

EXTENDED PERSONAL LIABILITY

DEFINED EVENTS

1. Umbrella liability

The insurer will indemnify the insured up to the limit of indemnity stated in the schedule for all sums which the insured becomes legally liable to pay as damages arising from an occurrence anywhere in the world, but not in respect of any judgement, award, payment or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part) during the period of insurance to the extent that:

- (i) such liability is not indemnifiable in terms of the insuring clause and/or insurable events clause and/or operative clause of any underlying insurance; or
- (ii) such liability is not indemnifiable by reason of an exclusion in any underlying insurance; or
- (iii) the amount of such liability exceeds the limit of the underlying insurance and the underlying insurer has paid or has admitted liability or has been held liable to pay the full amount of such limit, which for purposes of this policy is deemed to be a minimum of R500 000, but R1 000 000 in respect of motor liability and/ or water craft liability.

2. Costs and expenses

The limit of indemnity includes all legal costs and expenses

- (i) recoverable by or on behalf of any claimant(s) from the insured
- (ii) incurred by the insured with the insurer's written consent which consent shall not be withheld unreasonably.

DEFINITIONS

"Underlying insurance" means an existing insurance policy in force with

- (i) A registered South African insurer which covers one or more of the following:

Personal Liability

Property Owners Liability

Tenants Liability

Motor Liability

Water craft Liability

- (ii) Any insurer in the world which covers one or more of the following:

Motor Liability

Water craft Liability

Property Owners Liability

in respect of any motor vehicle hired or owned by the insured or any watercraft or property owned by the insured, outside the territory which on 1 January 1976 constituted the Republic of South Africa.

“**Insured**” means the insured named in the schedule and members of his family normally resident with him.

SPECIFIC EXCEPTIONS

This section excludes liability:

- (1) arising out of or in the course of the insured’s employment, business or profession including but not limited to the sale of any goods or the rendering of any services for a fee, reward or any other consideration;
- (2) arising out of the letting and/or hiring out of any movable or immovable property or part thereof for a fee, reward or any other consideration;
- (3) for the first R5 000 of any claim in relation to property hired, leased or borrowed by the insured;
- (4) arising out of the reckless disregard by the insured of the possible consequences of his acts or omissions;
- (5)
 - (i) of one insured to another
 - (ii) to any former insured in respect of any occurrence during any period when such former insured was an insured;
- (6) arising out of loss of or damage to property to the extent that such liability is indemnifiable under any other insurance policy;
- (7) arising out of the ownership or use of any aircraft other than model aircraft and hang gliders;
- (8) which is the subject of statutory or similar legislation controlling the use of motor vehicles or trailers and in respect of which liability:
 - (i) the insured is compelled to effect insurance or to furnish security or
 - (ii) the state or other governmental body or authority has accepted responsibility;
- (9) for any claim in respect of motor liability unless such liability is indemnifiable by any of the underlying insurances, other than any claim excluded solely by reason of any territorial restrictions;
- (10) for any claim in respect of water craft liability:
 - (i) unless such liability is indemnifiable by any of the underlying insurances, other than a claim excluded solely by reason of any territorial restrictions,
 - (ii) where the overall length of the water craft exceeds 10,5 metres;
- (11) for loss of or damage to any self-propelled land vehicle, trailer, caravan, water craft or aircraft in the insured’s care, custody or control;
- (12) arising out of any dishonest, fraudulent or malicious act of the insured or acts of physical assault or seduction committed by the insured;
- (13) for payment of any fine, penalty, multiple, punitive or exemplary damages or arising out of liquidated damages, clauses, penalty clauses or performance warranties, except to the extent that it can be proved that liability would have been attached in the absence of such clauses or warranties;
- (14) for any debt;
- (15) for the failure to pay maintenance or alimony or any amounts following a breach or promise;

- (16) arising out of the purchase, sale, barter or exchange of any property movable or immovable or the failure of the insured to comply with any obligations in relation thereto;
- (17) for the first R2 000 of any claim arising from the suspension or termination of employment of any domestic servant;
- (18) arising out of any condition directly or indirectly caused by or associated with Human Immune Virus (HIV) or the mutants, derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome (AIDS) or any syndrome or condition of a similar kind howsoever it shall be named;
- (19) arising out of confiscation, nationalisation or requisition or destruction of or damage to property by or under the order of any government de jure or de facto or any public authority.

SPECIFIC CONDITIONS

- (1) The indemnity granted by this section is conditional upon there being in force at the time of the occurrence an underlying insurance policy, which substantially provides cover for the type of liability for which indemnity is sought hereunder, and upon the insured not being in breach of the conditions of such an underlying insurance.
- (2) This section will be governed by the laws of the Republic of South Africa whose courts shall have exclusive jurisdiction in any dispute between the insurer and the insured.
- (3) In respect of any claim not covered at least in part by an underlying insurance, the insurer may take over and conduct in the name of the insured the defence or settlement of any claim or prosecute in the name of the insured for their own benefit and will have full discretion in the conduct of any proceedings and in the settlement of any claim. The insured will give all necessary information and assistance as may be required by the insurer.
- (4) Payments under this section shall be payable in the Republic of South Africa in the currency of the Republic of South Africa.
- (5) The due observance and fulfilment of all provisions in the section that require anything to be done or complied with by the insured is precedent to any liability of the insurer in respect of any occurrence for which the insured makes a claim under this policy.
- (6) The insurer may in the case of any occurrence pay to the insured the maximum indemnity limit (but deducting any sum or sums already paid) or any lesser sum for which the claim or claims can be settled and the insurer shall thereafter be under no further liability in respect of such occurrence.
- (7) No admission, offer, promise or payment in relation to a claim under this policy may be made or given by or on behalf of the insured without the written consent of the insurer. The insured will take all reasonable steps to ensure that the underlying insurance and this section, and in the exercise of any subrogation rights. The costs incurred in exercising such rights and any amounts recovered shall be apportioned to each party according to the sums paid or payable under the respective policies.