

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
 - leakage or discharge from any sprinkler or drencher system in the insured buildings;
 - 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;
 - iii. Any loss of or damage to retaining walls.
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 and the accidental leakage of oil from fixed oil-fired heating installations.
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, 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) 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 20 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.

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.

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 Company under this extension shall not exceed R2 000 in all.

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 Company 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 Company 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 Company is liable under this extension in respect of the aforesaid claim;

or

ii. incurred by the Insured with the written consent of the Company

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 Company 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 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. ACCIDENTAL DAMAGE TO MACHINERY (if stated in the schedule to be Included)

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

B. SUBSIDENCE AND LANDSLIP (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, gate posts, 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

1. 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.

2. 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

1. 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 Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereof.

2. 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.

3. 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 Company 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.

4. 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 Company of the act or omission as soon as the Insured becomes aware of it.

5. 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 Company 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 Company 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 aforesaid damaged insured property.