

HOUSEOWNERS

DEFINED EVENTS

Loss of or damage to the whole or part of the insured property caused by any of the following perils:

1. Fire, lightning, explosion.
2. Storm, wind, water, hail or snow, but excluding any loss of or damage to any property:
 - (a) arising from any process which necessitates the use or application of water;
 - (b) in the open (other than insured buildings, structures and plant designed to exist or operate in the open).

Provided always that this defined event does not cover the following:

- (i) Wear and tear or gradual deterioration;
- (ii) Any loss or damage caused or aggravated by:
 - (a) leakage or discharge from any sprinkler or drencher system in the insured buildings;
 - (b) the insured's failure to take all reasonable precautions for the maintenance and safety of the insured property and to prevent or minimise any loss or damage.
3. Earthquake.
4. Falling trees or impact by vehicles, animals, aircraft and other aerial devices or anything that falls from them.
5. Bursting of water tanks, water apparatus or water pipes, the accidental leakage of oil from fixed oil-fired heating installations, the leakage of washing machines and dishwashers.
6. Theft or any attempt thereof of fixtures and fittings belonging to the owner of the insured buildings whilst such fixtures and fittings are in or on the insured buildings, but excluding theft or any attempt thereof whilst the insured buildings are lent, let or sub-let in whole or in part unless such theft (or any attempt thereof) is accompanied by breaking into or out of the insured buildings by actual, visible and forcible means. For the purposes of this defined event the accommodation of paying guests, boarders or lodgers not exceeding three in number shall not be deemed to be lending, letting or sub-letting of the insured buildings.
7. Breaking into or out of the insured buildings (or any attempt thereof) by actual, visible and forcible means.
8. Malicious damage.
9. The collapse or breakage of aerial systems and satellite dishes, including damage to such aerial systems.

DEFINITIONS

Insured property

The building of the private dwelling house which is constructed and situated as stated in the schedule of this section (such private dwelling house in this section called the 'private dwelling house') and all domestic rooms, private garages, private outbuildings, private tennis courts, private swimming pools (except portable swimming pools), swimming pool machinery, borehole machinery supplying water solely for domestic purpose, satellite dishes, boundary and other walls, gateposts, gates (including the machinery thereof), fences (other than hedges) and paved or surfaced areas (including driveways) of brick, concrete, asphalt or stone (not gravel), watertanks, dams and septic tanks, being on the same premises as and used solely in connection with the aforesaid private dwelling house, including fixtures and fittings belonging to the owner of the aforesaid private dwelling house, domestic rooms, private garages, private outbuildings, boundary and other walls, gateposts, gates, private tennis courts and private swimming pools (but only whilst such fixtures and fittings are in or on the aforesaid private dwelling house, domestic rooms, private garages, private outbuildings, boundary and other walls, gateposts, gates, private tennis courts or private swimming pools), as well as the public supply or mains connections as mentioned in general extensions of this section, all the aforementioned which are being referred to in this section as 'insured property', "insured buildings" and "insured building".

Provided always that if two or more private dwelling houses are insured under this section the terms, limitations, exceptions and conditions contained herein shall apply separately to each insured property as if each had been insured under a separate policy.

EXTENSIONS

(1) General extensions

Subject otherwise to all the terms, exceptions and conditions of this section and all the terms, exceptions and conditions (in so far as they can apply) of this policy, this section also covers the following:

A. LOSS OF RENT

Loss of rent in respect of the private dwelling house as a result of the dwelling house being so damaged by any of the perils insured against under the defined events of this section as to be rendered uninhabitable but only in respect of the period necessary for reinstatement and for an amount not exceeding 25 per cent of the sum for which the aforesaid damaged private dwelling house is insured under this section. The basis of calculation shall be the annual rent (at the time of occurrence of the aforesaid damage) of the aforesaid private dwelling house unfurnished or its equivalent in rental value.

B. PUBLIC SUPPLY OR MAINS CONNECTIONS

Accidental damage to water, sewerage, gas, electricity and telephone connections, the property of the insured or for which the insured is legally responsible:

- between the public supply or public mains and the insured buildings
- between a borehole, water tank or other water source and the insured buildings, but only if supplying water solely for domestic use.

C. GLASS AND SANITARY WARE

Accidental breakage of glass, mirrors and sanitary ware, provided it is fixed to the buildings. The buildings must be furnished and occupied at the time of the breakage. Chipping, scratching and disfiguration are not covered.

D. ADDITIONAL COSTS

Costs necessarily incurred for demolition and clearing, erection of hoardings, municipal plan scrutiny, architects, quantity surveyors and consulting engineers, following damage to any insured building by any peril insured against under this section, provided that professional fees will be limited to 20 per cent of the insured amount of the affected building.

E. FIRE BRIGADE CHARGES

Reasonable costs charged by an authorised body for extinguishing a fire to prevent or lessen damage to any insured buildings.

F. GUARDS

Employment of guards to protect the insured buildings following damage to the insured buildings by any peril insured against under this section. Provided always that the liability of the insurer under this extension shall not exceed R5 000 in all.

G. ACCIDENTAL DAMAGE TO MACHINERY

Sudden and unexpected damage to machinery of swimming pools and jacuzzis, boreholes (excluding windmills), sprinkle irrigation systems, electric gates and garage doors, air-conditioners, burglar alarms and built-in stoves used solely for domestic purposes. The machinery must be installed on the premises of the insured buildings.

Provided that the limit of indemnity for this extension is R10 000 and that it is subject to a first amount payable of R350 in respect of each and every claim.

H. COST OF REMOVAL OF TREES

The insurance under this section includes up to R5 000 in respect of removal costs of fallen trees or parts thereof (whether causing damage or not) referred to under Defined Event 4.

I. KEYS, LOCKS AND REMOTE CONTROL UNITS

Loss of or damage to keys, locks and remote control units used in connection with your private residence. The reasonable costs incurred for calling out a locksmith due to an emergency caused by the loss or damage are also covered.

Provided that:

- (i) the insurer's liability shall not exceed R3 000 in respect of any one event;
- (ii) the insurer shall not be liable for the first R300 of each and every event.

J. GARDENS AND WATER FEATURES

The insurer will pay up to R10 000 for costs incurred by the insured in restoring landscaped gardens and water features damaged as a result of fire, lightning, thunderbolt, subterranean fire, special perils, earthquake, malicious damage and explosion including damage caused by any Emergency Service operating at the insured premises as a result of any insured event under this section.

Provided that the insured shall be responsible for the first R500 of each and every claim.

K. EMERGENCY ACCOMMODATION

The insurance under this section is extended to include the actual and necessary cost of emergency accommodation in the event of a total loss of an insured item caused by an insured peril. The cover is limited to R500 per person but not exceeding R5 000 in the aggregate per event.

L. LOSS OF WATER

The insurer will indemnify the insured for amounts that the insured owes local authorities for water which has been lost due to leaking pipes, provided that:

- the amounts are calculated by the local authorities;
- the reading is at least 50% more than the average reading of the four readings preceding it;
- when a leak is discovered, either by physical evidence or on receipt of an unusually high water account, the insured have taken immediate steps to trace and repair the leaking pipes.

The limit of indemnity shall not exceed R2 500.

The insurer will not indemnify the insured under this extension in respect of:

- (a) the costs to trace and to repair a leaking pipe;
- (b) more than two separate claims within a 12-month period. If there are two separate claims within a 12-month period, the total combined compensation for both claims will be limited to the amount shown in the Schedule;
- (c) loss of water:
 - (1) due to leaking taps, geysers or toilets;
 - (2) from swimming pools or the leaking inlet or outlet pipes thereof;
 - (3) if the private residence has not been occupied for more than 60 consecutive days.

M. SPECIAL ALTERATIONS

The insurer will indemnify the insured for the fair and reasonable cost of alterations to the private residential structures if these are necessary because the insured have had an accident that causes bodily injury and leaves the insured permanently bound to a wheelchair during the period of this policy.

The limit of indemnity will not exceed R5 000 in respect of special alterations.

N. COVER BEFORE PROPERTY TRANSFER

The insurer will indemnify the insured for loss or damage to private residential structures caused by an insured event for the period between the insured signing a Deed of Sale and the transfer of the property into the insured name by the Deeds Office.

This only covers property the insured buy and insure in terms of this policy.

This cover will not apply if the private residential structures are insured by the seller or on the seller's behalf.

O. DAMAGE BY WILD BABOONS OR WILD MONKEYS

The insurer will indemnify the insured for loss of or damage to the insured's private residence and outbuildings caused by wild baboons or wild monkeys.

The limit of indemnity shall not exceed 2% of the insured amount or R10 000.

P. PUBLIC SUPPLY OR MAINS CONNECTIONS: ELECTRICITY AND WATER PIPES

Theft of electricity cables or water pipes the property of the insured or for which the insured is legally responsible:

- between the public supply or public mains and the insured buildings
- between a borehole, water tank or other water source and the insured buildings, but only if supplying water solely for domestic use.

Provided that only the electricity cables and water pipes within a 200 meter radius from the main dwelling will be covered.

(2) Liability extension

Subject otherwise to all the terms, exceptions and conditions of this section and all the terms, exceptions and conditions (in so far as they can apply) of this policy, this section also covers the following arising during the period of insurance:

LEGAL LIABILITY TO THE PUBLIC, in which case:

(A) the insured in his/her capacity as owner of the insured buildings

or

(B) the insured's personal legal representatives (in the event of the death of the insured) in respect of liability incurred by the insured, on condition, however, that such legal representatives shall as though they were the insured observe, fulfil and be subject to the terms, exceptions and conditions of this section and of this policy in so far as they can apply,

will be indemnified by the insurer against:

(a) all sums which the insured shall become legally liable to pay as compensation and

(b) all costs and expenses of litigation

(i) recoverable by any claimant from the insured but on condition that such costs and expenses are in respect of a claim for compensation to which the indemnity afforded under this extension applies and on condition further that such costs and expenses were incurred before the date on which the insurer shall have paid or offered to pay either the full amount of the aforesaid claim or any lesser amount for which the aforesaid claim can be settled or the maximum amount for which the insurer is liable under this extension in respect of the aforesaid claim,

or

(ii) incurred by the insured with the written consent of the insurer in respect of

1. accidental death of or bodily injury to or illness of any person other than a person

(i) who is a member of the insured's household or a member of the insured's family
or

(ii) who is in the employment of the insured if such death, bodily injury or illness arises out of and/or in the course of the employment of such person by the insured,

and/or

2. accidental physical loss of or damage to tangible property other than property belonging to or leased, let, rented, hired to or held in trust by or in the charge or custody of or under the control of the insured or any member of the insured's household or any member of the insured's family or any person in the insured's service,

occurring or arising in or on or at the insured buildings.

Provided always that:

(1) the liability of the insurer under this extension for all costs and expenses of litigation and all compensation payable (irrespective of the number of claimants claiming compensation) in respect of or arising out of any one occurrence or series of occurrences arising out of or attributable to any one source or original cause, shall not exceed the sum of R3 000 000 in all.

(2) the indemnity afforded under this extension shall not apply to or include claims for compensation and costs and expenses of litigation in respect of:

- (a) liability assumed by the insured by agreement unless such liability would have attached to the insured notwithstanding such agreement;
 - (b) death of or bodily injury to or illness of any person or loss of or damage to property caused by or through or in consequence of or arising out of or incidental to or attributable to:
 - (i) the business, trade, occupation or profession of the insured except as owner of the insured buildings;
 - (ii) the ownership or possession or use of lifts, elevators, escalators, cranes, vehicles of any kind (including inter alia trailers and caravan trailers), vessels or watercraft of any kind or aircraft and other aerial devices of any kind;
 - (iii) vibration or the removal or weakening of or interference with support to land, buildings or any other property.
- (3) the indemnity afforded under this extension shall not apply to or include any fines or penalties or punitive, exemplary or vindictive damages, but on condition, however, that nothing contained in this proviso shall extend this section to cover any liability which would not have been covered under this section in the absence of this proviso.
- (4) the indemnity afforded under this extension shall not apply to or include:
- (a) claims for compensation and costs and expenses of litigation in respect of death or any injury, illness, loss or damage directly or indirectly caused by or through or in consequence of or arising out of or attributable to seepage, pollution or contamination. This proviso shall, however, not apply to claims for compensation and costs and expenses of litigation in respect of accidental death of or bodily injury to or illness of any person or accidental physical loss of or damage to tangible property where the aforesaid seepage, pollution or contamination is directly caused by a sudden, unintended and unexpected happening during the period of insurance;
 - (b) any cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is directly caused by a sudden, unintended and unexpected happening during the period of insurance.
- On condition, however, that nothing contained in this proviso shall extend this section to cover any liability which would not have been covered under this section in the absence of this proviso.
- (5) the indemnity afforded under this extension shall not apply to or include claims for compensation and costs and expenses of litigation in respect of death or any injury or illness attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event.

(3) Optional extension

Subject otherwise to all the terms, exceptions and conditions of this section and all the terms, exceptions and conditions (in so far as they can apply) of this policy, this section also covers the following:

A. SUBSIDENCE AND LANDSLIP EXTENSION (if stated in the schedule to be Included)

Loss of or damage to the insured buildings caused by subsidence or landslip, excluding:

- (a) loss of or damage to drains, water courses, boundary walls, garden walls, retaining walls, gateposts, gates and fences;
- (b) loss or damage following upon:
 - (i) faulty design or construction of any building;

- (ii) the removal or weakening of support to any building;
- (iii) structural alterations, additions or repairs;
- (iv) surface or subterranean excavations other than in the course of mining operations.

If required, the insured must prove that the loss or damage being claimed for was caused by subsidence or landslip.

SPECIFIC EXCEPTIONS

1. This section does not cover any consequential or indirect loss or damage of any kind or description whatsoever, except loss of rent as expressly provided in Extension (1) A of this section.
2. This section does not cover any loss or damage or liability or claim directly or indirectly occasioned by or through or in consequence of subsidence or landslip.

SPECIFIC CONDITIONS

Average

If the insured property shall, at the commencement of any loss or damage (against which is insured under this section) regarding the insured property, be collectively of greater value than the sum insured in respect of the insured property, then the insured shall be considered as being his/her own insurer for the difference and shall bear a rateable share of the aforesaid loss or damage accordingly. Every item, if more than one, of this section shall be separately subject to this condition.

Reinstatement value conditions

In the event of the property being damaged, the basis upon which indemnity is calculated is the cost to replace the lost or damaged property or part thereof with similar new property, limited to the sum insured stated in the schedule.

CLAUSES

Capital additions clause

The insurance by this section hereby extends to cover alterations, additions and improvements (but not appreciation in value in excess of the sum insured) to the insured property for an amount not exceeding 10 per cent of the sum insured on the insured property, it being understood that the insured undertakes to advise the insurer each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereof.

Mortgagee clause

The interests of the mortgagee have priority over the insured's interests, but are limited to the outstanding amount of the bond. These interests will not be invalidated by any act or omission of the mortgagor or owner of the insured buildings, provided that the act or omission takes place without the knowledge of the mortgagee.

Temporary removal clause

Except if and so far as otherwise insured, fixtures and fittings belonging to the owner of a building being insured under this section (provided that such fixtures and fittings form part of the insured property) are covered whilst such fixtures and fittings are temporarily removed elsewhere on the same premises where the aforesaid building

is situated or are temporarily removed to any other premises (including in transit) anywhere in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique.

Provided that the liability of the insurer under this clause shall be limited to the amount which would have been payable under this section had the damage occurred on that portion of the premises where the aforesaid building is situated from which the aforementioned fixtures and fittings were originally temporarily removed.

Tenants clause

If a tenant of the insured buildings does something or omits to do something without the insured's knowledge, which is in contradiction to the terms, exceptions and conditions of this policy, the insured's cover will not be invalidated. The insured must advise the insurer of the act or omission as soon as the insured becomes aware of it.

Public authorities requirements clause

The insurance under this section is declared to include such additional cost of repairing or rebuilding the damaged insured property as may be incurred solely by reason of the necessity to comply with building or other regulations under or framed in pursuance of any act of parliament or ordinance of any provincial, divisional, municipal or local authority, provided that:

- (1) the amount recoverable under this clause shall not include:
 - (a) the cost incurred in complying with any of the aforesaid regulations:
 - (i) in respect of damage occurring prior to granting of this clause;
 - (ii) in respect of damage not insured by this section;
 - (iii) under which notice has been served upon the insured prior to the happening of the damage;
 - (iv) in respect of undamaged insured property or undamaged portions of insured property;
 - (b) the additional cost that would have been required to make good the insured property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
 - (c) the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the insured property or by the owner thereof by reason of compliance with any of the aforesaid regulations.
- (2) the work of rebuilding or repair, which may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate), subject to the liability of the insurer under this clause not being thereby increased, must be commenced and carried out with reasonable despatch and in any case must be completed within twelve months after the damage, or within such further time as the insurer may (during the said twelve months) in writing allow.
- (3) if the liability of the company under this section apart from this clause shall be reduced by the application of any of the terms, exceptions and conditions of this section, then the liability of the company under this clause shall be reduced in like proportion.
- (4) the total amount recoverable under this section, shall not exceed the sum insured on the insured on the aforesaid damaged insured property.