost which would have been payable in terms of 1.1 until the cost has first been incurred by You;
 - 1.2.3. if at the time of reinstatement the cost including the cost of demolition and professional fees which would have been incurred in reinstating the Dwelling had it been totally destroyed is more than the insured amount on the Dwelling at the time of destruction or Damage You will be Your own Insurer for the difference and will bear a proportional share of the reinstatement.

2. Insured Events

The insured events are:

- 2.1. fire, explosion, lightning, thunderbolt and underground fire;
- 2.2. storm, wind, water, hail, snow or flood excluding destruction or Damage:
 - 2.2.1. to gates, fences and retaining walls;
 - 2.2.2. caused by movement of the land supporting the Dwelling or Retaining Walls even if such movement is caused by storm or flood. This exclusion does not apply to the removal of land supporting the Dwelling or Retaining Walls by flowing surface water;

- 2.2.3. as a result of any process necessarily involving the use or application of water, unless by the public authorities in extinguishing a fire;
- 2.2.4. as a result of wear and tear or gradual deterioration, or any other gradually operating cause;
- 2.3. earthquake excluding any loss or Damage arising directly or indirectly from any mining operations;
- 2.4. bursting, leaking or overflowing of water tanks, equipment or pipes, tanks and water equipment;
- 2.5. impact with any of the said buildings by an animal or vehicle or articles falling from such vehicle or falling trees (except whilst being felled);
- 2.6. impact by aircraft and other aerial devices or articles dropped there from;
- 2.7. break-in or any attempted thereat;
- 2.8. theft or attempted theft of landlord's fixtures and fittings in or on the buildings but not for theft while the Dwelling is lent, let or sub-let in whole or in part (other than to paying guests, boarders or lodgers up to 3 (three) in all), unless We can see physical Damage caused by the break-in or theft;
- 2.9. malicious Damage but not for malicious Damage while the Dwelling is lent, let or sub-let;
- 2.10. escape of oil from a fixed oil heater or associated equipment.

We will not pay more than the total insured amount on the Schedule in any 12 (twelve) month period of insurance, or the full replacement value of such building whichever is less.

3. Rent / Alternative Accommodation

- 3.1. We will compensate you for:
 - 3.1.1. Loss of rent, or
 - 3.1.2. rent for which You are liable, or
 - 3.1.3. the cost of other similar accommodation,

because the Dwelling is unfit to live in, limited to 20% (twenty percent) of the Houseowners insured amount in any 12 (twelve) month period of insurance.

If Your Dwelling is insured by this Section then indemnity is provided by the Public Liability Section, in so far as it applies to the liability of property owners.

4. Fire Brigade Charges

We will pay the reasonable cost charged by any authorised fire brigade in connection with an insured event.

5. Cost of Demolition and Professional Fees

Provided that We agree in writing We will pay actual costs charged for:

- 5.1. demolishing the building, removing debris of such insured building from the site and erecting hoardings required for building operations;
- 5.2. architects' fees, quantity surveyors' fees, consulting engineers' fees and local authorities' scrutiny fees;
- 5.3. in accordance with the requirements of any public authority;

in connection with the loss or destruction of or Damage to the Insured Property by an insured event, provided that We are only liable up to the insured amount in the Schedule.

6. Water-Pumping Machinery

If fixed filtration plant or water-pumping machinery (not automatic pool cleaners) in domestic use is accidentally destroyed or Damaged (not wear and tear) We will pay for or may choose to repair or replace it up to R3 000 (Three Thousand Rand) per event.

7. Public Supply or Mains Connection

If the water, sewerage, gas, electricity and telephone connections of Your property or for which You are legally responsible, between the said Dwelling and the public supply or mains are accidentally Damaged or destroyed, We may decide to pay for or may choose to repair them.

8. Glass and Sanitary Ware

In the event of accidental breakage in the Dwelling (except when it is unfurnished and unoccupied) of:

- 8.1. fixed glass;
- 8.2. fixed sanitary ware excluding chipping, scratching or disfiguration;

We may decide to pay for or may choose to repair or replace it.

9. Liability to the Public

If Your Dwelling is insured under "Buildings" then indemnity is provided under the Public Liability section, in so far as it applies to the liability of property owners.

10. Alteration, Additions and Improvements

The increase in value to the Dwelling following alterations, additions and improvements, provided You advise Us within 30 (thirty) days of completion of such and pay the additional premium We may require based on such alterations, additions or improvements up to 15% (fifteen percent) of the insured amount.

11. Power Surge relative to Dwelling Buildings

The Insurance under this Section is extended to include Damage to fixtures and fittings forming part of the buildings insured under this Section caused by Power Surge.

Provided that the Insurer's liability shall not exceed R10 000 in respect of any one event less the first amount payable of 5% of claim minimum, R500 for each and every occurrence.

12. Security Guards

Employment of security guards up to R1 000 (One Thousand Rand) to protect Your Dwelling after the occurrence of an insured event.

13. Water Leakage

We will compensate you for costs of water lost through leakage from pipes on your property where you are responsible to pay the charge for such water subject to the following:

- 13.1. In the event of the quarterly reading of water consumption exceeding the average of the last previous four quarterly readings by 50% (percent) or more we will indemnify you for the cost of such additional water consumed up to a limit of R2 000 (Two Thousand Rand).

14. Tracing of Leaks

We will compensate you for cost to detect leaks in pipes in the residence and compensation is limited to R5,000.00 annually. This cover does not include the costs of repairing the leak.

15. Subsidence and Landslip – Limited Cover (If stated on the schedule to be included)

- 15.1. Subsidence and landslip extension - Limited Cover

(It is noted that this extension is automatically included unless specifically excluded)

- 15.2. Sub-section A - Property, is extended to include loss of or Damage to the building caused by subsidence or landslip of the land supporting the building, or heave, provided that such loss or Damage is not caused by or does not arise from

- (i) normal settlement, shrinkage or expansion of the building
- (ii) alterations, additions or repairs to the building the compaction or infill
- (iii) defective or faulty design, materials or workmanship
- (iv) excavations including mining operations
- (v) contraction and/or expansion of soil, clay or similar types or moist or damp removal or weakening of support to the building
- (vi) buildings constructed on dolomite sites

- 15.3. Excluded Cover:

- (i) Loss or Damage to the following is automatically excluded:
- (ii) Swimming pools and surrounds, tennis courts, terraces, patios, paths, driveways, septic or conservancy tanks, drains, water courses, walls, gates, posts and fences, retaining and screening walls unless the building is Damaged at the same time by the same event

- (iii) Solid floor slabs or any part of the building resulting from the movement of such slabs unless the foundation supporting the external walls of the building are Damaged by the same cause at the same event
 - (iv) Consequential loss whatsoever
 - (v) Damage existing at commencement of cover
- 15.4. No cover is provided for work necessary to prevent further loss or Damage due to subsidence, landslip or heave except where appropriate design precautions are implemented during the original construction of the building and any subsequent additions thereto.
- 15.5. The Insured shall be responsible for the first R10 000 of each and every occurrence giving rise to a claim.
The Insured may be required to prove that the loss or Damage being claimed for was caused by subsidence and/or landslip or heave.

16. Subsidence and landslip extension - Full Cover (if stated in the Schedule to be included)

The following peril is added to Sub-Section A - Property:

Damage caused by subsidence or landslip, provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured as stated in the Schedule.

This extension does not cover

- 16.1. Damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- 16.2. Damage caused by or attributable to
 - (a) faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises
 - (b) workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises
 - (c) excavation on or under land other than excavations in the course of mining operations
- 16.3. consequential loss of any kind whatsoever except,
- 16.4. loss of rent, normal settlement, shrinkage or expansion of the building,
- 16.5. active soils, except where professional engineering design precautions have been implemented during construction, the densification of made up ground or infill or by inadequate compaction of filling,
- 16.6. Damage from a cause which existed prior to the commencement of the policy,
- 16.7. solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundations supporting the external walls of the building are Damaged by the same cause at the same time,
- 16.8. work necessary to prevent further destruction or Damage due to subsidence or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto

In any action suit or other proceeding where the Company alleges that, by reason of the provisions of this extension, any Damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

DEFINITIONS

Subsidence	the downward movement of a site on which buildings may or may not stand, from causes unconnected with the building (if present).
Landslip	the downward and/or sideways movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground
Settlement	the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and is unpredictable
Active Soils	a soil that changes in volume to varying degrees in response to changes in moisture content, i.e. the soil may increase in volume (heave or swell) upon wetting and decrease in volume (shrink) upon drying out.

EXCESS PAYABLE BY YOU

You must pay the Excess stated in the Excesses Annexure each time You claim under this Section.

SPREADING OF FIRE (IF STATED IN THE SCHEDULE TO BE INCLUDED)

In consideration of the payment of an additional premium, Specific Exceptions 3(e) and 9(b) are deleted.

The amount payable under this extension, inclusive of any Legal Costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the insurer's consent

for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the sum insured less the first amount payable stated in the schedule.

It is a condition of this extension that, at the happening of an occurrence that gives rise to a claim in terms of this extension, the Insured complies with the requirements of the National Law Veld and Forest Fire act no. 101 of 1998, or any amendment thereto, and any other regulations relating to the spread of fire to adjoining properties.

This extension does not cover Damage to any type of plantations (sugar cane, timber plantations, forests and the like) by spread of fire.

EXCLUSIONS

The following are not covered:

1. consequential loss or Damage of any kind whatsoever except as specifically provided for under Loss of Rent;
2. any claim arising out of any contractual liability unless legal liability would have existed in the absence of such contract or agreement;
3. loss, destruction or Damage to any property whatsoever, or any loss or expense whatsoever resulting or arising there from as a result of lack of maintenance to Your Dwelling;
4. loss or Damage to any Dwelling of which the construction is non-standard;
5. loss or Damage to any Dwelling which has a thatch roof in part or in whole unless specified on the schedule and the additional premium has been received by Us.
6. any theft or malicious Damage to the Dwelling in the event that it is unoccupied for more than 60 (sixty) collective days per year unless We agree otherwise in writing.
7. We will also not be liable under more than one of the Sections of this Policy for any legal liability, arising from the same happening, for the same property or liability.

CONDITIONS

1. Mortgagee

The interests of the mortgagee:

- 1.1. rank prior to Your interests;
- 1.2. are limited to the outstanding balance on the home loan account for the insured Property;
- 1.3. will not be invalidated by Your act or omission that occurs without the mortgagee's knowledge.

2. Tenants

This insurance will not be invalidated by any act or omission of a tenant of Yours without Your knowledge, provided You notify Us in writing as soon as such act or omission comes to Your knowledge.

3. Building Operations

While the dwelling is being erected or structurally altered cover provided by 3. Loss of Rent, 8. Accidental Breakage of Glass and Sanitary Ware and 9. Liability to the Public will not apply to loss, Damage or liability arising directly or indirectly from such erection or alteration.

HOUSEHOLDERS

DEFINITIONS

For this Section:

1. "You / Your / Yours / Yourself" means the person(s) in whose name this Policy is issued and his/ her spouse.
2. "property insured" means household goods and personal possessions which is Your property or that of any member of Your family normally living with You which is inside the building(s) or outbuilding(s) at the Risk Address on the schedule.
3. "insured amount" means the current replacement cost on a non-selective basis of all property which are not otherwise insured.
4. "Dwelling" means the private residence situated at the risk address on the schedule.
5. "Outbuilding" means a flat / cottage, domestic outbuildings, including but not limited to garages, domestic Employees' quarters, storerooms and tenants' premises, irrespective if these outbuildings have inter-leading doors or are attached to the Dwelling, situated at the risk address on the schedule.
6. "Buildings" means your private residence and outbuildings.

COVER PROVIDED

1. Indemnity to You

We may decide whether We want to settle a claim by repairing or replacing or paying cash, or a combination of the three, at current new replacement cost but subject always to the limit of indemnity stated in this Policy.

If at the time of the loss or Damage, the amount which is needed to replace all Your insured property with similar new property is more than the amount for which it is insured, You will be considered as Your own insurer for the difference and will bear a proportionate share of the loss or Damage accordingly.

2. Insured Events

We cover You against loss or Damage caused by:

- 2.1. fire, lightning, thunderbolt, explosion and underground fire;
- 2.2. earthquake (excluding loss of or Damage caused by mining operations);
- 2.3. storm, wind, water, hail, snow or flood excluding any loss or Damage:
 - 2.3.1. to property in the open;
 - 2.3.2. caused by any process involving the use or application of water unless by the public authorities in extinguishing a fire;
 - 2.3.3. to property in any structure not completely roofed;
 - 2.3.4. as a result of wear and tear or gradual deterioration or any other gradually operating cause;
- 2.4. bursting, leaking or overflowing of geysers, water tanks or pipes or fixed oil-fired heating equipment excluding loss or Damage to tanks, equipment or pipes themselves;
- 2.5. theft or attempted theft (if theft or attempted theft from the outbuildings are not accompanied by burglary), cover is limited to R1 000 or 2% (two percent) of the insured amount for contents, whichever is the greater;
- 2.6. malicious Damage but not for malicious Damage while the Dwelling is lent, let or sub-let;
- 2.7. impact with the buildings mentioned in this section by a vehicle, animal or falling tree (except whilst being felled);
- 2.8. impact by aircraft and any other aerial devices or articles dropped there from;
- 2.9. breakage or collapse of fixed radio or television aerials, satellite receivers or masts;

3. Fire Brigade Charges

The actual cost charged by any authorised fire brigade in connection with an Insured Event.

4. Contents of Refrigerators and Freezers

If foodstuffs kept in any refrigerator or deep-freeze unit in the Dwelling or Outbuilding deteriorates due to:

- 4.1. breakdown of or accidental Damage to the unit;
- 4.2. failure of power supplied by public authorities unless unconnected with Your failure to pay Your account,

We will compensate You for loss of foodstuffs limited to R2 000 (Two Thousand Rand) per event.

5. Laundry and Garden Furniture

Theft of laundry or garden furniture from Your Dwelling or Outbuildings, limited to R2 000 (Two Thousand Rand) per event.

6. Mirrors and Glass

Accidental breakage of mirror glass and plate glass tops of furniture kept inside Your Dwelling or Outbuildings on the schedule, limited R2 000 (Two Thousand Rand) per event.

7. Credit Cards and Debit Cards

Loss following the fraudulent or unauthorised use of any credit/debit card not otherwise insured, limited to R1 000 (One Thousand Rand).

8. Security Guards

Employment of security guards limited to R1 000 (One Thousand Rand) per event necessary to protect Your contents after the occurrence of an insured event.

9. Rent / Alternative Accommodation

We will compensate you for:

- 9.1. Loss of rent, or
- 9.2. rent for which You are liable, or
- 9.3. the cost of other similar accommodation

because the Dwelling is unfit to live in, limited in total to 20% (twenty percent) of the Householders insured amount in any 12 (twelve) month period of insurance.

10. Loss of or Damage to Servant's Property / Outbuilding

Loss of or Damage to servant's property in Outbuildings is covered under the same terms and conditions as the rest of this section, up to 2% (two percent) of the sum insured amount for Householders per event provided that We can see physical Damage caused by the break-in to the Outbuildings.

11. Theft of Money (Forcible entry only)

Theft of money is covered under the same Terms and Conditions as the rest of this Section, limited to R500 (Five Hundred Rand) per event provided that We can see physical Damage caused by the break-in to the Dwelling.

12. Property of Guests

Property of Guests is covered under the same terms and conditions as the rest of this section, limited to R2 000 (Two Thousand Rand) per event provided that We can see physical Damage caused by the break-in to the Dwelling or Outbuilding and we do not pay for effects covered under another Policy.

13. Water Leakage

We will compensate you for costs of water lost through leakage from pipes on your property where you are responsible to pay the charge for such water subject to the following:

- 13.1. In the event of the quarterly reading of water consumption exceeding the average of the last previous four quarterly readings by 50% (fifty percent) or more we will indemnify you for the cost of such additional water consumed up to a limit of R2 000 (Two Thousand Rand).

14. Moving House (Permanent change of address)

We will compensate you for loss or Damage caused by collision or overturning and theft (including hijack) while your contents are being transported by professional removers, up to the total sum insured amount for Householders per event.

15. Transit

Household contents in your custody whilst in transit to or from any place of purchase, repair or renovation is covered under the same Terms and Conditions as the rest of this Section, up to 2% (two percent) of the sum insured for Householders per event, provided the loss or Damage is caused by fire, collision or overturning of the conveying motor vehicle.

16. Other Premises

Loss or Damage to the insured property caused by any of the Insured Events mentioned in 2.1 to 2.9, whilst in

16.1. any occupied private residence, hotel, inn, boarding house, club, nursing home, hospital, school or any institution for tertiary education in which you, or any member of your family as defined under Definition 2 of this Section may be temporarily residing as well as in any office or Business premises where you are employed;

16.2. any furniture depository or bank safe deposit;

16.3. any trade premises for the purpose of making up, renovating, repair, cleaning or dyeing; is covered under the same terms and conditions as the rest of this Section.

We will only compensate you if we can see physical Damage caused by break-in or theft.

17. Hole-in-One / Full House

If You or any member of Your family score a Hole-in-One whilst playing golf according to the rules of golf, or if You are part of a rink (team of four) which, playing as amateurs, scores a full house (that is, all eight bowls to count) in a game of bowls in any competition played in terms of the rules of the South African Bowling Association, at any recognised bowling club, We will pay R1 000 (One Thousand Rand) per event on written confirmation by the secretary of the club.

18. Power Surge relative to the Dwelling contents

The Insurance under this Section extends to include Damage to television sets, audio and video equipment, fax machines, telephones, and other household appliances caused by Power Surge.

Provided that the Insurer's liability shall not exceed R10 000 in respect of any one event less the first amount payable of 5% of claim minimum R500 for each and every occurrence.

19. Subsidence and Landslip – Limited Cover (If stated on the Schedule to be included)

Subsidence and landslip extension - Limited Cover

(It is noted that this extension is automatically included unless specifically excluded)

19.1. Loss or damage to property caused by subsidence or landslip of the land supporting the building, or heave, provided that such loss or damage is not caused by or does not arise from

- (i) normal settlement, shrinkage or expansion of the building
- (ii) alterations, additions or repairs to the building the compaction or infill
- (iii) defective or faulty design, materials or workmanship
- (iv) excavations including mining operations
- (v) contraction and/or expansion of soil, clay or similar types or moist or damp removal or weakening of support to the building
- (vi) buildings constructed on dolomite sites

19.2. Excluded Cover:

Loss or damage to the following is automatically excluded:

- (i) Swimming pools and surrounds, tennis courts, terraces, patios, paths, driveways, septic or conservancy tanks, drains, water courses, walls, gates, posts and fences, retaining and screening walls unless the building is damaged at the same time by the same event
- (ii) Solid floor slabs or any part of the building resulting from the movement of such slabs unless the foundation supporting the external walls of the building are damaged by the same cause at the same event
- (iii) Consequential loss whatsoever
- (iv) Damage existing at commencement of cover

- 19.3. No cover is provided for work necessary to prevent further loss or damage due to subsidence, landslip or heave except where appropriate design precautions are implemented during the original construction of the building and any subsequent additions thereto.
- 19.4. The Insured shall be responsible for the first R10 000 each and every occurrence giving rise to a claim. The Insured may be required to prove that the loss or damage being claimed for was caused by subsidence and/or landslip or heave.

20. Subsidence and landslip extension - Full Cover (if stated in the Schedule to be included)

Damage caused by subsidence or landslip, provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured as stated in the Schedule.

This extension does not cover

- 20.1. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- 20.2. damage caused by or attributable to
- (a) faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises
 - (b) workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises
 - (c) excavation on or under land other than excavations in the course of mining operations
- 20.3. consequential loss of any kind whatsoever except,
- 20.4. loss of rent, normal settlement, shrinkage or expansion of the building,
- 20.5. active soils, except where professional engineering design precautions have been implemented during construction, the densification of made up ground or infill or by inadequate compaction of filling,
- 20.6. damage from a cause which existed prior to the commencement of the policy,
- 20.7. solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundations supporting the external walls of the building are damaged by the same cause at the same time,
- 20.8. work necessary to prevent further destruction or damage due to subsidence or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto

In any action suit or other proceeding where the Company alleges that, by reason of the provisions of this extension, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

DEFINITIONS

Subsidence	the downward movement of a site on which buildings may or may not stand, from causes unconnected with the building (if present).
Landslip	the downward and/or sideways movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground
Settlement	the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and is unpredictable
Active Soils	a soil that changes in volume to varying degrees in response to changes in moisture content, i.e. the soil may increase in volume (heave or swell) upon wetting and decrease in volume (shrink) upon drying out.

EXCLUSIONS

The following are not covered:

1. loss or Damage caused, sustained or incurred outside the territorial limits of the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
2. deeds, bonds, bills of exchange, promissory notes, cheques, securities for money, manuscripts, documents of any kind;
3. loss of or Damage to rare books, medals, stamps or coin collections;
4. theft from the Dwelling while lent, let or sub-let unless We can see physical Damage caused by the theft. The accommodation of paying guests, boarders or lodgers (up to three people) shall not be deemed to be the lending, letting or sub-letting of your buildings;
5. property more specifically insured, other than property insured in terms of the Business All Risks Section
6. more than 25% (twenty five percent) of the Householders insured amount for electronic equipment unless otherwise stated in the Schedule;
7. loss or Damage if the construction of the Dwelling or Outbuilding is non-standard;
8. loss or Damage from to any Dwelling or Outbuilding which has a thatch roof in part or in whole unless specified on the schedule and You have paid the additional premium that We require;
9. property more specifically covered in this Policy or any other Policy.

CONDITIONS

1. Property Unoccupied

If Your Dwelling is unoccupied for a period of more than 60 (sixty) consecutive days, cover against loss or Damage by theft is automatically suspended, unless We agree to extend cover in writing and You have paid the additional premium that We require. We do not regard the occupation of the domestic Employees' quarters by Your domestic Employees or of any Outbuildings by tenants as occupation of the Dwelling for the purpose of this Special Condition.

2. Change of Risk Address

When You move to a new permanent address, You must give Us written notice of the move within 7 (seven) days otherwise Your cover under this Section will lapse.

3. Proof of Ownership

You must provide Us with reasonable proof We require of the value and ownership of any item claimed for.

4. Pairs and Sets

Where insured property consists of a pair or set, We do not compensate You for more than the value of any particular portion which may be lost or Damaged, nor for more than the proportionate part of the pair or set, without reference to any special value which such article(s) may have as part of such pair or set.

5. Excess Payable

You must pay the Excess stated in the Schedule each time You claim under this Section.

6. Alarm Warranty

It is warranted that 6.1 shall be complied with by You unless otherwise agreed to by Us in writing:

- 6.1. We will not pay for loss or Damage caused by theft or break-in or any attempt thereat, from the Dwelling and/or Outbuildings occurring whilst the Dwelling is unoccupied unless the Dwelling and/or Outbuildings are protected by means of an armed response linked burglar alarm:
 - 6.1.1. which is monitored by a control room with 24 (twenty four) hour armed response, and
 - 6.1.2. which is maintained and kept in full working order and is fully operational, and
 - 6.1.3. activated at all times when the Dwelling is unoccupied;
 - 6.1.4. The alarm may not be altered or removed by any person unless We agree to this in writing before the work is done;

- 6.1.5. We do not regard the occupation of the domestic Employees' quarters by Your domestic Employees, or of an Outbuilding by tenants as occupation of the Dwelling for the purpose of this warranty;
- 6.1.6. The burglar alarm must be tested on a monthly basis to ensure that it is in a proper working order;
- 6.1.7. The generic code of the alarm must be changed to an unique and individual PIN code at the time that the alarm is installed;
- 6.1.8. There will be no cover unless the key/code to the alarm is obtained by assault, violence or threat of violence to You or the key/code holder.

If it is required by Us to have security gates in front of all exterior doors (stated on the Schedule) and the security gates are not locked when the Dwelling and Outbuildings are left unoccupied You will not have theft or break-in cover under this section.

If it is required by us to have an armed response linked burglar alarm system (stated on the Schedule) and the alarm system is not in a working condition or is not set when the buildings are left unattended You will not have theft or break-in cover under this section. The occupation of the domestic Employee quarters by Your domestic Employees will not constitute occupation of the Dwelling for the purpose of this warranty and the occupation of the Outbuildings by tenants will not constitute occupation of the Dwelling for the purpose of this Warranty.

7. Accidental Damage

We will pay up to R 5 000 (Five Thousand Rand) for sudden and unforeseen Damage, including power surge and collapse, to home sound equipment, television, video recorder, decoder, DVD, satellite dish, masts, antennae, cables, fittings, microwave ovens and other kitchen appliances, non-portable home computer equipment and telephone instruments.

MINIMUM SECURITY REQUIREMENTS:

The following are the protection requirements for Householders cover:

HOUSEHOLDERS SUM INSURED BELOW R300 000:

Adequate burglar bars on ALL opening windows (All floors of the House)

Security gates on all doors leading to the outside of the dwelling. Alternatively, a linked (SAIA approved) alarm system, with 24-hour armed response will be accepted (Alarm Warranty applies).

HOUSEHOLDERS SUM INSURED R300 000 AND GREATER:

A linked (SAIA approved) alarm system, with armed response is a requirement (alarm warranty applies)

The above measures will not be compulsory in respect of contents in any cluster housing or flats with 24-hour, manned access control. These cases must be referred to Tradesure with full details of the security in place at the complex for the final underwriting decision and Policy endorsement.

DOMESTIC ALL RISKS

DEFINITIONS

For this Section:

1. "You/Yours/Yourself" means the person in whose name this Policy is issued and Your spouse and any member of Your immediate family normally residing with You and who is financially dependent upon You.
2. "Insured Property" means:
 - 2.1. Unspecified property:
 - 2.1.1. Clothing;
 - 2.1.2. Personal effects normally worn or designed to be carried on or by the person;
 - 2.1.3. Personal equipment normally worn or used by the person participating in sporting activities (but excluding Damage to sporting equipment occurring during the course of use).
 - 2.2. Specified property:

As more specifically described in the Schedule.

INSURED EVENTS

1. Indemnity to You

We will indemnify You for loss of or Damage to the Insured Property by any cause not excluded occurring anywhere in the world provided that any temporary visit outside the territorial limits of the Republic of South Africa is for a period not exceeding six (6) months in any twelve (12) calendar month Period of Insurance after which You will not be covered for any event that occurs outside the Republic of South Africa.

2. Safe Deposit

If cover that is indicated against any item in the Specified All Risks section of the Schedule is noted as "Bank", insurance for such item is only valid while it is contained in a safe deposit at a bank.

3. Losses as a result of remote blocking:

- 3.1. If the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but that the locking mechanism was blocked by thieves using an electronic device, such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle.
- 3.2. Where the Insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:
 - 3.2.1. the police case number is supplied to the Insurer;
 - 3.2.2. shall only apply to property that is separately and individually specified in the Schedule;
 - 3.2.3. after deduction of the first amounts payable in the Schedule, the liability of the Insurer is further restricted to the lesser of the sum insured shown on the Schedule or R25 000 (twenty five thousand Rand) in respect of any one event.
- 3.3. The Insured shall be responsible for the first 10% (ten percent) of the claim, minimum R1 000 (one thousand Rand) or the amount stated on the Schedule.

SPECIFIC EXCEPTIONS

1. Unspecified Property

We will not be liable for:

- 1.1. more than twenty percent 20% (twenty percent) of the Sum Insured per item in respect of Unspecified Property stated in the Schedule or the maximum amount stated in the Limit Section, whichever is the lesser;
- 1.2. vehicle sound equipment or cell phone, cassette tape or any other device or disc that can be held in the hand;
- 1.3. spectacles, sunglasses, contact lenses, stamp or coin collections, contents of caravans, camping equipment, golf clubs and pedal cycles;
- 1.4. laptop computers and palm top computers;
- 1.5. property that is more specifically insured.

2. Specified and Unspecified Property

We will not be liable for:

- 2.1. any First Amount Payable stated in the Schedule;
- 2.2. loss or Damage caused:
 - 2.2.1. by termites, insects, vermin, moths, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light;
 - 2.2.2. during any process of cleaning, dyeing or renovating;
 - 2.2.3. by the bursting, rusting, corrosion or derangement of any firearm;
 - 2.2.4. by or attributable to defective design, specification, construction or material;
 - 2.2.5. by any process of cleaning, lack of maintenance or upgrading;
 - 2.2.6. by any type of virus or similar destructive media;
 - 2.2.7. by wear and tear or gradually operating causes;
- 2.3. chipping, scratching, denting or breakage of china or similar articles of a fragile nature;
- 2.4. vehicles, motor cycles of any type including scooters, three-wheeled vehicles, quad bikes, golf carts, trailers, caravans, hang-gliders, aircraft and water craft, including their fitted equipment and accessories;
- 2.5. Insured Property stolen from any unattended vehicle unless the Insured Property was concealed in a boot or compartment forming part of a locked vehicle and such Insured Property is not visible to the public and We are able to see that there was forcible and violent entry to the vehicle;
- 2.6. money, credit cards, debit cards, phone cards, deeds, bonds, bills of exchange, promissory notes, cheques, securities for money, manuscripts, documents of any kind;
- 2.7. any pedal cycle, or any part of a pedal cycle if the whole cycle is not stolen, unless such pedal cycle is in a locked building or securely locked to an immovable object;
- 2.8. cameras and photographic equipment used for professional purposes or for reward;
- 2.9. consequential loss or Damage of whatsoever nature;
- 2.10. electrical or mechanical breakdown not accompanied by any other insured Damage.

SPECIFIC CONDITIONS

1. Pairs or Sets

If an article that is lost or Damaged was part of a pair or set, We will not pay more for the article than the article's value proportionate to the value of the pair or set.

2. Jewellery Safe Clause

Any item of jewellery or watch that has a value greater than the amount shown in the Limit Section must be kept in a securely locked wall- or floor-mounted safe whilst not in use. We will not pay for loss of or Damage to any such jewellery or watch that is not kept in a securely locked wall- or floor-mounted safe while not in use.

3. Jewellery Certificate

No article of jewellery, gold, silver, platinum, precious or semi-precious stones or watches shall be deemed to be valued at more than the amount stated in the Limit Section unless You provide Us with a valuation certificate from a registered jeweller or registered valuator prior to the loss.

4. Contents of Caravan (If stated in the Schedule to be covered)

If the contents of a caravan are specified in the Schedule the following terms and conditions apply to such contents:

4.1. Definition:

Property Insured means household goods that belong to You or are Your responsibility, while in the caravan or attached side tent.

4.2. Indemnity to You:

If the Property Insured is accidentally lost or Damaged We will pay for or may choose to repair or replace it. The amount payable will be the current replacement cost.

If at the time of the loss or Damage the cost of replacing the Property Insured as new is greater than the Sum Insured stated in the Schedule for this Specific Condition, You will be Your own insurer for the difference and will bear a proportionate share of the loss or Damage.

PERSONAL LIABILITY

DEFINITION

For this Section:

“You/Your/Yours/Yourself” means the person(s) in whose name this Policy is issued and Your spouse and any member of Your immediate family normally residing with You and who are financially dependent upon You.

COVER PROVIDED

1. Indemnity to You

If You become legally liable to pay compensation for accidental death, bodily Injury or illness or accidental loss or Damage to property occurring during the Period of Insurance in the Republic of South Africa.

To the extent that:

1.1. Such liability is not indemnifiable in terms of another insurance policy, We will:

Compensate You up to the amount stated in the Schedule but not exceeding the amount stated in the Limit Section per accident or series of accidents arising out of one event inclusive of all legal costs and expenses

1.1.1. recoverable by or on behalf of any claimant from You; and/or;

1.1.2. incurred with Our written consent which consent shall not be unreasonably withheld.

2. Security Companies

2.1. We will compensate You for claims arising from the ownership, possession or use of any electrified fence;

2.2. We will compensate You for Your legal liability arising out of a deed of indemnification or similar undertaking to any person who is a member of SAIDSA (South African Intruder Detection Systems Association) and who has contracted with You to provide You with security services (referred to below as the Deed);

provided that:

2.2.1. both the Deed and the contract for the provision of such security services are in writing and dated prior to the events giving rise to a claim being made against You in terms of the Deed;

2.2.2. the event or events giving rise to the claim against You in terms of the Deed occur on or in the immediate vicinity of the Dwelling situated at the address stated in the Schedule.

3. Tenants Liability

If You become legally liable as a tenant and not as an owner for:

3.1. accidental Damage to the building of a Dwelling and its outbuildings (including fixtures and fittings) caused by an Insured Event specified under the Household Contents Section;

3.2. accidental Damage to fixed sanitaryware or fixed glass;

3.3. accidental Damage to water, gas, sewerage, electricity or telephone connections to the Dwelling or outbuildings;

We will indemnify You up to the amount stated in the Limit Section in respect of any accident or series of accidents arising out of one event.

4. Personal Legal Liability to domestic Employees

If You become legally liable for the accidental death or bodily Injury of or loss or Damage to the property of Your domestic Employees arising out of their employment duties.

This extension shall override exclusions 2.7 and 3.1 in respect of domestic Employees only.

We will indemnify You up to the amount stated in the Limit Section in respect of any accident or series of accidents arising out of one event.

5. Property Owners' Liability

If You become legally liable as the owner and not tenant for:

- 5.1. accidental loss or Damage caused by an Insured Event specified under the Buildings Section;
- 5.2. accidental death, bodily Injury, loss or Damage arising directly out of Your ownership of the Dwelling specified under the House Owners Section;

We will indemnify You up to the amount stated in the Limit Section per accident or series of accidents arising from one event.

6. Wrongful Arrest

We will indemnify You for all sums that You are legally liable to pay for compensation or Damages in respect of wrongful arrest or alleged wrongful arrest by You of any person other than:

- 6.1. a person under a contract of service or apprenticeship with You; or
- 6.2. a member of Your family or household;

which arises out of Your activities as a member of a neighbourhood watch or a block-watch group or of a similar voluntary non-profit organisation;

provided that:

the amount payable for all compensation and Damages and all costs and expenses of litigation and all other costs and expenses will not exceed the amount stated in the Limit Section in respect of all death, Injury, illness, loss and Damage sustained during any twelve (12) month Period of Insurance.

OPTIONAL EXTENSION

1. Business Liability

If stated in the Schedule to be included

Specific Exception 2.1 shall not apply if You have paid to Us the additional premium We require but this Extension is subject to the following:

1.1. We will not indemnify You for:

- 1.1.1. that part of any property on which You are or have been working on if such Damage results from such work;
- 1.1.2. any contract for the performance of work outside the Republic of South Africa;
- 1.1.3. loss or Damage caused by or through or in connection with any advice or treatment given or administered by You or under Your direction;
- 1.1.4. loss or Damage caused by or through or in connection with goods or Products including containers, labels and instructions sold or supplied by You;
- 1.1.5. Damage caused by vibration or by the removal or weakening of or interference with the support to any land, building or other structure;
- 1.1.6. any event that could result in a claim in terms of this Section that You have not notified Us of in terms of General Condition 6.1 and We have not accepted in writing Your notification as an event that could result in a claim in terms of this Extension;
- 1.1.7. loss of or Damage arising out of any activities directly related to any educational activity for and on behalf of an educational concern.

1.2. This Extension includes Your legal liability to third parties arising out of the actions of Your Employees whilst undertaking hand deliveries or hand collections directly related to Your Business activities at Your clients' premises.

SPECIFIC EXCEPTIONS

We will not pay for:

1. Liability:

- 1.1. for any judgment, award, payment or settlement made within a country that operates under the laws of the United States of America or Canada or is subject to any order that is made anywhere in the world to enforce such judgment, award, payment or settlement or part thereof unless such order would be enforceable in terms of a competent court within the Republic of South Africa;

- 1.2. accepted by agreement which would not have attached in the absence of the Agreement;
- 1.3. for any punitive fines, penalties or exemplary Damages;
- 1.4. for the cost of cleaning up, removing, nullifying or reinstating property lost or Damaged by seepage, Pollution or contamination;
2. liability arising out of:
 - 2.1. Your employment, Business or profession;
 - 2.2. the ownership of land or buildings other than buildings insured under the Buildings Section of this Policy and land upon which they are situated provided the land is used for residential purposes;
 - 2.3. the letting or hiring out of any movable or immovable property or part thereof for a fee, reward or other consideration;
 - 2.4. the ownership, possession or use of any type of motor vehicle or quad bike, scooter or three wheeled vehicles, motor cycles, golf cart or any aircraft or watercraft (other than model aircraft, surfboard or paddle-ski) owned by or in the custody of Yourself or Your domestic staff;
 - 2.5. dishonest, fraudulent or malicious acts or physical assault committed by You;
 - 2.6. the reckless disregard by You of the possible consequences of Your acts or omissions;
 - 2.7. death of or bodily Injury to You or a member of Your family, or any Employee arising out of their employment;
3. liability for loss of or Damage:
 - 3.1. to property belonging to You or Your family or Your Employee or property in Your custody and control;
 - 3.2. to property in the custody or control of Your directors, members, trustees or beneficiaries or members of their families normally resident with them if You are a company, close corporation or trust;
 - 3.3. to property to the extent that such liability is indemnifiable under any other insurance policy.
4. While the Dwelling or outbuildings are being structurally altered, cover provided by this Section will not apply to loss, destruction, Damage or liability arising directly or indirectly from such structural alteration.

SPECIFIC CONDITIONS

1. No admission, offer, promise or payment in relation to a claim under this Section may be made or given by or on Your behalf without Our prior written consent. You will take all reasonable steps to ensure that You comply with this Condition and co-operate with Us in the defence and settlement of any claim which is indemnifiable by this Section, and in the exercise of any subrogation rights;
2. We may in the case of any occurrence pay to You the maximum indemnity limit (but deducting any sum or sums already paid) or any lesser sum for which the claim or claims can be settled and We shall thereafter be under no further liability in respect of such occurrence;
3. Payments made by Us in respect of any claim under this Section shall be payable in the Republic of South Africa in the currency of the Republic of South Africa;

WATERCRAFT

DEFINITIONS

For this Section:

1. "You/Your" — means the names shown in the Schedule of this policy and your spouse.
2. "Watercraft" — means the hull not exceeding eight metres in length, inboard motors, rudder, propeller, hoardings, moorings, sails, spars, masts, rigging, fixtures, fittings and equipment of any Watercraft shown in the Schedule.
3. "Countries" — means the Republic of South Africa , Namibia, Mozambique, Lesotho, Botswana, Swaziland, Zimbabwe, Malawi and Zambia and up to 20 kilometres from the shores of these countries.

COVER PROVIDED

Loss of or damage to Watercraft.

1. Comprehensive

We will compensate You for loss or damage to the Watercraft shown in the Schedule.

2. Inspection of the hull after stranding, sinking or collision

We will compensate You for the reasonable costs You incur to inspect the hull of the Watercraft for possible damage that may have occurred due to stranding, sinking or collision.

3. Costs to prevent a loss

We will compensate You for the reasonable costs You incur to prevent or reduce loss or damage covered under this section.

4. Safeguarding costs

We will compensate You for the reasonable costs to store, safeguard and remove the Watercraft to the nearest repairer if the Watercraft is not in working order due to loss or damage covered under this section.

5. Delivery following repairs

We will compensate You for the reasonable costs to deliver the Watercraft to the address where You normally keep Your Watercraft after repairs authorised by us have been completed.

6. Salvage costs

We will compensate You for the reasonable costs You incur, with our written consent, for salvaging (lifting out, removal or destruction of the wreckage) the Watercraft.

7. Recovery costs

We will compensate You for the reasonable costs You incur, with our written consent, to recover the Watercraft following its loss by theft or hijacking.

CONVENIENCE BENEFITS

1. Medical expenses of passengers (other than Your family)

We will compensate You for medical expenses You incur and pay because of accidental bodily injuries to Watercraft passengers in or on the Watercraft after sinking or collision. The passenger cannot be a member of Your family who normally lives with You. It must not be possible to recover the medical expenses from any other insurance or facility.

Our compensation is limited to the amount shown in the Schedule.

2. Emergency repairs following loss or damage

We will compensate You for emergency repairs if the Watercraft is the subject of a valid claim under the section. We will compensate You only for the repairs needed to allow You to continue Your journey.

You may authorise these emergency repairs, without first obtaining our approval but only if the repairer gives You a full itemised invoice, which You have to send to us.

Our compensation is limited to the amount shown in the Schedule.

3. Emergency costs

We will compensate You for the costs of emergency services You are liable to pay to any public authority following insured loss of, or damage to, the Watercraft.

Our compensation is limited to the amount shown in the Schedule.

4. Emergency accommodation

We will compensate You for accommodation for up to two nights for You and any passenger travelling with You if You cannot complete Your journey in the Watercraft because of insured loss or damage.

Our compensation is limited to the amount shown in the Schedule.

5. Medical expenses of passengers (who are Your family)

We will compensate You for medical expenses You incur and pay for injuries to members of Your family who normally live with You, when they are passengers in or on the Watercraft, after sinking or collision. It must not be possible to recover the medical expenses from any other insurance or facility.

Our compensation is limited to the amount shown in the Schedule.

6. Trauma treatment

We will compensate You for trauma treatment that You incur and pay for if You experienced a hijacking or attempted hijacking of the Watercraft. The trauma treatment must be given by a registered professional counsellor. It must not be possible to recover the expenses from any other insurance or facility.

Our compensation is limited to the amount shown in the Schedule.

OPTIONAL EXTENSIONS (IF STATED IN THE SCHEDULE TO BE INCLUDED)

If a heading below is shown in the Schedule we will cover You as shown under that heading. If the heading is not shown, You do not have that optional cover.

1. Outboard motors

We will compensate You for loss of or damage to outboard motors shown in the Schedule.

2. Specified accessories (such as water skis and electronic equipment)

We will compensate You for loss of or damage to the Watercraft's accessories described in the Schedule.

WATERCRAFT LIABILITY

1. Limit of compensation

We will compensate You for amounts You are legally liable to a third party due to an event that happens or arises in connection with Your use of the Watercraft or the towing of any stranded Watercraft.

Our compensation is limited to the amount shown in the Schedule. The limit includes all costs and expenses incurred by us and costs and expenses You incur with our prior written approval.

2. Passenger liability

We will compensate You for amounts You are legally liable to pay a person who, at the time of the event, is transported in or on the Watercraft.

3. Liability of water-skiers or parasailors

We will compensate You for amounts You are legally liable for which a water-skier or parasailor must pay as compensation, due to an occurrence which happens or arises while the water-skier or parasailor is being towed by the Watercraft.

We are not liable:

- 3.1. if the water-skier or parasailor is entitled to indemnity under another policy;
- 3.2. for accidental death of, or bodily injury to, or illness of a person who is a member of the household of the water-skier or parasailor, or a person in the service of the water-skier or parasailor, if the death, bodily injury or illness arises from their service;
- 3.3. for accidental physical loss of, or damage to property belonging to, or kept in trust by, or under the charge or control of, or in the custody of the water-skier or parasailor, or any member of the household of the water-skier or parasailor, or any person in the service of the water-skier or parasailor;
- 3.4. if the water-skier or parasailor does not comply with the terms of this policy.

4. Liability to third parties if a person other than You uses the Watercraft

We will compensate any person, other than You, for amounts they are legally liable to a third party due to an event which happens or arises from the other person's use of the Watercraft.

This legal liability is offered only if the other person using the Watercraft meets all these conditions:

- 4.1. the person complies with all the General Terms and Conditions of the policy and the terms and conditions of this section in so far as they apply;
- 4.2. the person was using the Watercraft with Your express permission;
- 4.3. the person is not entitled to compensation for a third party claim from any other policy or insurance;
- 4.4. the person was never refused Watercraft insurance or the continuation of any Watercraft insurance.

5. Representation/defence

We are entitled to arrange representations or defences that are the subject of any compensation under this section.

They include:

- 5.1. representation at any legal autopsy or inquest relating to any death;
- 5.2. the defence for any action, which is the cause of or related to any event.

TERMS AND CONDITIONS

1. Use

The Watercraft may be used for social, domestic and pleasure purposes only.

The policy does not cover any of the following uses of the Watercraft:

- racing of any type;
- speed or other contests of any type;
- competitions, including regattas;
- tests of any type;

- speed trials of any type;
- uses involving a business, trade or profession;
- hiring;
- carrying passengers for reward;
- being used anywhere outside the countries.

2. Unavailable of parts

If a part that is needed to repair the Watercraft after loss or damage is not available as a standard (readymade) part in the Republic of South Africa, we will pay an amount equal to the value of the part at the time when the loss or damage occurred. The value of the part will be determined according to the price given in the most recent catalogue or price list applicable to the Watercraft.

The amount includes the reasonable cost to transport the part (other than by air).

3. Interest of a title holder

If a valid claim occurs and we are advised that the Watercraft is the subject of a Credit Agreement as defined in the National Credit Act (Act 34 of 2005), You agree that we will pay the title holder shown in the agreement up to the outstanding amount only. The most we will pay is the cost to replace the Watercraft if it is less than five years old or the market value if it is more than five years old, up to the outstanding amount shown in the Credit Agreement. Any additional amount payable will be paid to You.

4. Basis of indemnity

- 4.1. If the Watercraft is less than five years old, the basis for our compensation will be the cost to replace the Watercraft or part of it with similar new property.
- 4.2. If the Watercraft is older than five years, the basis for our compensation will be the cost to replace the Watercraft or part of it up to its reasonable market value. This will be established by obtaining market-value quotations from two qualified Watercraft dealers.
- 4.3. Our compensation for sails, protective covers, erected tackle, outboard motors, inboard motors and batteries will be the cost to replace such items up to their reasonable market value.

5. Limit of compensation

If we decide it is not economical to repair the Watercraft our compensation will be limited to the limit of compensation as shown in the Schedule.

6. Average

- 6.1. If the Watercraft is less than five years old and, according to our calculations, at the time of any loss or damage, the amount needed to replace the Watercraft (other than the sails, protective covers, erected tackle, outboard motors, inboard motors and batteries), with a similar new Watercraft is more than the insured amount, we will not pay You the full amount of the loss or damage. You will be considered to be Your own insurer for the difference between the insured amount and the amount needed to replace the Watercraft. Therefore, You will be responsible for a proportional share of the loss or damage.
- 6.2. If the Watercraft is older than five years and, according to our calculations, at the time of any loss or damage, the amount needed to replace the Watercraft (other than the sails, protective covers, erected tackle, outboard motors, inboard motors and batteries), with a similar Watercraft is more than the insured amount, we will not pay You the full amount of the loss or damage. You will be considered to be Your own insurer for the difference between the insured amount and the amount needed to replace the Watercraft with similar property. Therefore, You will be responsible for a proportional share of the loss or damage.

Let us assume You are insured for R100 000, but the replacement value of Your Watercraft is R200 000. This means You are only insured for half of the replacement value. You must cover the other half. For example, if You suffer damage to the value of R50 000, we will only pay half of this amount, namely R25 000, which will be calculated as follows:

Insured for	R100 000
Replacement value	R200 000

Claim	R 50 000
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Calculation: *Underinsurance* $\frac{R\ 50\ 000}{1} \times \frac{R\ 100\ 000}{R\ 200\ 000}$

We will only pay You R25 000.

This condition applies separately to each item in the Schedule.

NOT COVERED BY THIS SECTION

1. Watercraft loss or damage

None of the following types of loss or damage are covered:

- 1.1. theft or attempted theft of the fixtures, fittings, equipment or outboard motors of the Watercraft that are not securely bolted to the Watercraft:
 - if the Watercraft is left unattended;
 - out of domestic outbuildings that do not interlead with any private residence;
 - from any other storage place.
- 1.2. jet skis or wet bikes in the open or on a trailer if left unattended;
- 1.3. outboard motors that are not securely chained or bolted to the Watercraft, dropping off or falling overboard;
- 1.4. mechanical, electric or electronic breakdown, failures or breakages including any consequential loss of or damage to any other mechanical, electrical or electronic component as a result of the mentioned breakdown, failure or breakage;
- 1.5. gradual causes (such as wear, tear, rust, mildew, corrosion, decay);
- 1.6. scratching, bruising or denting arising from transit, loading or offloading;
- 1.7. caused by household pests (such as rodents, ants and moths);
- 1.8. caused because of cleaning, repairing, restoring or maintenance by any manner or method;
- 1.9. caused by a latent defect in the Watercraft's design or construction;
- 1.10. the cost of remedying or rectifying any fault in design or construction, or in the event of damage resulting from fault in design or construction and giving rise to a claim under the conditions of this insurance, for any additional expenditure incurred by reason of betterment or alterations in design or construction, or for the cost and expense of replacing or repairing any part condemned solely in consequence of a latent defect or fault or error in design or construction.
- 1.11. the cost of rectifying any defect resulting from either negligence or breach of contract in respect of any repair or alteration work.
- 1.12. to sails and protective covers split by the wind or blown away whilst set, unless in consequence of damage to the spars to which the sails are bent or occasioned by the Watercraft being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (ice included) other than water;
- 1.13. theft of trailer or trolley or any Watercraft on such trailer or trolley unless the trailer or trolley is fitted with an antitheft device or otherwise immobilised or the trailer or trolley and Watercraft are kept in lock-fast premises.

- 1.14. caused by the Watercraft not being seaworthy (cannot be used safely on water);
- 1.15. depreciation in value whether from repairs or otherwise;
- 1.16. from or in connection with any exchange, cash or credit sale agreement, including theft under false pretence and fraud.
- 1.17. loss of use.
- 1.18. theft of inflatable craft when deflated unless following forcible and violent entry into the Watercraft or place of storage or if stolen with the Watercraft. A vehicle boot, luggage compartment or locked and sealed windowless canopy of a light commercial vehicle ("bakkie"), is considered a place of storage within the terms of this policy.
- 1.19. caused due to gross negligence and wilful acts by You or any person using the Watercraft with Your express permission..
- 1.20. in respect of water ingress into the engine compartment and/or engine of jet-skis, wetbikes or similar personal watercraft, unless caused by coming into contact with any fixed, submerged or floating object other than water.
- 1.21. damage or failure to gear and equipment which is directly attributable to the use of such equipment for the purposes for which it was manufactured.
- 1.22. Loss of or damage to masts, spars, sails, standing or running rigging whilst the watercraft is racing unless such loss or damage is caused by the watercraft being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (ice included) other than water.

2. Watercraft liability

We will not cover You (the owner), the permitted user, water skier or parasailor against claims resulting from legal liability:

- 2.1. for legal costs and expenses incurred after the date we have settled or offered to settle any claim by a third party:
 - up to the limit of this section; or
 - for amounts we believe will settle the third party claim.
- 2.2. for costs or expenses due to:
 - 2.2.1. advice or treatment, other than first-aid, given or supplied by You or by any person acting on Your behalf; or
 - 2.2.2. claims recoverable from any other section of this policy or from any other policy whether You have claimed or not.
- 2.3. as a result of the Watercraft not being seaworthy (cannot be used safely on water);
- 2.4. for death or bodily injury in respect of any person employed by You in any capacity in connection with the watercraft or similarly employed by any person using the watercraft with the owner's permission or similarly employed by any water skier or parasailor;

- 2.5. for accidents arising from any person engaged in kiting or other airborne sport whilst being towed by the watercraft or preparing to be towed or until safely back on board the watercraft
- 2.6. for accidents arising while the watercraft is in transit by mechanically propelled road vehicle, rail, ship or aircraft;
- 2.7. for accidents involving a trailer except when not coupled to a towing vehicle;
- 2.8. for death or bodily injury in respect of fare-paying passengers and loss of or damage to their property;
- 2.9. for damages or penalties arising under contract;
- 2.10. for fines or other penalties imposed under any statutory code or common law in respect of any offence committed;
- 2.11. for accidents whilst under the influence of intoxicating liquor or drugs;

3. Watercraft loss, damage and liability

None of the following are covered:

- 3.1. if the Watercraft is used for any purpose other than shown in the Schedule;
- 3.2. if the Watercraft is piloted by a person who does not hold a valid skipper's licence required in terms of relevant shipping legislation or does not comply with the relevant legislation applicable to the use of the Watercraft;
- 3.3. the following items if they are not adequately protected from water and nature elements that the Watercraft is usually exposed to:
 - anybody's clothing or personal effects;
 - gear of any nature;
 - sports or recreation equipment;
 - safety and medical supplies;
 - Watercraft items not attached to the Watercraft; and
 - electronic and mechanical equipment.

Dear customer...

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document);
- the Sasria policy schedule;
- any information that you, or someone acting on your behalf, supply to us; and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

How to reach us

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

General terms and conditions

How you should read this document

"We", "our" or "us" in the wording refers to Sasria SOC Ltd. "You" or "your" in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

Your Sasria policy and the underlying policy

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.

Sasria SOC Limited

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36 Fricker Road, Illovo, 2196 • P.O. Box 653367, Benmore, 2010 • Email: contactus@sasria.co.za • Website: www.sasria.co.za

• Sasria SOC Ltd: Reg. No. 1979/000287/06 • FSP License No.: 39117



Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).
- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit, Revenue and Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the Sasria policy **except for those listed below**:

Standard S.A.I.A. Exceptions

The general exclusions of underlying policies typically include the Standard S.A.I.A. Exceptions. Your Sasria policy covers some of the S.A.I.A. Exceptions, but not all of them.

Your Sasria policy covers **civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism** (S.A.I.A. Exceptions A(i), A(iii)(b), A(iv), A(v), A(vi) and A(vii) to the extent that A(vii) refers to A(i), A(iii)(b), A(iv), A(v) and A(vi) and C).

Your Sasria policy does not cover **war and war-related activities** (S.A.I.A. Exceptions A(ii), A(iii)(a) and A(vii) to the extent that A(vii) refers to A(ii) and A(iii)(a) and B).

In each policy, see **What we cover** and **What we don't cover** for the details.

If the numbering in your underlying policy does not correspond with the numbering of the Standard S.A.I.A. Exceptions, you must refer to the corresponding contents.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium. You will find the list of extensions under the [Business Interruption Section](#). Contact us if you want Sasria cover for any of these extensions.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:



For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.

The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

Cancellation

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.

Our rights

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

- a) Documented trend of poor performance on class or classes of business over the last three (3) - to five (5) years;
- b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations; and
- c) The extent to which the assumptions on which the premium was based have been met.



In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review, including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights;
- give us all information and documents we require;
- sign any document or affidavit that we request to enable us to exercise our rights;
- attend depositions, hearings, trials and give evidence as necessary; and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

Sharing information

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.



Your responsibilities

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim;
2. The Sasria premium payments must be up to date and we must have received all such payments; and
3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under Policies that attach to the underlying policies). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide; or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.



Compensation

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.
2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

Countries where you are covered

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

Disputes

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision. The decision of the arbiter will be final and binding.

Amendment

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.



How to claim

What to do in the event of a business interruption

You must notify the underlying insurer in writing that you intend to claim for business interruption under this policy. You must submit the claim to the underlying insurer not later than 30 days after the end of the indemnity period unless we have agreed otherwise. (See the definition of indemnity period below.)

You must also provide us with details of all other insurance covering the loss or damage.

Supporting documents

We may ask you to submit financial evidence to support your claim. Your underlying insurer will send you a list of all the required documents. The documents must be certified by your auditors or accountants and will be used to verify your claim.



Business Interruption

Important words and phrases

General

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property.
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	<p>In the case of <i>Slabbert Burger vs Sasria</i>, disturbance in a labour context was defined as “an overt disturbance of the public peace in defiance of authority, leading to physical damage”.</p> <p>Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present:</p> <ul style="list-style-type: none"> • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	<p>According to section 213 of the Labour Relations Act (66 of 1995), a lockout means “the exclusion by an employer of employees from the employer’s workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees’ contracts of employment in the course of or for the purpose of that exclusion”.</p> <p>This definition may be amended by South African law from time to time.</p>
Looting	<p>To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers.</p> <p>Sasria does not cover theft.</p>
Policyholder	<p>The person(s) or juristic entity in whose name the policy is issued.</p> <p>A policyholder could be:</p> <ul style="list-style-type: none"> • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons.



Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	<p>In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective.</p> <p>Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:</p> <ul style="list-style-type: none"> • Three or more persons who have assembled with the same objective; • A tumultuous disturbance of the public peace; • Which leads to strife, violence or threats of violence; and • Physical loss or damage. <p>In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.</p>
Strike	<p>According to section 213 of the Labour Relations Act (66 of 1995), a strike means “the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to ‘work’ in this definition includes overtime work, whether it is voluntary or compulsory”.</p> <p>This definition may be amended by South African law from time to time.</p>
Terrorism	<p>The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.</p> <p>Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.</p>

Words and phrases relating to Business Interruption

Indemnity period	The period during which the insured business incurred financial losses or expenses as a result of an interruption to the insured business as defined in this policy. The period will start on the date that the insured event, which caused the business interruption, occurred. The maximum length of the indemnity period is set out in the policy schedule.
Turnover	The money paid or payable to the insured for goods sold and delivered and for services rendered in the course of business at the insured premises
Annual turnover	The turnover of the insured business for the 12 months immediately before the insured event occurred.



Standard turnover	The turnover of the insured business during a specific period in the 12 months immediately before the insured event, which corresponds with the same period during the indemnity period.
Revenue	The total income of the insured business from, for example, sales, fees, interest or rentals.
Annual revenue	The revenue of the insured business for the 12 months immediately before the insured event occurred.
Standard revenue	The revenue of the insured business during a specific period in the 12 months immediately before the insured event, which corresponds with the same period during the indemnity period.

Overview

Business Interruption is a stand-alone policy with its own terms and conditions. It does not attach to the terms and conditions of the underlying policy.

Business Interruption covers you for financial losses due to the interruption of, or interference with, your business activities as a result of loss of, or damage to, any building or other property, or any part of it, at the premises shown as the risk address in the schedule as a result of an event that Sasria covers.

This policy comprises six sections: Standing charges, Working expenses, Loss of net profit, Loss of gross profit, Revenue and Project Delay.

Cover for 'Increase in cost of working' is included in all sections. 'Increase in cost of working' refers to the expenditure necessarily and reasonably incurred by the insured to ensure the continued operations of the business and for the sole purpose of avoiding a reduction in turnover during the indemnity period.

Standing Charges

Standing charges covers you for regular, fixed business expenses, for example wages, rentals, subscriptions, utility, telephone and internet charges. You must specify in the schedule which standing charges you want this policy to cover.

Working Expenses

Working expenses covers you for variable business expenses. You may indicate in the schedule the working expenses that you do not want this policy to cover, for example discounts or bad debts. These are also called working expenses specified as uninsured.

Loss of net profit

Loss of net profit covers you for loss of the actual profit of the insured business as a result of a business interruption as defined in this policy and covered during the indemnity period. Net profit is defined as profit after all costs have been deducted from the turnover or revenue, including standing



and other charges, as well as depreciation. Capital receipts and deposits are not included in the calculation of net profit. The calculation of net profit takes place before any tax on profits is deducted.

Turnover and revenue refer to the total income of the business generated from sales or services. The term 'turnover' is usually applied for businesses with stock whereas the term 'revenue' is usually applied for businesses without stock.

Loss of gross profit

Loss of gross profit covers you for loss of net profit plus standing charges or working expenses, as explained above.

Loss of Revenue

Loss of revenue covers you for loss of income earned from the sale of products or for services rendered in the course of the business at the insured premises.

Project Delay

Project Delay covers you for expenses necessarily and reasonably incurred when a construction project is delayed as a result of a business interruption as defined in this policy and covered during the indemnity period.



Summary

The relationship between the sections that Business Interruption comprises is explained in the figure below:

Business Interruption					
Standing Charges	Working Expenses	Loss of net profit	Loss of gross profit	Loss of Revenue	Project Delay
Standing charges that you want the policy to cover needs to be specified in the schedule	Calculated according to a formula Expenses that you do <u>not</u> want the policy to cover needs to be specified in the schedule	Loss of turnover (for businesses with stock)	Loss of net profit plus standing charges or working expenses	Loss of revenue (no stock)	Standing charges only, not loss of profit
Increase in cost of working included	Increase in cost of working included	Increase in cost of working included	Increase in cost of working included		Increase in cost of working (expenses associated with project delay)
Condition: A valid Sasria claim under a Material damage policy					Condition: A valid Sasria claim under Contract works policy



Who do we cover?

The Business Interruption policy covers the policyholder and any other insured entity or person named in the schedule.

What we cover

Sasria will compensate you for financial losses due to business interruption as selected and specified in the schedule.

The business interruption must be as a result of the loss of, or damage to, property insured in a Material Damage (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit and Revenue) or Contract Works (Project Delay) policy. The loss or damage that led to the business interruption must have taken place during the period of insurance of the applicable Sasria policy.

The loss or damage must be directly related to, or caused by, the following insured events:

1. Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
2. Any act (whether on behalf of any organisation, body or person, or group of persons) calculated or directed to overthrow or influence any State or government, or any provincial, local or tribal authority with force, or by means of fear, terrorism or violence;
3. 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 any State or government, or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public, or any section thereof;
4. Any attempt to perform any act referred to in clauses 1, 2 and 3 above;
5. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above;
6. Looting committed as part of the acts described in 1, 2, 3, 4 or 5 above.

Extension included

Claim preparations cost

The insurance provided by this policy includes costs that you reasonably incurred to produce and certify any particulars or details that we require in terms of Condition 6 or to substantiate any claim. We will pay a maximum of R50 000 for such costs per claim.

Extension optional

Additional increase in cost of working

You may increase the sum insured for 'Increase in cost of working' at an additional premium.

You will find the full list of extensions at [Business Interruption Section](#). Contact us if you want Sasria cover for any of these extensions.



What we DON'T cover

Sasria does not compensate you for business interruption that results from any of the following:

1. Any form of consequential or indirect loss or damage, depreciation of any nature, wear and tear, and any form of mechanical or electrical failure or breakdown;
2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;
3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so;
4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or a state of siege;
6. Any attempt to perform any act referred to in clauses 4 and 5 above;
7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
8. Loss or damage 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, 1976 (No. 85 of 1976) or any similar Act operative in South African territory to which this policy applies;
9. Prevention of access (for example, penalties or fines for an extended contract period);
10. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
11. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 4, you will have to prove that the loss or damage was not related to exclusion 4.

We will also not compensate you under this policy for:

12. Loss of net profit and any extra expenses due to a business interruption at the premises of a customer or a supplier, or any entity that is part of your supply chain;
13. Loss resulting from a business interruption that was caused by damage to a public utility or public communications entity serving the insured premises.



Conditions

1. For Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit and Revenue:
 - 1.1. You must have Sasria cover under a Material Damage (Fire) policy with an underlying insurer.
 - 1.2. You may only submit a claim under any of these sections if the business interruption is a result of loss of damage for which you have successfully claimed from Sasria under Material Damage.
2. For Project Delay:
 - 2.1. You must have Sasria cover under a Contract Works policy with an underlying insurer.
 - 2.2. You may only submit a claim under Project Delay if the delay is a result of loss or damage for which you have successfully claimed from Sasria under Contract Works. If a claim under Contract Works is rejected only because the excess amount is larger than the material damage loss, then Sasria will nevertheless cover you for project delay if you have taken out this section.
3. Cover under this policy or any section of it will end, if:
 - 3.1. the insured business is permanently discontinued or liquidated; or
 - 3.2. after the start of the period of insurance, the insured dies or no longer has an insurable interest in the business; or
 - 3.3. you cancel your Material Damage or Contract Works with Sasria, as applicable to the sections of this policy.

We may agree in writing to continue cover in the event of 3.1 or 3.2.

4. You must notify the underlying insurer in writing that you intend to claim for business interruption under this policy. You must take reasonable care to prevent or reduce business interruption by avoiding or diminishing any further loss or damage.
5. You must submit a claim for business interruption to the underlying insurer not later than 30 days after the end of the indemnity period unless we have agreed otherwise. You must also provide them with details of all other insurance covering the loss or damage that led to the business interruption or any consequential loss.
6. You must submit all financial evidence that the underlying insurer requires in support of your claim. The documents must be certified by your auditors or accountants and will be used to verify your claim. You may also be asked to submit an affidavit that declares the truthfulness of the claim and related matters. No claim is payable unless you have complied with this condition. If we have paid out a claim and we discover that the claim was fraudulent, you will have to pay back the compensation.
7. We may adjust the premium paid for Standing Charges when we receive a declaration from the underlying insurer of the actual standing charges paid during the financial year that ends during the Period of Insurance, as certified by your auditors. If the declaration for actual standing charges for that financial year is less than the sum insured for Standing Charges, we will refund the premium for Standing Charges up to a maximum of 50%.



Compensation

For the policyholder, the total limit of compensation is R500 million (excluding VAT) per period of insurance. The policyholder may insure sub-contractors under Project Delay at an additional premium.

The maximum total compensation for all the sub-contractors together is R50 million per period of insurance. Sub-contractors may take out their own Sasria insurance.

These limits apply irrespective of the number of insured events or the number of claims for which we have accepted liability under this policy.

The principle of average will apply as follows: The amount we will pay for an indemnity period of 12 months will be proportionately reduced if the sum insured for Loss in gross profit is less than the sum calculated by applying your gross profit rate to the annual turnover.

Where the maximum indemnity period exceeds 12 months, the appropriate multiple of the annual turnover will apply.

Standing charges

Compensation will not exceed the sum insured of the standing charges listed in the schedule.

Departments or branches

If a department or branch of the insured business has suffered business interruption, its financial statements will be considered independently when we calculate compensation for Standing charges.

The principle of average will apply if the sum insured for Standing charges of the total business is less than the sum of the insured standing charges for each department or branch during the financial year preceding the date of the loss or damage that resulted in the business interruption. The compensation will be reduced proportionally according to the rate that the business is underinsured for Standing charges.

Working expenses

Compensation is calculated on a difference basis as follows:

Turnover MINUS ([value of opening stock minus value of closing stock] + specified uninsured working expenses + net profit)

The value of the opening and closing stock will be calculated in accordance with generally accepted accounting practice.

Departments or branches

If a department or branch of the insured business has suffered business interruption, its financial statements will be considered independently when we calculate compensation for Working expenses.

The principle of average will apply if the sum insured for Working expenses of the total business is less than the sum of the working expenses for each department or branch. The working expenses for each branch will be calculated according to the formulae given above. The compensation will be reduced proportionally according to the rate that the business is underinsured for Working expenses.



Loss in net profit

Compensation will not exceed the sum insured as stated on the schedule.

Loss in gross profit

Compensation will not exceed the sum insured as stated on the schedule.

Loss of Revenue

Compensation will not exceed the sum insured as stated on the schedule.

Additions basis

If you have taken out Standing Charges, compensation will be calculated on an additions basis as the sum of the net profit and the insured standing charges set out in the schedule.

If there is no net profit, the pay-out will be reduced by the ratio between insured standing charges and all the standing charges of the business. If you have not covered all standing charges for business interruption, the pay-out will be reduced with the ratio between the sum of the net profit and insured standing charges and the sum of the net profit and all the standing charges (insured and not insured).

Difference basis

If you have taken out Working Expenses, compensation will be calculated on a difference basis as follows:

(Turnover plus value of the closing stock) MINUS (Value of the opening stock plus the specified uninsured working expenses)

The policyholder's audited financial statements will be used to determine the value of the opening and closing stock. Depreciation will be considered.

Increase in cost of working

Compensation will not exceed the sum insured as stated in the schedule.

We will pay you the expenses necessarily and reasonably incurred to avoid or diminish reduction in turnover during the indemnity period. The compensation will not exceed the expenses to diminish reduction in turnover/revenue times the gross profit rate. Any discount or saving will be deducted from the compensation.

Project Delay

Compensation will not exceed the sum insured as stated in the schedule.



Clauses

The clauses below relate to compensation.

Trends

In calculating compensation, the profit trend of the business will be considered by applying the policyholder's gross profit rate to the amount that the turnover or revenue during the indemnity period is less than the standard turnover or standard revenue. For the gross profit rate, the turnover or revenue during the financial year immediately before the insured event will be used.

Salvage sale

If the insured business holds a salvage sale during the indemnity period, the turnover of the salvage sale will be deducted from the turnover during the indemnity period.

Accumulated stock

When we calculate the compensation, we will consider any accumulated stock that was sold to temporarily minimise any reduction in turnover after the business interruption.

Dear customer...

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document);
- the Sasria policy schedule;
- any information that you, or someone acting on your behalf, supply to us; and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

How to reach us

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

General terms and conditions

How you should read this document

"We", "our" or "us" in the wording refers to Sasria SOC Ltd. "You" or "your" in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

Your Sasria policy and the underlying policy

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.



Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).
- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit, Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the Sasria policy **except for those listed below**:

Your Sasria policy covers **civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism**.

Your Sasria policy does not cover **war and war-related activities**

In each policy, see **What we cover** and **What we don't cover** for the details.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium. You will find the list of extensions under the [Fire Extensions](#). Contact us if you want Sasria cover for any of these extensions.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.



The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

Cancellation

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.

Our rights

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

- a) Documented trend of poor performance on class or classes of business over the last three (3- to five (5) years;
- b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations; and
- c) The extent to which the assumptions on which the premium was based have been met.

In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review,



including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights;
- give us all information and documents we require;
- sign any document or affidavit that we request to enable us to exercise our rights;
- attend depositions, hearings, trials and give evidence as necessary; and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

Sharing information

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.

Your responsibilities

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim;
2. The Sasria premium payments must be up to date and we must have received all such payments; and
3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under **Policies that**



attach to the underlying policies). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide; or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.

Compensation

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.
2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.



Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

Countries where you are covered

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

Disputes

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision. The decision of the arbiter will be final and binding.

Amendment

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.



How to claim

What to do after an insured event

1. Contact your underlying insurer. The underlying insurer will let you know if you have a special risk claim and will handle the Sasria claim on your behalf.
2. Report the incident to the police within 48 hours and get a case number.
3. Do not make any offer or promise or admit responsibility.
4. Do not leave any damaged property without supervision, if possible.

You must claim, or notify us of the intention to claim, under this policy within thirty (30) days of the date of the insured event.

If we receive your claim or notification more than twelve (12) months after the date of the insured event, we will not consider liability, unless the claim is the subject of pending legal action or if the underlying insurer has not yet completed the final assessment of the loss. It is your responsibility to notify Sasria immediately of a pending legal action or delay in the final assessment.

Supporting documents

For all claims, we will request supporting documents or information. Your underlying insurer will send you a list of all the required documents.



Material damage (Fire)

Material damage (Fire) attaches to the underlying policy. Please see the general terms and conditions above for an explanation of attached policies.

Important words and phrases

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property.
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	<p>In the case of <i>Slabbert Burger vs Sasria</i>, disturbance in a labour context was defined as “an overt disturbance of the public peace in defiance of authority, leading to physical damage”.</p> <p>Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present:</p> <ul style="list-style-type: none"> • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	<p>According to section 213 of the Labour Relations Act (66 of 1995), a lockout means “the exclusion by an employer of employees from the employer’s workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees’ contracts of employment in the course of or for the purpose of that exclusion”.</p> <p>This definition may be amended by South African law from time to time.</p>
Looting	<p>To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers.</p> <p>Sasria does not cover theft.</p>
Policyholder	<p>The person(s) or juristic entity in whose name the policy is issued.</p> <p>A policyholder could be:</p> <ul style="list-style-type: none"> • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons.



Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	<p>In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective.</p> <p>Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:</p> <ul style="list-style-type: none"> • Three or more persons who have assembled with the same objective; • A tumultuous disturbance of the public peace; • Which leads to strife, violence or threats of violence; and • Physical loss or damage. <p>In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.</p>
Strike	<p>According to section 213 of the Labour Relations Act (66 of 1995), a strike means “the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to ‘work’ in this definition includes overtime work, whether it is voluntary or compulsory”.</p> <p>This definition may be amended by South African law from time to time.</p>
Terrorism	<p>The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.</p> <p>Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.</p>

Who do we cover?

In the Material Damage policy, Sasria covers the policyholder.

What we cover

Sasria will compensate you for the loss of, or damage to, property insured in the underlying policy, if that loss or damage is directly related to, or caused by:

1. Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
2. Any act (whether on behalf of any organisation, body or person, or group of persons) calculated or directed to overthrow or influence any State or government, or any provincial, local or tribal authority with force, or by means of fear, terrorism or violence;
3. 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 any State or government, or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public, or any section thereof;

4. Any attempt to perform any act referred to in clauses 1, 2 and 3 above;
5. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above;
6. Looting committed as part of the acts described in 1, 2, 3, 4 or 5 above.

What we DON'T cover

Sasria does not compensate you for:

1. Any form of consequential or indirect loss or damage, other than the loss of rent. We will only cover loss of rent if the underlying policy specifically insures it, and only until the insured building is again suitable to be rented out or occupied;
2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;
3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so;
4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or a state of siege;
6. Any attempt to perform any act referred to in clauses 4 and 5 above;
7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
8. Loss or damage 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, 1976 (No. 85 of 1976) or any similar Act operative in South African territory to which this policy applies;
9. Loss or damage caused by prevention of access (for example, deterioration of stock or perishables);
10. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
11. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 5 or 8, you will have to prove that the loss or damage was not related to exclusion 5 or 8.



Conditions

If an insured building or structure is destroyed and Sasria has accepted liability for your claim, you may replace the destroyed building with an equivalent building at another site. Our liability will be limited to the cost of reinstating the destroyed building or structure at the original site.

Compensation

The limit of compensation for the period of insurance is R500 million (excluding VAT), even if the sum insured exceeds R500 million (excluding VAT). Sasria allows for the reinstatement of cover if the limit of compensation has been exhausted during the period of insurance. An additional premium will be charged for reinstated cover for the remainder of the period of insurance.

You may take out additional Sasria cover up to R1 billion at an additional premium. The limit of R1 billion applies to additional cover for Material Damage and Business Interruption combined.

Sasria will base compensation for a single lost or damaged item, or for all the lost or damaged items together, on the sum insured, even if there is a Basis of Loss Settlement clause in the underlying policy.

Dear customer...

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document);
- the Sasria policy schedule;
- any information that you, or someone acting on your behalf, supply to us; and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

How to reach us

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

General terms and conditions

How you should read this document

"We", "our" or "us" in the wording refers to Sasria SOC Ltd. "You" or "your" in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

Your Sasria policy and the underlying policy

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.



Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).
- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit, Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the Sasria policy **except for those listed below**:

Your Sasria policy covers **civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism**.

Your Sasria policy does not cover **war and war-related activities**

In each policy, see **What we cover** and **What we don't cover** for the details.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.



The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

Cancellation

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.



Our rights

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

- a) Documented trend of poor performance on class or classes of business over the last three (3- to five (5) years;
- b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations; and
- c) The extent to which the assumptions on which the premium was based have been met.

In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review, including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights;
- give us all information and documents we require;
- sign any document or affidavit that we request to enable us to exercise our rights;
- attend depositions, hearings, trials and give evidence as necessary; and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

Sharing information

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.



Your responsibilities

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim;
2. The Sasria premium payments must be up to date and we must have received all such payments; and
3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under **Policies that attach to the underlying policies**). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide; or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.



Compensation

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.
2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

Countries where you are covered

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

Disputes

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision. The decision of the arbiter will be final and binding.

Amendment

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.



How to claim

What to do after an insured event

1. Contact your underlying insurer. The underlying insurer will let you know if you have a special risk claim and will handle the Sasria claim on your behalf.
2. Report the incident to the police within 48 hours and get a case number.
3. Do not make any offer or promise or admit responsibility.
4. Do not leave any damaged property without supervision, if possible.

You must claim, or notify us of the intention to claim, under this policy within thirty (30) days of the date of the insured event.

If we receive your claim or notification more than twelve (12) months after the date of the insured event, we will not consider liability, unless the claim is the subject of pending legal action or if the underlying insurer has not yet completed the final assessment of the loss. It is your responsibility to notify Sasria immediately of a pending legal action or delay in the final assessment.

Supporting documents

For all claims, we will request supporting documents or information. Your underlying insurer will send you a list of all the required documents.



Motor

Motor is a stand-alone policy with its own terms and conditions. It does not attach to the terms and conditions of the underlying policy.

Important words and phrases

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property.
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	<p>In the case of <i>Slabbert Burger vs Sasria</i>, disturbance in a labour context was defined as “an overt disturbance of the public peace in defiance of authority, leading to physical damage”.</p> <p>Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present:</p> <ul style="list-style-type: none"> • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	<p>According to section 213 of the Labour Relations Act (66 of 1995), a lockout means “the exclusion by an employer of employees from the employer’s workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees’ contracts of employment in the course of or for the purpose of that exclusion”.</p> <p>This definition may be amended by South African law from time to time.</p>
Looting	<p>To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers.</p> <p>Sasria does not cover theft.</p>
Policyholder	<p>The person(s) or juristic entity in whose name the policy is issued.</p> <p>A policyholder could be:</p> <ul style="list-style-type: none"> • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons.



Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	<p>In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective.</p> <p>Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:</p> <ul style="list-style-type: none"> • Three or more persons who have assembled with the same objective; • A tumultuous disturbance of the public peace; • Which leads to strife, violence or threats of violence; and • Physical loss or damage. <p>In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.</p>
Strike	<p>According to section 213 of the Labour Relations Act (66 of 1995), a strike means “the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to ‘work’ in this definition includes overtime work, whether it is voluntary or compulsory”.</p> <p>This definition may be amended by South African law from time to time.</p>
Terrorism	<p>The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.</p> <p>Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.</p>

Who do we cover?

The Motor policy covers the policyholder and any insured entity or person named in the schedule.

Vehicle categories

Sasria covers any vehicle of the categories listed below, including accessories and spare parts fitted onto the vehicle.



Motor Category 1 (M1)

- Motor cars (business and private use only, not used for the conveyance of goods for trade purposes.
The term "motor cars" includes cars, SUVs, micro-buses, station wagons, safari vans, motorised caravans, minibuses, minivans and domestic trailers and caravans.
- Motor cycles (business and private use only, not used for the conveyance of goods for trade purposes)
Motorcycles, 3-wheeled vehicles, motorised wheel chairs, auto cycles, motor scooters, e- bikes, mechanically-assisted pedal cycles and unipeds.
- Light delivery vehicles (LDVs) (private use only)
The vehicle must be insured in the name of an individual and used solely for private purposes.
We cover a farmer's fleet of LDVs, provided that the vehicles are used for private purposes only, and each vehicle is listed on the schedule of the underlying motor policy.
The underlying policy must be endorsed as follows:
'It is warranted that the vehicle insured herein is used purely for private and domestic use and not used for the conveyance of goods for trade purposes.'

Motor Category 2 (M2)

- Motor cars (used for the conveyance of goods for trade purposes)
The term "motor cars" include cars, LDVs, micro-buses, station wagons, safari vans, motorised caravans, minibuses, minivans, caravans and domestic trailers, where such vehicles are used for the conveyance of goods for trade purposes.
- Motor cycles (used for the conveyance of goods for trade purposes)
Motorcycles, 3-wheeled vehicles, motorised wheel chairs, auto cycles, motor scooters, e- bikes, mechanically-assisted pedal cycles and unipeds, where such vehicles are used for the conveyance of goods for trade purposes.
- Non-registered types
Non-registered vehicles may be insured under the Motor section. These vehicles are described as manually assisted vehicles, such as, but not limited to, lawnmowers, golf carts, forklifts, goods-carrying trolleys, tractors with or without lifting apparatus, road rollers, quad bikes, tractors used for maintenance of recreational grounds, sprayers (disinfectant, sanitary and tar), water carts, road graders, scarifiers, sweepers, tower wagons and compressors.

Motor Category 3 (M3)

- Minibus
A motor vehicle designed or adapted for the conveyance of more than nine, but not more than 16 persons, including the driver.
- Midibus
A motor vehicle designed or adapted for the conveyance of more than 16, but not more than 35 persons, including the driver.



Motor category 4 (M4)

- Motor vehicles insured under an underlying Motor Trader policy and owned by, or in the custody or control of, a motor dealer, a panel beater, or the like.

Motor category 5 (M5)

- Buses

A bus means any vehicle designed or adapted for the conveyance of more than 35 persons, including the driver.

Motor category 6 (M6)

- Registered mobile plant

A vehicle designed to be used on a construction site and registered to be driven on a public road.

Motor category 7 (M7)

- Bus Rapid Transit system

A bus authorised to operate along a rapid transport lane in a bus rapid transport system, and which has a regulated floor height and door configuration designed to facilitate speedy access of passengers to and from dedicated boarding facilities.

Motor category 8 (M8)

- A commercial vehicle with a gross vehicle mass of 3500kg and above, used for the conveyance of goods for trade purposes.

Relationship between vehicle and the policyholder

For Sasria to cover loss or damage to a vehicle, the vehicle must be:

- Owned by the policyholder or an insured entity or person; or
- Leased by the policyholder or an insured entity or person; or
- A replacement vehicle that the policyholder or an insured entity or person is using while their own vehicle is with a service provider for a service, repairs or an overhaul.



What we DON'T cover

Sasria does not compensate you for:

1. Any form of consequential or indirect loss or damage, depreciation of any nature, wear and tear, and any form of mechanical or electrical failure or breakdown;
2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;
3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so;
4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or a state of siege;
6. Any attempt to perform any act referred to in clauses 4 and 5 above;
7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
8. Loss or damage 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, 1976 (No. 85 of 1976) or any similar Act operative in South African territory to which this policy applies;
9. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
10. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 5 or 8, you will have to prove that the loss or damage was not related to exclusion 5 or 8.



Conditions

1. If an insured vehicle is a total loss, the policy will end from the date of such total loss and no refund of the premium will be payable to the policyholder.
2. If an insured vehicle is used to convey goods for trade purposes at the time of the loss or damage, and it is not insured in the correct Motor category, we will not be liable for such loss or damage to the vehicle.
3. You may cancel your Sasria Motor policy at any time, but no pro-rata refund of the premium will be payable if you were paying the minimum premium. See [Sasria Rates Schedule](#) to check if you were paying the minimum premium.
4. At the end of each period of insurance, you must declare all fleet vehicles insured under this policy so that Sasria can make a premium adjustment. You must give us the declaration within 45 days of the end of each period of insurance. We will refund you 50% of the premium or require you to pay the additional premium, as applicable.
5. You must provide your broker with a list of all vehicles insured under this policy as and when we request it.
6. If Sasria accepts liability for a claim under this policy, we extend cover to include damage to a third-party vehicle that is not insured with Sasria, but only if the incident took place while the third-party vehicle was driven on a public road.

Compensation

There is no excess payable if you claim under your Sasria Motor policy.

In the event of a total loss:

1. If an insured vehicle is less than 12 (twelve) months old, from the date of first registration, and the vehicle has travelled less than 2500km per month on average since the date of first registration, Sasria agrees to bear the costs of replacing the vehicle with a new vehicle of the same make and model (subject to the availability thereof). This applies only to vehicles not exceeding 3500kg gross vehicle mass.
2. For vehicles not meeting the condition in 1., the maximum compensation will be the lesser of the retail value (as reflected in the latest TransUnion Auto Dealer Digest) or the agreed value stated on the Sasria policy schedule.

Accessories or spare parts:

If any spare part or accessory required for the repair of a vehicle is no longer available in South Africa, we will pay you a sum equal to the value of the spare part or accessory at the time of the loss or damage. However, the compensation will not exceed the manufacturer's last listed price when the spare part or accessory was still available in the Republic of South Africa.



Towing and storage costs:

If the insured vehicle is involved in an incident that Sasria covers, you must arrange towing and storage with the underlying insurer's authorised service provider. If Sasria accepts liability for the claim, we will refund the underlying insurer. We will also pay the reasonable cost to deliver the vehicle to your address in South Africa after repairs.