

IRRIGATION SYSTEMS

DEFINITIONS

1. Irrigation system

For the purposes of this insurance, a centre pivot or irrigation system will include the following:

- full set of towers;
- centre point (hub) and truss;
- overhang;
- tyres on each tower and all other equipment that is attached to the towers, as well as
- power unit/control panel at the centre point.

But will exclude the following:

- pumps, whether they are used exclusively for the pivot or not;
- power cable extensions, either above- or underground, from the centre point to the public supply;
- any power unit/power point that does not form part of the towers or are attached to the centre point.

2. Occurrence

The term occurrence shall mean an occurrence or series of occurrences arising from one cause in connection with any one insured item in respect of which indemnity is provided by this insurance.

SUB-SECTION I: FIRE

Defined events

Damage to the whole or part of the property described in the schedule by:

1. fire
2. lightning or thunderbolt
3. explosion
4. additional perils defined.

SPECIFIC EXCEPTIONS

1. This section does not cover earthquake (whether arising from mining operations or otherwise) unless added as an additional peril, volcanic eruption or other convulsion of nature (other than subterranean fire).

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

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

SPECIFIC CONDITION

Additional perils

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

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

Earthquake extension

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

Special perils extension

Damage caused by

1. Storm, wind, water, hail or snow excluding damage to property
 - (a) arising from its undergoing any process necessarily involving the use or application of water
 - (b) caused by tidal wave originating from earthquake or volcanic eruption
2. aircraft and other aerial devices or articles dropped therefrom
3. impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

This extension does not cover

1. wear and tear or gradual deterioration.
2. damage caused or aggravated by
 - (a) subsidence or landslip
 - (b) the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

Malicious damage extension

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

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

Provided that this extension does not cover

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

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

SUB-SECTION II: ACCIDENTAL DAMAGE

Defined events

Accidental physical loss of or damage to the property described in the schedule.

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum insured stated in the schedule.

Specific exceptions

The insurer shall not be liable for

- (a) the first amount payable
- (b) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process

- (c) loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract
- (d) loss of or damage to insured property caused by
 - (i) any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the insured;
 - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
 - (iii) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
 - (iv) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
 - (v) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
- (e)
 - (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from their container;
 - (ii) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- (f) loss or damage following
 - (i) drought;
 - (ii) shortage of fuel or water;
 - (iii) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to damage to property of such authority.

MEMORANDUM

Indemnity

It is herewith agreed that indemnity will be based on new replacement value for centre pivot irrigation systems.

Average

If, on the occurrence of an insured event, the value of the insured property is greater than the sum insured thereon the insured shall be considered his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Each item, if more than one, shall be separately subject to this memorandum.

SUB-SECTION III LIABILITY TO THIRD PARTIES

Defined events

Any accident caused by or through or in connection with any item insured in terms of Sub-sections I or II 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.

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 the company's 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 this sub-section shall not exceed the limit of indemnity stated to apply to sub-section III

Exceptions to sub-section III

The company shall not be liable under this sub-section in respect of

- (a) any claim arising from contractual liability, unless such liability would have attached to the insured notwithstanding such contractual agreement
- (b) any consequential loss

Limits of indemnity

Unless otherwise stated, the liability of the company under this sub-section in respect of any one occurrence shall not exceed R2 500 000.