

# MOTOR

## SUB-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 thereon. The insured may give instructions for repairs to be executed without the prior consent of the company to the extent of but not exceeding R15 000, provided that a detailed estimate is first obtained and immediately forwarded to the company. The company 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 within the territories listed in Specific exceptions 1 (b) provided that:

1. where an incident payable in terms of the policy occurred within the borders of the Republic of South Africa, and towing of the insured item is necessary, the insurer will pay the reasonable costs of such towing to the nearest repairer within the Republic of South Africa;
2. where an incident payable in terms of the policy occurred outside the borders of the Republic of South Africa, the recovery and towing of the insured item will be covered to the nearest border with the Republic of South Africa or to the nearest repairer within such territory limited to R15 000 or the amount stated in the schedule;
3. the limit of indemnity for each type of vehicle is as stated in the schedule and shall be the maximum amount payable by the company in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage;
4. the company 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 market value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage;
5. if, to the knowledge of the company, 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 company in respect of such loss or damage;
6. 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 company in the exercising of any discretion it may have under this insurance.  
If the expenditure incurred by the company includes any first amount payable for which the insured is responsible, such amount shall be paid by the insured to the company forthwith.
7. the company 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, cassette players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.

# EXCEPTIONS TO SUB-SECTION A

The company shall not be liable to pay for

- (a) consequential financial 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, including any consequential damage to any other mechanical, electrical or electronic component as a result of the mentioned breakdown, failure or breakage;
- (b) damage to tyres by application of brakes or by road punctures, cuts or bursts;
- (c) damage to springs/shock absorbers due to irregularities of the road or other surface or to impact with such irregularities;
- (d) detention, confiscation or requisition by customs or other officials or authorities;
- (e) loss or damage of any insured vehicle from or in connection with any exchange, cash or credit sale agreement, including theft under false pretence and/or fraud.

# 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 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 company 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 company'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 thereunder;
- 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 company 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 company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

Provided that

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 company in the exercising of any discretion it may have under this insurance.

If the expenditure incurred by the company shall include any first amount payable for which the insured is responsible, such amount shall be paid by the insured to the company forthwith

## EXCEPTIONS TO SUB-SECTION B

The company 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 affected.
- (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) costs and expenses incurred for clean-up and remedial procedures to remove or repair the effects of spillage or leakage (irrespective of whether such spillage or leakage is the result of a motor accident or not) of any substance carried in or on or by the insured vehicle.

## LIMITS OF INDEMNITY

Unless otherwise stated, the liability of the company 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 company will pay to the insured the medical expenses incurred as a result of such injury up to R15 000 per injured occupant but not exceeding R30 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 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.

Defined vehicle but only if it is insured under sub-section A of this section	Specified part of vehicle in which the injury must occur
1. Any private type motor car or motorised caravan	Anywhere inside the vehicle
2. Any other type of insured vehicle other than a bus or taxi	The permanently enclosed passenger 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 9 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 9 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.

### 3. Limited cover in respect of theft/hijacking

- (a) If the type of cover stated in the schedule is Comprehensive excluding theft, then:

Loss of or damage to the vehicle or any part thereof (including, among others, any tools, accessories, spare parts and spare wheel) in the event of theft/hijacking will not be covered.

- (b) If the type of cover stated in the schedule is Comprehensive limited theft/hijacking cover, then:  
Damage caused to the vehicle as a result of an unsuccessful attempt at theft/hijacking will be covered but damage to vehicles recovered after a theft/hijacking will not be covered.

## 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 company 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 travel 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 company 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). Provided that cover is limited to any person while being carried in or entering into or alighting from the driver's cabin of such insured vehicle at the time of the happening of the occurrence out of which any claim arises. 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 entering into or alighting from the driver's cabin of such insured 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**

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 company 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 company 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 company 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 company 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 company 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 company 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 company's liability shall not exceed, in respect of any one event R15 000, or the amount stated in the schedule
- (ii) such amount shall be reduced by the first amount payable stated in the schedule

The provisions of this section relating to first amount payable and No Claim Rebate shall not apply to this extension.

## 11. Fire extinguishing charges extension

Any costs (not exceeding R15 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 company 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

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 company's liability under this extension shall not exceed, in respect of any one occurrence, R25 000 or the limit stated in the schedule.

### 13. Credit shortfall extension (if stated in the schedule to be included)

If any total loss settlement under sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the company will pay to the insured an additional amount equal to the shortfall less:

- (a) any arrears instalments or rentals including interest payable on such arrears
- (b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle
- (c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
- (d) the first amount payable under sub-section A

provided always that

- (a) the amounts payable shall not exceed the maximum indemnity less the first amount payable under sub-section A
- (b) this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% from any other instalment
- (c) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease, the insurance by this extension shall be void.

## DEFINITIONS

The definitions are applicable to the following extensions:

Extension 14: Excess reducer – Own Damage (excluding Theft/Hijacking)

Extension 15: Excess reducer – Third Party Liability

Extension 16: Excess reducer – Theft and Hijacking

Extension 17: Cover for loss of use

Extension 18: Extension of territorial limits

Extension 19: Cross-border towing costs

#### **Insured Vehicle**

shall mean commercial vehicles, special type vehicles and trailers, but excluding any parts or accessories not permanently fitted thereto, as described in the schedule being owned, hired or leased to the insured;

**Excess** shall mean the amount that the insured is responsible to pay in respect of an indemnifiable claim in terms of the underlying policy;

**Hijacking** shall mean the unlawful intentional removal of the Insured Vehicle without the insured's permission with the use or threat of use of a firearm or any other dangerous weapon, the infliction of grievous bodily harm or a threat to inflict bodily harm by the offender or any accomplice;

**Own Damage** shall mean loss of or damage to an Insured Vehicle excluding loss or damage due to theft, hijacking, attempted theft or attempted hijacking;

**The Act** shall mean the Short-term Insurance Act, No. 53 of 1998 (as amended);



**Theft** shall mean the unlawful intentional removal of the Insured Vehicle(s) without the insured's permission.

**Limits** The company's liability for any one event or series of events with one original cause or source shall not exceed R650 000 notwithstanding the number of insured vehicles stolen or hijacked or damaged.

#### 14. Extension: Excess Reducer – Own Damage (Theft/Hijacking excluded) (if stated in the schedule to be included)

**Defined events**

Payment of an Excess in respect of Own Damage to an Insured Vehicle.

Provided always that

1. the policy provides comprehensive cover in respect of the Insured Vehicle.
2. (i) this benefit will only become payable once the claim has been settled by the company, subject to the terms, exceptions and conditions of the policy; or  
(ii) in the event of the amount of the assessed claim being less than the Excess, this benefit will only become payable on receipt of such proofs, information and sworn declarations as the company may require.
3. the company's liability for each Insured Vehicle will not exceed the limit of indemnity as stated in the schedule or the actual Excess payable on an indemnifiable claim, whichever is the lesser.
4. in respect of each and every occurrence giving rise to a claim, the insured shall be responsible for the first amounts payable as stated in the schedule 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 company in exercising any discretion it may have under this insurance.

Should the expenditure incurred by the company include any first amount payable for which the insured is responsible, such amount shall be paid by the insured to the company forthwith.

#### Exceptions to Excess Reducer – Own Damage (Theft/Hijacking excluded)

The company

1. shall not be liable to pay for
  - (i) consequential loss as a result of any cause whatsoever;
  - (ii) detention, confiscation, requisition, nationalisation, forfeiture, attachment, impounding, seizure or preservation, or any process thereof, whether in terms of a court order, or by customs, police, crime prevention unit or any other officials or authorities;
2. will not indemnify the insured in respect of any claim not covered in terms of the underlying policy whether an ex gratia payment has been made by the insurer or not.

#### 15. Extension: Excess Reducer – Third Party Liability (Own Damage and Theft/Hijacking excluded) (if stated in the schedule to be included)

**Defined events**

Payment of an Excess in respect of Third Party Liability caused by the Insured Vehicle.

Provided always that

1. this benefit will only become payable once the claim has been settled by the company, subject to the terms, exceptions and conditions of the policy, or
2. the company's liability for each Insured Vehicle will not exceed the limit of indemnity as stated on the schedule or the actual Excess payable on an indemnifiable claim, whichever is the lesser.
3. the insured will be responsible for all claims under this extension where the amount of the claim is less than the reduced deductible of R7 500. Should the amount of the claim exceed R7 500, the company will be responsible for the total claim amount (from R1), but limited to the indemnity limit as stated in the schedule.

## 16. Extension: Excess Reducer – Theft and Hijacking (if stated in the schedule to be included)

### Defined events

Payment of an Excess in respect of Theft and/or Hijacking of an Insured Vehicle.

Provided always that

1. the policy provides comprehensive cover in respect of the Insured Vehicle.
2. (a) this benefit will only become payable once the claim has been settled by the company subject to the terms, exceptions and conditions of the underlying insurance; or  
(b) in the event of the amount of the assessed claim being less than the Excess, this benefit will only become payable on receipt of such proof, information and sworn declarations as the company may require.
3. the company's liability for each Insured Vehicle will not exceed the limit of indemnity as stated on the schedule or the actual Excess payable on an indemnifiable claim, whichever is the lesser.
4. in respect of each and every occurrence giving rise to a claim, the insured shall be responsible for the first amounts payable stated in the schedule 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 company in exercising any discretion it may have under this insurance.

Should the expenditure incurred by the company include any first amount payable for which the insured is responsible, such amount shall be paid by the insured to the company forthwith.

## Exceptions to Excess Reducer – Theft and Hijacking

The company

1. shall not be liable to pay for
  - (i) consequential loss as a result of any cause whatsoever;
  - (ii) detention, confiscation, requisition, nationalisation, forfeiture, attachment, impounding, seizure or preservation, or any process thereof, whether in terms of a court order, or by customs, police, crime prevention unit or any other officials or authorities;
2. will not indemnify the insured in respect of any claim not covered in terms of the underlying policy whether an ex gratia payment has been made by the company or not.

## 17. Extension: Cover for loss of use (if stated in the schedule to be included)

### Defined events

Payment of the loss of use benefit as indicated on the schedule where the insured is unable to use an Insured Vehicle due to loss of or damage to an Insured Vehicle.

Provided always that

1. the policy provides comprehensive cover in respect of the Insured Vehicle.
2. such loss or damage is the subject of a valid claim and the company is liable to indemnify the insured.
3. the amount shall be payable from the date of first notification of the claim to the company :
4. the liability of the company in respect of any one occurrence or series of occurrences arising out of or attributable to one source or original cause shall not exceed
  - (a) per day – the amount stated on the schedule;
  - (b) in total – either R168 000 or the amount produced by multiplying the limit of indemnity per day by 84 days whichever amount is the lesser.

The payments will continue until the Insured Vehicle has been repaired and returned to the insured or until the claim has been paid subject to the limit as stated in 4(b).

### Exceptions to Cover for loss of use

The company shall not be liable to pay for loss or damage resulting from mechanical or electrical breakdown.

## 18. Extension: Extension of territorial limits

This cover is subject to the following conditions:

1.
  - (i) If the Insured Vehicle is damaged, the company is not liable for the repair of such damage before the vehicle has been repatriated to the RSA successfully.
  - (ii) In cases where, on the grounds that the vehicle is a constructive total loss, the insured does not repatriate the vehicle, the onus will be on the insured to prove this before the company will accept any liability. In such cases, the value of the scrap, determined at 15% of the vehicle's market value immediately prior to the damage, will be deducted from the amount of any settlement with the insured.
  - (iii) The company shall not be liable for loss or damage to accessories or spare parts by theft or hijacking unless the vehicle is stolen at the same time.
2. Limits of indemnity – Sub-section B: Liability in respect of third parties  
The liability of the company under this sub-section in respect of any one occurrence shall not exceed R2 500 000.
3. South African jurisdiction clause  
The company will not indemnify the insured in respect of:
  - (a) damages in respect of judgments delivered or obtained in the first instance other 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 (a) above.

## 19. Extension: Cross-border towing costs

1. Should the Insured Vehicle become unusable within the territories stated in Specific exception 1 (b) due to any defined event, the insurer will pay the reasonable costs for protection and removal of the vehicle to the nearest repairer or if the vehicle has to be repatriated to the Republic of South Africa, the insurer will also cover the cost thereof, provided that the insurer's liability is limited to the amount stated in the schedule for any one occurrence per vehicle.

## Exceptions to Cross-border towing costs

The company shall not be liable to pay for any government imposed duties, charges or stamps.

## 20. Extension: Increased towing costs within RSA borders (if stated in the schedule to be included)

The cover provided under sub-section A – Defined events, in respect of “protection and removal” is hereby increased per item to the amount stated in the schedule.

## 21. Spillage and Leakage Liability Extension

Notwithstanding the provision of exception (d) to exceptions to sub-section B, the company's liability is extended to include costs and expenses incurred by the insured for clean-up and remedial procedures to remove or repair the effects of spillage and leakage of any substance carried on or by the insured vehicle limited to R250 000. Provided that in respect of each and every occurrence giving rise to a claim under this extension, the insured will be responsible for the first amount payable of R25 000 of any such cost and expense.

Provided further that this extension shall not be applicable in the event that cover for the same event (whether incorporated in this policy or any other policy) is in force at the time of liability giving rise to a claim under this extension.

## 22. Environmental Impairment Liability Extension (if stated in the schedule to be included)

Notwithstanding the provision of exception (d) to exceptions to sub-section B and extension 21, the company's liability is extended to include costs and expenses incurred by the insured for the clean-up and remedial procedures to remove or repair the effects of spillage or leakage of any substance carried on or by the insured vehicle, provided that this extension is limited to claims in excess of the limit set out in extension 21.

Provided that in respect of each and every occurrence giving rise to a claim under this extension the insured shall be responsible for the first amount payable as stated in the schedule.

## Exclusions to Extension 22

The following are not covered:

### (a) Non-compliance

Any claim that arises from any environmental impairment, including but not limited to the deliberate or intentional dumping of any substance by the insured, or any party acting on the instructions of the insured, or any loss, injury or damage arising from the insured's intentional, wilful or non-compliance with any laws, statutory instruments, by-laws, regulations, guidelines or standards having the force of law and which apply to such environmental incident and/or the handling, storage or dealing, in any manner, with any substance.

(b) **Wrongful delivery**

Injury, damage or environmental impairment arising out of wrongful delivery of goods, products or wastes into an incorrect receptacle, to the wrong address or incorrect goods or products delivered.

(c) **Non-conveyance**

If there is any interruption of the transportation ( including but not limited to any rests or stops) of any substance conveyed that may cause a spillage or leakage, for a period longer than 72 hours cover shall not be extended under this extension to cover such spillage or leakage.

## MEMORANDA

### 1. Premium adjustment clause

If this section is issued on a non-specified vehicle basis, the insured shall submit to the company 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 company 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.

### 2. Description of use clause

Use for social, domestic and pleasure purposes and use for the business or occupation of the insured excluding

- (a) 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.
- (b) any activity in connection with the motor trade. The indemnity to the insured in connection with any insured vehicle shall be in operation 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 included)**

Sub-sections A and C and the No Claim Rebate provisions are cancelled.

**Third party, fire and theft only limitation (if stated in the schedule to be included)**

The liability of the company 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 and the No Claim Rebate provisions are cancelled.

# SPECIFIC EXCEPTIONS

1. The company 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, Zambia, Tanzania, Angola, DRC, Malawi and Mozambique, but the insurers will not 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) 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);
    - (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 the insured);
    - (iii) the insured while not licensed to drive such vehicle;
    - (iv) any other person with the general consent of the insured who is not licensed to drive such vehicle, 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 company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles;
    - (v) the insured or any other person with the general consent of the insured who is not in the possession of a Professional Driving Permit (PrDP) as required in terms of the National Road Traffic Act No. 93 of 1996 (as amended) or any replacement statute.

Provided that any driver shall be deemed to be licensed to drive the vehicle if he complies 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 complies with the laws relating to learners.

- (d) should the Insured Vehicle fail to comply with or meet in any respect the requirements for roadworthiness as set out in the National Road Traffic Act No. 93 of 1996 (as amended) or any replacement statute, or of any provincial or local proclamation or statute which is applicable to the Insured Vehicle.
2. The company 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 CONDITION

If, during the currency of this section, any driver's licence in favour of the insured or their 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 company immediately the insured has knowledge of such fact.