

# TAXI 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, conditions and provisions (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 Mutual & Federal Risk Financing Limited (MFRF) ("The Insurer"), 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 Policy up to the limits of indemnity, compensation and other amounts specified.

## GENERAL EXCEPTIONS, CONDITIONS AND PROVISIONS

### GENERAL EXCEPTIONS

#### 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;
  - (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 No. 85 of 1976 or any similar enactment 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 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 C of these exceptions, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

## 2. ASBESTOS

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

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. DETENTION, CONFISCATION AND FORFEITURE

This policy does not cover any loss, damage, cost (including but not limited to any legal cost), liability or expense directly or indirectly arising from detention, confiscation, forfeiture, impounding or requisition legally carried out by customs, police, crime prevention units or other officials or authorities.

## 5. DRIVING UNDER THE INFLUENCE

The Insurer will not compensate the Insured if the Insured or any person drives the Vehicle with the Insured's knowledge or general consent, whilst under the influence of intoxicating liquor (if the level of alcohol exceeds the legal limit prescribed by Section 65 of the National Road Traffic Act) or any drug (unless prescribed by a member of the medical profession).

## 6. RESTRICTION OF USE

The Insurer will not compensate the Insured should the Insured's Vehicle(s) suffer loss or damage whilst being used for any of the following:

- (a) Racing, speed or other contests, rallies or trials;
- (b) Carriage of explosives;
- (c) Carriage of gases and/or air under pressure in containers;
- (d) Carriage of any load or passengers exceeding the capacity for which it was constructed or licensed to carry;
- (e) Use outside of the relevant manufacturers' specifications;
- (f) Use for any purpose in connection with the motor trade;
- (g) For transporting dangerous goods as per the National Road Traffic Act, unless agreed by the Insurer;
- (h) Whilst being used in the confines of an airport or area to which aircraft have access or to loss or damage to aircraft.

## 7. UNLICENSED OPERATORS/ DRIVERS OR DRIVERS WITHOUT PERMITS

The Insurer shall not be liable for any accident, injury, loss, damage or liability whilst the Vehicle is being driven by or is under the control for the purpose of being driven by a person who does not hold:

- (a) a current, valid driving licence for the category of Vehicle being driven;
- (b) a current, valid Professional Driving Permit (PrDP) to drive the Vehicle, as required in terms of the National Road Traffic Amendment Act of 1998 (as amended); and
- (c) a current, valid Operator's License as required in terms of the National Road Traffic Amendment Act of 1998 (as amended).

## 8. ASSUMED LIABILITY

The Insurer will not pay for liability arising out of a contractual agreement unless that liability would have been covered anyway.

## 9. 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.

## 10. SUDDEN AND UNFORESEEN

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

## 11. POLLUTION

The Insurer is under no circumstances liable for any liability, costs or expenses related to seepage, spillage, pollution and/or contamination whatsoever or howsoever arising.

## 12. 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"><li>• 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</li><li>• 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.</li></ul>
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.

## 13. 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"> <li>• 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</li> <li>• a failure to act, any error or omission or accident or series of related failures to act, errors or omissions or accidents; and/or</li> <li>• 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.</li> </ul>
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.

## 14. 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	<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"> <li>• 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</li> <li>• 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</li> <li>• 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.</li> </ul>
Time Element Loss	business interruption, contingent business interruption or any other consequential losses.

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

1. 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"><li>• 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</li><li>• 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</li><li>• 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.</li></ul>
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## 16. 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), these conditions will apply to the policy.

### 1. APPLICATION/STATEMENT OF FACT

The signing by the Insured of an Application Form or Statement of Fact shall be the basis of the contract.

### 2. APPLICATION OF THE GENERAL CONDITIONS

General Conditions and Exceptions apply to this Policy but Specific Conditions, Exceptions and Endorsements override General Conditions and Exceptions. Any meaning given to a specific word or term will have the meaning when it occurs. Headings are for ease of reference only and must not be read separately from the text.

### 3. ARBITRATION

Should a dispute arise between the Insured and the Insurer with respect to the monetary value of a settlement of a claim and agreement cannot be reached, the dispute must be referred to an arbitrator within 30 (thirty) days. The Insured and the Insurer must appoint the arbitrator in accordance with arbitration legislation and any fees will be equally divided between the Insured and the Insurer.

### 4. MISREPRESENTATION, MIS-DESCRIPTION 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, 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.

### 5. OTHER INSURANCE

If, at the time of any event giving rise to a claim under this policy, any insurance exists with any other Insurers 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.

### 6. CANCELLATION & CONTINUATION OF COVER (WHERE PREMIUM IS PAYABLE BY BANK DEBIT ORDER)

#### A. Cancellation

The Insurer is not bound to accept renewal of this Policy and may cancel the Policy at any time by giving the Insured or the Insured's Intermediary, 31 (thirty-one) days (or any other mutually agreed period) notice in writing (by Email, fax or registered letter). The Insured shall be entitled to the return of a proportion of the premium paid in respect of the unexpired term of the Policy provided that there have been;

- (a) no claims made under the Policy for which the Insurer have made payment;
- (b) no claims made under the Policy which are still under consideration;

- (c) no incidents likely to give rise to a claim however are yet to be reported to the Insurer.

The Insured may give immediate notice of cancellation and are entitled to the return of a proportion of the premium paid in respect of the unexpired term of the Policy subject to the conditions in A (a), A (b) or A (c) above. If a claim has been submitted or there has been an incident likely to give rise to a claim during the current Period of insurance, no refund for the unexpired portion of the premium will be given.

**B. Continuation of cover (where premium is payable by bank debit order or by transmission account)**

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

**7. ADJUSTMENT OF PREMIUM**

If the premium for 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.

**8. 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, bylaw 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, bylaw or rule shall entitle the Insurer to reject any claim where such failure is material to the claim.

**9. CHANGE IN CIRCUMSTANCES**

Should there be any change in circumstances which may affect the risk insured, it is the Insured's responsibility to notify the Insurer and/or the Insured's Intermediary in writing. Failure to do so may result in cancellation of cover or claims being found to be invalid due to the change in circumstances.

**10. PROCEDURES TO BE FOLLOWED IN THE EVENT OF LOSS OR DAMAGE WHICH MAY GIVE RISE TO A CLAIM**

It is a condition precedent to the Insurer's liability that in the event of a claim the Insured acts as follows at his own expense:

- i) In the case of Theft or Hijack, as soon as the Occurrence is known, IMMEDIATE NOTIFICATION must be given to:

KVTR 24 Hour Control Centre Toll-Free 0800 434 996/ 0800 430 43

and/or;

to e-track contact Trevor Ackerman at +27 11 568 2011 or +27 83 900 8275

And the Insurer must be notified as soon as possible but not later than 2 WORKING DAYS after the Occurrence.

- ii) Take all reasonable steps to recover the stolen property and to discover the guilty party.
- iii) Advise the Insurer of any claim other than Theft, Hijack or a claim from a Third Party, as soon as possible from the time of the Occurrence, but not later than 10 WORKING DAYS after the Occurrence.
- iv) In the case of a serious claim where damage to the insured Vehicle is likely to exceed R100 000 (one hundred thousand rand) and/or where more than ONE Third Party is involved, IMMEDIATE NOTIFICATION must be given to

KVTR 24 Hour Control Centre Toll-Free 0800 434 996/ 0800 430 430

and/or;

to e-track contact Trevor Ackerman at +27 11 568 2011 or +27 83 900 8275

- v) Inform the Police as soon as possible, but not later than 24 Hours following the accident or theft of property.
- vi) Complete a Tradesure claim form as soon as possible and provide the Insurer with all information requested. The Insurer will be under no obligation to proceed with the claim if the Insured does not provide, in full, the required information.
- vii) Provide the Insurer with material proof, information, sworn declarations and any other documentation that The Insurer may require as soon as practicable, but no later than 30 days.
- viii) Provide the Insurer with the particulars of any other insurance that covers the same events as this Policy.
- ix) Immediately forward to The Insurer any notice of claim, communication, writ, summons or other legal process issued or commenced against the Insured in connection with the Occurrence.
- x) 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.
- xi) All claim payments are inclusive of value added tax ("VAT").
- xii) If during the period of insurance, the Finance Company is made aware of circumstances which could give rise to a claim under this policy, and the Insured cannot or will not be traced to complete the necessary claims documentation, the completion and/or signature of the required documentation will be assigned to a duly authorized official of the Finance Company.
- xiii) The Insured may authorise:

Emergency repairs up to R5 000 (Five Thousand Rand) provided that a detailed estimate is immediately forwarded to The Insurer.

Complete repairs up to R5 000 (Five Thousand Rand) provided that the Insured have obtained at least TWO detailed quotes from recognised repair establishments prior to giving such authority.

#### 11. COMPANY'S RIGHTS AFTER AN EVENT

- i) 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 The Insurer may, without thereby incurring any liability and without diminishing the right of The Insurer to rely upon any conditions of this policy:
  - a) 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;
  - b) 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 The Insurer's 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.
- ii) 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.
- iii) In respect 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.

#### 12. COMPLIANCE WITH LEGISLATION

For the Insured to have a claim under the policy, it is important that the Vehicles, the load on the Vehicles and the driver(s) must comply with all legislation, statutory requirements, regulations and/or enactments and amendments to the enactments and in any event the gross Vehicle mass or combination gross Vehicle mass must not exceed the weight as per regulation.

#### 13. 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.

This Policy may be cancelled immediately should a fraudulent claim be submitted.

#### 14. BREACH OF CONDITIONS

The conditions of this policy shall apply to each of the insuring sections 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.

#### 15. RIGHTS OF OTHERS

The Insured will be the only person that is entitled to a claim of indemnity under the policy. Any extension providing indemnity to a person other than the Insured shall not give rights of claim to such a person. The

Insured will claim on behalf of the other person and receipt of The Insurer's payment by the Insured discharges The Insurer entirely of their responsibility.

#### 16. RIGHTS TO PROPERTY

The Insurer or any person authorised by The Insurer may take or keep possession of any damaged Vehicle and deal with it in any reasonable manner. The Insurer shall not incur any liability or diminish any other rights it may have when it does so. The Insured may, however, not abandon any Vehicle to The Insurer whether The Insurer has taken possession of it or not.

#### 17. JURISDICTION

The Insurer shall not be liable for compensation for damages or costs and expenses of litigation made or recovered by any claimant from the Insured including the Insured himself in respect of, including but not limited to any law suits, litigation action and/or judgements delivered or obtained in the first instance by a court other than a court of jurisdiction within the Republic of South Africa ("the RSA"). Cover granted by this policy is subject to the exclusive jurisdiction of the courts of the RSA.

#### 18. LEGAL ACTION

The Insurer may, only for its sole benefit, take over and conduct the defence or settlement of any case and prosecute such case in the Insured's name. The Insurer will have full discretion in the conduct of any proceedings and in the settlement of any claim.

#### 19. THIRD PARTY LIABILITY

Where cover is provided for liability to third parties, The Insurer may pay the Insured the limit of indemnity or any lesser amount for which the claim can be settled, and then regard the claim as finalised.

#### 20. INSURABLE INTEREST

The Insured may only insure Vehicles in which it has an insurable interest. The Insured has an insurable interest in a Vehicle if the Vehicle is stolen or damaged and, as a result, the Insured suffers a direct financial loss, or incurs legal liability.

#### 21. CONSENT CLAUSE

- i) 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. The Insured is 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 the Insured's 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.
- ii) Acceptance by the Insured of The Insurer's 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 the Insured will:
  - a) 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;
  - b) allow such information to be disclosed to any other insurance company or its agent;

- c) allow The Insurer to verify the information provided by the Insured against other legitimate sources or databases.

## 22. CURRENCY, INTEREST AND DELAY

All premiums and claims will be paid in South African Rand. The Insurer will not pay any interest on a claim. The Insurer will not pay for any increased costs arising out of any delay in repairing, reinstating or replacing any loss or damage.

## 23. CUSTODY OF THE MOTOR TRADE

The Insured will still have cover under this policy if the insured Vehicle is in the custody of a member of the motor trade for the purposes of overhaul, upkeep or repair.

## 24. DESCRIPTION OF USE OF THE INSURED VEHICLE/S

Use of the insured Vehicle(s) is restricted to the business or occupation of the Insured. This excludes hiring, carriage of passengers or load for hire or carriage of fare paying passengers exceeding the capacity for which it was constructed or licensed to carry, racing, speed or other contests, rallies, trails, carriage of explosives, carriage of liquid petroleum or gasoline products, or for any purpose in connection with the motor trade unless otherwise agreed by The Insurer.

## 25. ENDORSED LICENCES

If during the Period of Insurance, the Insured's driver's licence or the licences of any of the Insured's drivers is endorsed, suspended or cancelled; or the Insured or the Insured's driver are convicted of negligent, reckless or improper driving, notification will be sent in writing to The Insurer as soon as the Insured becomes aware of such fact.

## 26. HIRE PURCHASE OR LEASE AGREEMENTS

Where the Insured's Vehicle is treated as a Total Constructive Loss following any claim under this policy, and there is an outstanding amount due under any suspensive sale or similar agreement, payment will first be made to the financial institution involved and any Excess balance remaining will be paid to the Insured.

## 27. NON-CO-OPERATION

Non co-operation in settling claims may result in the Insured having to refund The Insurer all amounts paid in settlement of the claim.

## 28. PRECAUTIONARY (SECURITY) MEASURES

If the Insured has declared the existence of any other precautionary measures at any time during the Period of Insurance, these measures are a prerequisite for the cover to remain operative. The Insured must ensure that these measures are in place and in working order at the time of any loss.

## 29. PREMIUM PAYMENT

Annual Policies:

The premium is due on or before the inception date. Where the policy is in the process of being renewed, The Insurer may accept a premium tendered more than 15 (fifteen) days after the renewal date, however, The Insurer is not obliged to do so.

#### Monthly Policies:

Premiums are payable on due date (normally the first business day of the month). The Insurer will give the Insured 15 (fifteen) working days grace within which a cash premium and proof of payment must be furnished to The Insurer. The Insurer may agree to re-submit the debit order in lieu of a cash payment. If the second debit order fails, The Insured's policy will automatically lapse on the original due date.

The Insurer will do all that it can to help the Insured retain the Policy by contacting the Insured or the Insured's Intermediary within the first month following a declined or returned debit order.

#### Provisional Cover

If agreement has not been reached on the final premium due, The Insurer may consider provisionally covering the risk subject to the settlement of the final premium and will not reject claims as a result.

### 30. 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.

### 31. 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.

### 32. TRACKING, RECOVERY, CAMERA AND FLEET MANAGEMENT DEVICE/S

Where The Insurer requires a V.E.S.A. certified or Tradesure approved Tracking Device / Fleet Management System / Stolen Recovery System to be fitted to the Vehicle, it is a condition precedent to liability that:

- (a) at the time of accidental damage or loss by theft or hijack of the Vehicle, the device must have been in working order and subject to a current and paid up contract with a service provider;
- (b) the device must have been maintained in accordance with the service provider(s) instruction;
- (c) the device was activated immediately after the Insured or the driver of the Vehicle became aware of the hijack or theft of the Vehicle specified in the Schedule.

### 33. 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.



## GENERAL PROVISIONS

Subject to the provisions of Section 55 of the Short-Term Insurance Act No 53 of 1998 (as amended), these provisions will apply to the policy.

### 1. CLAIMS PREPARATION COSTS

The insurance provided by 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 1.2.6 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 R1 000 or 10% of the limit of indemnity on the item affected, whichever is the lesser amount, plus any amount stated in the Schedule for additional claim preparation costs.

### 2. 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.

### 3. FIRST AMOUNT PAYABLE (EXCESS)

Except where provided for specifically, the amount payable under this policy for each and every loss, damage or liability shall be reduced by the first amount payable (Excess) shown in the schedule for the applicable defined event.

### 4. MEMBERS

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

### 5. MEANING OF WORDS

The Schedule 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.

### 6. PREMIUM PAYMENT

Premium is payable on or before the inception date or renewal date or any other date agreed by The Insurer, as the case may be, failing which no cover will be in force prior to the time of payment.

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

### 7. SCHEDULE LIMITS OF INDEMNITY BLANK

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

- i) left blank or has no monetary amount stipulated against it; or
- ii) reflected as nil or not applicable or not covered or no indemnity extended;
- iii) this means the defined event or circumstance shown in the Schedule is not insured by the policy.

## 8. 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.

## MEMORANDA

### DEFINITIONS

1. **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 policy.
2. **Vehicle** - shall mean any of the following types of Vehicle being owned by or hired or leased to the Insured as described hereunder, including any such Vehicle temporarily operated by the Insured as replacement for any Vehicle stated in the Schedule whilst 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 Market Value of the replacement Vehicle or the limit of indemnity of the replaced Vehicle as stated in the schedule
  - 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. Mini-Buses (including and vehicle with a GVM exceeding 3,500 Kg or with 10 or more seats including the driver);
  - f. 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);
3. **Retail Value (if stated in the schedule to be applicable)** - shall mean the recommended retail price of the Vehicle as reflected in the TransUnion Auto Information "Commercial Vehicle Dealers' Guide" for the make and model. Where the particular make and model of the Vehicle is not given in the Guide, then the average value decided by three independent motor industry sources of The Insurer's choice will be used as the Retail Value of the Vehicle. The Retail Value of the Vehicle will be adjusted according to its kilometre reading and condition and accessories and spare parts specified in the schedule.
4. **Market Value** - shall mean the average between Trade and Retail prices as reflected in the TransUnion Auto Information "Commercial Vehicle Dealers' Guide" for the make and model. Where the particular make and model of the Vehicle is not given in the guides, then the average value decided by three independent motor industry sources of our choice will be used as the Market Value of the Vehicle. The Market Value will be adjusted according to the Vehicle's kilometre reading and condition and accessories and spare parts specified in the schedule.
5. **Agreed Value (If stated in the schedule to be applicable)** - The amount the Vehicle is insured for as agreed by The Insured and The Insurer and as shown in the Schedule. The amount should include the value of the Vehicle at the inception date of the policy including all manufacturer fitted extras and modifications and any non-manufacturer extras or modifications approved by The Insurer. This value must

not vary by more than 10% of the Market Value. Subject to a certificate of valuation as might be required by The Insurer.

6. **Finance Company** - shall mean the registered credit provider in terms of the Credit Agreement and whose interest is noted in the schedule.
7. **Credit Agreement** - shall mean a legally enforceable Credit Agreement as defined in the National Credit Act 34 of 2005 (as amended), which the Insured has entered into with a registered credit provider in respect of the insured Vehicle which is listed in the schedule.
8. **Date of Loss** - shall mean the date on which the incident which is covered occurred.
9. **Territorial Limits** - shall mean the Republic of South Africa..
10. **Abandoned** - shall mean deserted, discarded, forsaken, derelict, vacant, dumped and/or cast-off.
11. **Foreign Driver** - shall mean any driver holding a Foreign Passport, who holds a South African work permit, who holds a Foreign Driver's licence and is in possession a valid PrDP as required by South African law.
12. **Excess** - The first amount or deductible payable by the Insured, as specified in the Schedule and/or Policy wording. In some respects, the first amount payable can be cumulative over and above the Basic first amount payable, however this depends on the circumstances of the claim. The Insured is to bear this amount or accumulation of these costs for his own account and The Insurer undertakes to indemnify the Insured for the balance of the claim.
13. **Enclosed Premises** - Comprises a locked building or compound bounded on all sides by a substantial wall, fence or similar structure and having a locked gate.
14. **Tracking Device** - Is any approved early warning Tracking Device or an approved V.E.S.A. certified tracking and recovery system which is required to be installed in the Insured Vehicle. It is imperative that the Insured maintains the system in full functioning order at all times. 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.
15. **V.E.S.A** - Vehicle Security Association of South Africa
16. **Total Loss** - An Insured Vehicle is regarded as a Total Loss when the Vehicle is stolen or taken by means of force and not recovered or where the Vehicle sustains insurable damage beyond economical or viable repair in relation to the Market or Agreed Value whichever basis has been selected to be insured.

## SECTION A - LOSS OR DAMAGE

### DEFINED EVENTS

Loss of or damage to any Vehicle described in the schedule and its accessories and spare parts whilst there on, provided that:

- i) 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 reasonable Market Value (or other basis of indemnity selected being "retail" or "agreed" value as indicated in the schedule) and its accessories and spare parts at the time of such loss or damage;

- ii) 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 reasonable value of such Vehicle and/or its accessories and/ or spare parts at the time of such loss or damage;
- iii) if, to the knowledge of The Insurer, the Vehicle is the subject of a suspensive sale, lease, hire purchase or similar agreement, such payment shall be made to the title holder described therein whose receipt shall be a full and final discharge to The Insurer in respect of such loss or damage;
- iv) in respect of each and every Occurrence giving rise to a claim under this section, the Insured shall be responsible for the Excesses 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 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 Excess payable for which the Insured is responsible, such amount shall be paid by the Insured to The Insurer forthwith;
- v) The Insurer shall not be liable for more than the amount stated in the schedule (after deduction of the Excess) in respect of the theft or attempted theft of radios, tape players and similar equipment or telephones and tracking units not supplied by the manufacturers of the Vehicle when new;
- vi) **Removal of the Insured Vehicle's Wreckage and Protection of the Vehicle** - the reasonable costs limited in total to no more than R7 500 (Seven and a Half Thousand Rand), for the Recovery/Removal and/or Protection of the Insured Vehicle to the nearest SMD yard or depot or repair facility or Insured's premises, whichever is nearest to the scene of accident, and the subsequent delivery to the Insured's permanent address located in the Republic of South Africa.
- vii) in the event of any incident giving rise to a claim under Section A the maximum payment in the event of any part (which shall include any spare wheel, tool, accessory and spare part) needed to repair or replace damage insured under Section A of this section) to such insured Vehicle being unobtainable in the RSA 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 manufacturers last issued catalogue or price list;

#### SPECIFIC EXCEPTIONS TO SECTION A

The Insurer shall not be liable to pay for:

- i) 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.
- ii) damage to tyres by application of brakes or by road punctures, cuts or bursts.
- iii) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.
- iv) goods or property in or on or conveyed by any insured Vehicle.
- v) Vehicles used for the carriage of explosives or other dangerous chemicals, illegal substances or weapons of any kind.

- vi) **Subsequent Damage** - Any subsequent damage as a consequence of the Insured Vehicle being driven or used after sustaining damage as a result of an accident and before the relevant and necessary repairs having being effected.
- vii) **Theft and/or Hijack** - Loss or damage following Theft and/or Hijack of any Vehicle specified in the Schedule with an insured value in Excess of R150 000 (One Hundred and Fifty Thousand Rand) unless the Vehicle is fitted with an approved Early Warning Tracking Device or V.E.S.A. certified Tracking Device and proof of prior installation has been supplied to The Insurer. A period of grace of 7 (seven) working days is allowed from inception of cover for the required Tracking Device to be installed subject to an additional Excess as stated in the schedule.
- viii) **Theft of Audio Equipment** - The Insurer will not be liable for loss of or damage to the audio, communications, fleet management and tracking installation whilst the Vehicle is parked overnight except in the course of a journey unless the Vehicle is locked or is contained in an Enclosed Premises, and the loss or damage is accompanied by forcible and violent entry.
- ix) **Repossession** - Loss resulting from the repossession of the Vehicle and restitution to its rightful owner.
- x) **Unattended Vehicle** - The Insurer will not pay for loss or damage arising from the theft of, or from the Insured Vehicle whilst the ignition and/or entry and/or immobiliser key(s), transmitter(s) or other device(s) have been left in or on the Insured Vehicle, or the Vehicle was left unlocked or with the windows open.
- xi) instances where the carriage of any load and/or passengers exceeds the capacity for which it is constructed and licensed
- xii) any purpose in connection with the motor trade
- xiii) any purpose for any other trade other than for the carriage of own passengers for hire or carriage of fare paying passengers
- xiv) If the driver's license is not accepted or acknowledged to be valid in terms of South African legislation
- xv) damage to the engine unless some other part of the vehicle is damaged in an accident at the same time or unless such damage is caused by thieves or persons of malicious intent;
- xvi) damage to insured vehicles used for racing, speed or any other similar contests, rallies or trials

## SECTION B - LIABILITY TO THIRD PARTIES

### DEFINED EVENTS

- i) 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:
  - a) 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;
  - b) damage to property but excluding 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.

- ii) The Insurer will also, in terms of and subject to the limitations of and for the purposes of this section:
  - a) pay all costs and expenses incurred with The Insurer's written consent, and shall be entitled at its discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this 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 section, provided that the total of The Insurer's liability under both this extension and Section B shall not exceed the limit of indemnity stated to apply to Section B;
  - b) indemnify any person who is driving or using such Vehicle on the Insured's order or with the Insured's permission provided that:
    - (1) such person shall, as though he were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this policy in so far as they can apply;
    - (2) such person driving such Vehicle has not been refused any motor insurance or continuance thereof by any The Insurer;
    - (3) indemnity shall not apply in respect of claims made by any member of the same household as such person;
    - (4) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder;
  - c) 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 ii) a) or ii) b) and provided The Insurer shall not be liable for damage to the Vehicle being driven or used;
  - d) indemnify the Insured in respect of liability arising from the towing of a disabled Vehicle by a Vehicle specified in the schedule (including liability arising out of 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, and providing that such Vehicle is not towed for reward.

**EXCEPTIONS TO SECTION B**

The Insurer shall not be liable under this Section in respect of:

- i) 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.
- ii) 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 ii) 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).
- iii) 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.
- iv) liability arising from any Occurrence outside the Territorial Limits.

- v) so much of any compensation or claim as falls within the scope of any compulsory liability insurance cover or indemnity purchased by the Insured when entering a country as stipulated in the Territorial Limits outside the borders of the RSA, other than any amount payable, which exceeds the limit of indemnity of the compulsory insurance cover purchased, but not exceeding the limit of indemnity as stated in the Schedule.

#### LIMITS OF INDEMNITY

Unless otherwise stated, the liability of The Insurer under this Section in respect of any one Occurrence shall not exceed the limits of indemnity as stated in the Schedule.



## 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 R1 000 per injured occupant but not exceeding R10 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 Section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

The term medical expenses includes 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.

### RESTRICTED COVER OPTIONS

#### 1. Third party only limitation (if stated in the Schedule to be applicable)

Sections A and C are not applicable.

#### 2. Third party, fire and theft only limitation (if stated in the Schedule to be applicable)

The liability of The Insurer under 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, Section C is not applicable.

### EXTENSIONS

#### 1. Contingent liability extension (if stated in the Schedule to be included)

The indemnity under Section B includes claims made against:

- 1.1. 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 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)
- 1.2. 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 The Insurer provided that:
  - a) all the words in ii) of the specific exceptions to Section B are deleted
  - b) 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 1.1 and 1.2 above
  - c) 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
  - d) 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
  - e) the terms, exceptions and conditions of the policy shall otherwise apply.

**2. Passenger liability extension (if stated in the Schedule to be included)**

Specific Exception ii) to Section B shall not apply to Vehicles described in definition 2. 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 Section B, notwithstanding exception ii) 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. Windscreen extension (if stated in the Schedule to be included)**

The provisions of Section A relating to the Excess shall not apply to any payment for damage to windscreen glass, side or rear glass forming part of any Vehicle provided that:

- (i) no other damage has been caused to the Vehicle giving rise to a claim under the policy;
- (ii) the Insured shall be responsible for the Excess (applicable to glass) stated in the schedule of each and every loss.

**5. 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.

**6. Replacement of the Insured Vehicle's Locks, Keys and Remotes**

The Insurer will indemnify the Insured in respect of the cost of replacing Locks, Keys and/or Alarm Remote Control device and the reprogramming of any Coded Alarm System forming part of the Vehicle if the Key/s or Alarm Remote Control device has disappeared, or the Insured has reason to believe that an unauthorised person may be in possession of these items and/or duplicates thereof, provided that;

- (i) the indemnity in the overall is limited to not more than R10 000 (Ten Thousand Rand) or any other amount stated in the schedule; and
- (ii) such amount shall be reduced by the Excess stated in the schedule. The provisions of this section relating to Excess shall not apply to this section.

**7. Fire Extinguishing Charges Extension**

Any costs reasonably and necessarily incurred to extinguish the Insured Vehicle in the event of it catching on fire or in order to prevent the potential of explosion or otherwise occurring which could result in total constructive loss and or ensuing liability against the Insured, however subject in the overall to a maximum limit of R5 000.

**8. 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 RSA 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 Exceptions A. ii), iii), iv), v) or vi) of this policy;
  - f) 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 7 ii) 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.

## SPECIFIC CONDITIONS APPLICABLE TO SECTIONS A & B

### 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 per cent of the annual rate per Vehicle applied to the difference in the number of Vehicles at inception or renewal and the number declared.

### WAR CLAUSE

In respect of 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.

### DESCRIPTION OF USE CLAUSE

Use for social, domestic and pleasure purposes and use for the business or occupation of the Insured excluding: hiring out, 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.

## SPECIFIC EXCEPTIONS

The Insurer shall not be liable for any accident, injury, loss, damage or liability:

- (i) 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.
- (ii) incurred outside the Territorial Limits.
- (iii) incurred while any Vehicle is being driven by:

- a) the Insured, while under the Influence of intoxicating liquor or a drug having a narcotic effect (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 the concentration of alcohol in his/her bloodstream exceeds the legal limit as prescribed by Section 65 of the National Road Traffic Act or while not licensed to drive such Vehicle
  - b) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or a drug having a narcotic effect (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 the concentration of alcohol in his/her bloodstream exceeds the legal limit as prescribed by Section 65 of the National Road Traffic Act.
- (iv) whilst under the control of or for the purpose of being driven by a person who does not hold a current valid Professional Driving Permit (PrDP) and licensed with the correct licence code to drive such a Vehicle as required in terms of the National Road Traffic Act. This exception applies if the said person has held a PrDP but has not renewed it.
  - (v) for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.
  - (vi) where it is found that at the time of any incident giving rise to a claim the insured Vehicle was not in a roadworthy condition or was being used in contravention of any legislation relating to such use.
  - (vii) resulting from theft or hijacking where a Tracking Device which has been accepted by The Insurer as fitted to the insured Vehicle was not fully functional at the time and Date of Loss or where the subscription or service fee or service agreement had not been fully maintained by the Insured. It is further warranted by the Insured that during the currency of this policy, the Insured shall keep in force a legal contract between themselves, and the supplier of the Vehicle tracking company. The Vehicle must be monitored by a 24-hour control room operated by the tracking company, and any recovery must be initiated and controlled by the tracking company.
  - (viii) for Vehicles with a sum insured of R150 000 and over, unless such Vehicles are fitted with a Tradesure approved Tracking Device.
  - (ix) occurring within the confines of any airport or area to which aircraft have access or to loss or damage to aircraft.
  - (x) Vehicles not legally registered in the RSA.

#### SPECIFIC MEMORANDA

- (i) If, during the currency of this policy, any driver's license 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.
- (ii) Any modification or alteration to the insured Vehicle shall be reported to The Insurer in writing within 30 days of such modification or alteration.
- (iii) The Insured shall not cede or assign, either in part or in whole, any of its rights or obligations in terms of this policy without the prior written consent of The Insurer.