



Commercial policy wording



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COMMERCIAL POLICY WORDING

(Underwritten by New National Assurance Company Limited)

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1. INTRODUCTION

Welcome to the Hybrid Family!

Protecting your business is what we do best. Thank you for entrusting us with this important task, so that you can focus on building your business and creating better lives for others.

This is an essential document which will explain the terms and conditions of your cover in a lot more detail and must be read in conjunction with your policy schedule.

To help you understand this document better, we have noted some important points which you will come across inside:

- **Defined events:** This will define what is covered under each section.
- **Specific exceptions, general exceptions or exclusions:** This will define what is not covered
- **Specific conditions:** This will outline specific conditions of your cover
- **Definitions:** This will assist to provide an explanation of a specific word or phrase
- **Clauses and extensions:** This will describe provisions or extensions of your cover

Good faith

We believe in treating all policyholders fairly and to act professionally, honestly and with due care and diligence. We also rely on the honesty and integrity of our policyholders in this mutual partnership to help us accurately assess risk and determine premium. We underwrite risk based on the information provided to us at quote stage, at policy inception stage as well as every time circumstances change that could affect your risk in any way.

This document, your policy schedule, all declarations, communications, and proposals made by you, or on your behalf forms part of the insurance contract that will be the reference point when assessing claims.

We always try and find every possible reason to pay every claim. Our reputation is built on our ability to effectively handle and pay claims timeously and to provide our policyholders with exceptional service. Repudiations could only occur in the event of fraud, non-disclosure, misrepresentation, incorrect description or where the specific event is not covered under this policy, either because it was not selected, or because it was specifically excluded.

Please inform us every time of anything that could affect your situation and your risk or of any changes that would require additional or reduced cover.

Sharing of information

To enable us to underwrite and assess risk and claims fairly we need to verify and share policy information with other insurers, reinsurers, the information data sharing system, TransUnion, or other credit institutions. Your acceptance of this policy also includes acceptance of this condition.

Important information

Please note some of the following important issues relating to your cover:

1. After any claim, the risk will be reassessed, and your premium may be adjusted. This is to avoid cross subsidisation of claimants by non-claimants.
2. We reserve the right not to renew or to cancel your policy during adverse claims conditions or where the risk profile becomes unacceptable. The financial consequences of such an event can be extensive as new insurers may decline to accept the cover on their books or you may end up paying substantially increased premiums. It is therefore in your best interest to assist us in managing your risk and losses.
3. It is your responsibility to take all steps to avoid a loss and in the event of a loss to minimise the extent of such loss. It is also your responsibility to exercise duty of care in terms of requirement maintenance and servicing of all insured items where applicable.
4. There may be certain requirements or endorsements imposed on your policy that must be complied with as conditions of cover. This will be indicated on your policy schedule.

5. You need to have an insurable interest in any item that you are insuring. This means that you cannot insure something that you do not own. Should you wish to cover any property, vehicles, or items that you do not own, but you feel that you have a financial interest in such item, property or vehicle, then you must disclose this properly at underwriting stage and get approval for such cover in writing from us.
6. Averages may be applied if you choose to insure property for less than the replacement cost of such insured property. For example, if your building is worth R2 Mil and you choose to only insure R1 Mil then you will be your own insurer for 50% of any claim. The responsibility rests on the insured to choose an adequate amount of cover. If you are unsure, then have the property or item professionally evaluated.
7. Post claim settlement, any damaged property including all accessories becomes the property of Hybrid Risk Management.
8. The cover provided by this policy is also subject to the warranties noted in the policy schedule.

Claims

To make the claims process simple and to assist us in handling your claim efficiently, please note the following important requirements and processes to follow:

Motor claims:

1. Do not admit liability or fault or promise to pay as this may prejudice you if a claim is made against you
2. Gather the following details on the scene:
 - a. Names, ID numbers and contact details of any third parties involved (best to take a photo of their driver's license)
 - b. Photos of the scene
 - c. Information of all vehicles involved – a good tip is to take a photo of the license discs
 - d. The location of the incident
3. To protect your interests and to ensure quality workmanship, we only use approved repairers. If an insured vehicle is involved in an accident, it is important to arrange the towing through us to ensure that your vehicle is taken to the correct repairer. Often random unapproved tow trucks will tow your vehicle to an unapproved repairer resulting in huge storage and release costs when we need to move the vehicle to an approved repairer.
4. Following the accident, you need to report the incident to the South African Police Service within 24 hours. This statement will protect your interests and assist us in defending you should any third-party claim arise against you.
5. Notify us of the incident or any summons received as soon as reasonably possible.
6. The following information must be submitted to us within 30 days following the event in order to process your claim:
 - a. Full details of all vehicles involved (Make, model and registration numbers)
 - b. Full details of all drivers involved (Id numbers, contact numbers and license numbers)
 - c. Details of any property damaged where applicable
 - d. Names and contact information of any witnesses
 - e. SAPS reference number
 - f. Description of the incident
7. Notify us immediately upon receiving any summons or letter of demand.

Non-motor claims

1. In the event of theft, robbery, or malicious damage, report all incidents to the SAPS and obtain a case reference number.
2. Submit all information to us pertaining to the loss including any additional information requested including details of all property lost or damage within 30 days following the event.
3. Any lost or stolen cell phones or tablets must be blacklisted with the relevant provider and the reference number submitted to us.
4. In the event of legal liability, inform us immediately of any potential claims which may be made against you. Do not admit fault or liability or make any promise to pay.
5. In the event of storm or water damage, notify us as soon as reasonably possible in order to mitigate any further loss or damage.
6. In the event of a fire, follow the fire evacuation plan and alert the local fire department immediately upon discovery. As far as it is safe to do so, take all reasonable steps to prevent further spread of the fire.

Upon submission of your claim, our claims department will guide you in terms of any additional information or documents required in order to efficiently handle your claim without delay.

2. GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the insured and receipt thereof by or on behalf of the company, the company specified in the schedule agrees to indemnify or compensate the insured by payment or, at the option of the company, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the within sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

Where more than one insurance company or insurer participates in this insurance, the expression “company” shall be amended to “insurers” wherever it appears in this policy. In this event the percentage share of each insurer will be as expressed in the schedule of this policy and the liability of each such insurer individually shall be limited to the percentage share set against its name.

Specific exceptions, conditions and provisions shall override general exceptions, conditions, and provisions.

GENERAL EXCEPTIONS

1. War, riot and terrorism

- A. This Agreement does not cover loss of or damage to property, death or bodily injury or liability directly or indirectly related to or caused by:
- i. civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing;
 - ii. war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - iii.
 - (a) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause, which determines the proclamation or maintenance of martial law or state of siege;
 - (b) insurrection, rebellion or revolution;
 - iv. any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;
 - v. any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof;
 - vi. any attempt to perform any act referred to in clause (iv) or (v) above;
 - vii. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause A (i), (ii), (iii), (iv), (v) or (vi) above.

If the insurer alleges that, by reason of clause A (i), (ii), (iii), (iv), (v), (vi) or (vii) of this exception, loss or damage is not covered by this Agreement, the burden of proving the contrary shall rest on the Insured.

- B. This Agreement does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this Agreement applies.
- C. Notwithstanding any provision of this Agreement including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this Agreement does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purpose of this General exception 1(C), an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal, ethnic or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

If the Company alleges that, by reason of clause 1(C) of this exception, loss or damage is not covered by this Agreement, the burden of proving the contrary shall rest on the insured.

2. Nuclear and nuclear energy risks exclusion clause

- A. This policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to, by or arising from:

- i. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- ii. nuclear material, nuclear fission or fusion, nuclear radiation;
- iii. nuclear explosives or any nuclear weapons;
- iv. nuclear waste in whatever form;

Regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purpose of this exception only, combustion shall include any self-sustaining process of nuclear fission.

B. This policy shall exclude Nuclear Energy Risks and for all purposes of this exclusion, Nuclear Energy Risks shall mean all insurances in respect of:

- i. All Property on the site of a nuclear power station;
- ii. Nuclear Reactors, reactor buildings and plant and equipment therein on any site other than a nuclear power station.
- iii. All Property, on any site (including but not limited to the sites referred to in (i) above) used or having been used for:
 - a. the generation of nuclear energy; or
 - b. the production use or storage of nuclear material;
- iv. Any other Property eligible for insurance by the relevant local Nuclear Insurance Pool and/or Association but only to the extent of the requirements of that local Pool and/or Association;
- v. The Supply of Goods and Services to any of the sites, described in (i) to (iii) above, unless such insurance shall exclude the perils of irradiation and contamination by Nuclear Material;
- vi. Except under-noted, Nuclear Energy Risks shall not include:
 - a. Any Insurance in respect of the construction or erection or installation or replacement or repair or maintenance or decommissioning of Property as described in (i) to (iii) above (including contractors' plant and equipment);
 - b. Any Machinery Breakdown or other Engineering insurance not coming within the scope of (i) above.

Provided always that such insurance shall exclude the perils of irradiation and contamination by Nuclear Material.

However, the above exemption shall not extend to:

1. The provision of any insurance whatsoever in respect of:
 - a. Nuclear material;
 - b. Any Property in the High Radioactivity Zone or Area of any Nuclear Installation as from the introduction of Nuclear Material or for the Reactor Installations – as from Fuel loading or first criticality where so agreed with the relevant local Nuclear Insurance Pool and/or Association.
2. The provision of any insurance for the under-noted perils:
 - a. Fire, Lightning, Explosion;
 - b. Earthquake;
 - c. Aircraft and other aerial devices or articles dropped therefrom;
 - d. Irradiation and radioactive contamination;
 - e. Any other peril insured by the relevant local Nuclear Insurance Pool and/or Association.

In respect of any Property not specified in 2. B. i. above which directly involves the production, use or storage of Nuclear Material as from the Introduction of Nuclear Materials into such Property.

Definitions:

"Nuclear Material" means:

Nuclear fuel, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of nuclear fission outside a Nuclear Reactor, either alone or in combination with some other material; and

"Radioactive Products or Waste" means:

any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to the production or utilisation of nuclear fuel but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose.

"Nuclear Installation" means:

- I. Any Nuclear reactor;
- II. Any factory using nuclear fuel for the production of Nuclear Material, or any factory for the processing of Nuclear Material, including any factory for the reprocessing of irradiated nuclear fuel; and
- III. Any facility where Nuclear Material is stored, other than storage incidental to the carriage of such material.

"Nuclear Reactor" means:

any structure containing nuclear fuel in such an arrangement that a self-sustaining chain process of nuclear fission can occur therein without an additional source of neutrons.

"Production, use or storage of Nuclear Material" means:

the production, manufacture, enrichment, conditioning, processing, reprocessing, use, storage, handling and disposal of Nuclear Material.

"Property" shall mean:

all land, buildings, structures, plant, equipment, vehicles, contents (including but not limited to liquids and gases) and all materials of whatever description whether fixed or not.

“High Radioactivity Zone or Area” means:

- I. for nuclear power stations and Nuclear Reactors, the vessel or structure which immediately contains the core (including its supports and shrouding) and all the contents thereof, the fuel elements, the control rods and the irradiated fuel store; and
- II. for non-reactor Nuclear Installations, any area where the level of radioactivity requires the provision of a biological shield.

“Nuclear Fission” means:

a nuclear reaction in which a heavy nucleus splits spontaneously or on impact with another particle with the release of energy.

“Nuclear Fusion” means:

a nuclear reaction in which atomic nuclei of low atomic number fuse to form a heavier nucleus with the release of energy.

“Nuclear Radiation” means:

the absorption of electromagnetic radiation by a nucleus having a magnetic moment when in an external magnetic field.

“Nuclear Fuels” means:

a substance that will sustain a fission chain reaction so that it can be used as a source of nuclear energy.

“Nuclear Explosives” means:

an explosive reaction involving the release of energy by nuclear fission or fusion or both.

“Nuclear Weapon(s)” means:

a nuclear device designed, used or capable of being used for the inflicting of bodily harm or property damage.

Additional Radioactive Exclusion Clause

Unless specifically agreed in respect of an insured loss involving Nuclear Material under determined circumstances, this policy does not cover Legal Liability, Loss (including consequential loss) or damage, costs or expense caused directly or indirectly by any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

Nuclear Material, Nuclear Fission or Fusion, Nuclear Radiation, Nuclear Waste from the Nuclear Fuels, Nuclear Explosives or any nuclear weapon.

In Addition to the above Exclusion, this policy does not cover Legal Liability, loss (Including consequential loss) or damage, costs or expense, caused directly or indirectly by, or contributed to, by, or arising from ionising radiation or contamination from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

Institute Radioactive Contamination Chemical, Biological, Bio-Chemical, Electromagnetic Weapons – CL 370

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to, by or arising from:

- a) ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- b) the radioactive, toxic, explosive, or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof
- c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- d) the radioactive, toxic, explosive, or other hazardous or contaminating properties of any radioactive matter. The exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific, or other similar peaceful purposes
- e) any chemical, biological, bio-chemical, or electromagnetic weapon.

3. Computer losses

General exception applicable to all sections of this policy insuring damage to property or the consequences of damage to property or any liability.

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover:

- a) loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising therefrom;
- b) any legal liability of whatsoever nature;
- c) any consequential loss;

directly or indirectly caused by or contributed to, by or consisting of or arising from the incapacity or failure of any computer, correctly or at all;

- I. to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or;

- II. to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command, which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such data, or;
- III. to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes, or;
- IV. to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

A computer includes any computer, data processing equipment, microchip, integrated circuit or similar device in computer or non-computer equipment or any computer software, tools, operating system or any computer hardware or peripherals and the information or data electronically or otherwise stored in or on any of the above, whether the property of the Insured or not.

Special extension to the above general exclusion

- A. Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to in B below or indemnified by the Glass, Employer's Liability, Stated Benefits, Group Personal Accident or Motor section is not excluded by this General exclusion.
- B. The special perils that are not excluded for the purpose of this special extension are 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;
 - c) in the underground workings of any mine;
 - d)* In the open (other than buildings structures and part designed to exist or operate in the open.
 - e)* Any structures not completely roofed;
 - f) Being retaining walls;

*Unless so described and specifically insured as a separate item
 2. Aircraft and other Aerial devices or articles dropped therefrom
 3. impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

These special perils do not cover wear and tear or gradual deterioration.
- C. The general exception also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this policy to the extent that such consequential loss results from damage to insured property by the perils referred to in Special Extension A above.
- D. This Special extension will not insure any loss destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General exception and this Special extension.
- E. This Special extension shall not apply to any Public Liability indemnity.

4. Asbestos – Applicable to the whole policy

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision which would otherwise override a general exception, this policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

5. Detention, confiscation and forfeiture

This policy does not cover any loss, damage, cost or expense directly or indirectly arising from detention, confiscation, forfeiture, impounding or requisition legally carried out by customs, Police Services, crime prevention units or other officials or authorities

6. Seepage, pollution and contamination exclusion

1. This insurance does not cover any loss or damage due to seepage, pollution, contamination, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic and disease or due to any limitation or prevention of the use of objects because of hazards to health.
2. Notwithstanding the above, if insured property is the subject of direct physical loss or damage occasioned by an otherwise insured peril, the physical loss or damage to such property may be included. Such perils may include:
 - i. fire, lightning, explosion, impact of aircraft
 - ii. vehicle impact, sonic boom
 - iii. accidental escape of water from any tank apparatus or pipe
 - iv. riot, civil commotion, malicious damage
 - v. storm, hail, flood, inundation
 - vi. earthquake
 - vii. landslide, subsidence
 - viii. snow pressure, avalanche

- ix. volcanic eruption

However, the Insured may not include the cost of clean-up or decontamination of the environment (land/air or water) in such a loss occurrence.

3. If a peril not excluded from the original policy arises directly from pollution and/or contamination any loss or damage arising directly from that peril shall be covered.
4. All other terms and conditions of the policy shall be unaltered and especially the exclusions shall not be superseded by this clause.

7. Infectious Diseases / Epidemics / Pandemics Exclusion

Notwithstanding anything to the contrary within this policy and any section thereof, this policy does not cover any claim, loss, damage, cost, expense, legal liability or any consequential loss directly or indirectly caused by, in connection with, in any way involving, arising out of, any infectious disease, epidemic or pandemic. This includes, but is not limited to, any fear or threat thereof, whether actual or perceived.

Infectious Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism, including but not limited to any form of Coronaviruses or Influenza viruses, where:

1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property, including but not limited to any tangible goods, livestock, bloodstock, or other.

For the purposes of this clause Infectious Epidemics shall mean the sudden, unexpected, large-scale manifestation of an initially locally contained infectious disease which spreads very rapidly and with great virulence, or any indication, fear or threat of a possible Infectious Epidemic, as classified by the appropriate national or international body or agency which leads to:

1. the imposition of quarantine or restriction in movement of people or animals by any national or international body or agency, and/or
2. any travel advisory or warning being issued by a national or international body or agency

If it is alleged that by reason of this exclusion any loss is not covered by this policy or any section thereof, the burden of proving the contrary rests upon the Insured.

Specific exclusion for any disease or any medically related risks

Notwithstanding anything to the contrary anywhere else in this policy, this policy does not cover any claim, loss, damage, cost or expense of any nature whatsoever, directly or indirectly and regardless of whether any other cause or event contributed concurrently or in any sequence, arising out of, related to, caused by, attributable to, contributed to or otherwise has any connection to:

- a) any disease, virus, illness, medical ailment, hazard to public health, or any threat or fear of any of the aforementioned, whether actual or perceived; or
- b) any limitation or prevention of use of or access to insured premises due to or in response to any of the events contemplated in clause (a) above; or
- c) any authority's actions, reaction, advice, measures, restrictions, or other responses to any of the events contemplated in clause (a) above.

For purposes of this specific exclusion:

An "**authority**" is defined to mean any public authority, including any national or international body empowered with the capability and authority to act, react or respond, or cause an action, reaction or response, to whatsoever circumstance at a local, municipal, regional, provincial, national, or international level;

An "**action, reaction or response**" is defined to mean, without limitation, any action by an authority."

If the Company alleges that, by reason of this exception, any claim, loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

8. Sanctions exclusion

No Insurers shall provide cover and no Insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that Insurer to any sanctions, prohibitions or restrictions under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America irrespective of enactment in the jurisdiction where indemnity or benefit is provided or payment made.

The Insurer shall not be liable to provide any cover, pay any claim, provide any benefit or provide any indemnification under this policy if the Insured is listed, or is included by the respective authorities as a sanctioned, or prohibited entity or individual to do business with or indemnify, under the United Nations resolutions or any trade or economic sanctions, laws or regulations of the European Union, the United Kingdom, the United States of America or South Africa.

9. SASRIA SOC Ltd. / NASRIA

(i) Territories where SASRIA SOC Ltd. and/or National Special Risks Insurance Association covers apply

Material Damage and Consequential Loss directly or indirectly related to or caused by any of the perils that fall within the scope of cover granted by the SASRIA SOC Ltd and/or the National Special Risks Insurance Association, is excluded from the protection of this insurance.

(ii) Territories where SASRIA SOC Ltd. and/or National Special Risks Insurance Association covers do not apply

A. Material damage and consequential loss arising in respect of:

- (a) Any act (whether on behalf of any organisation, body or person, or group of persons) calculated or directed to overthrow or influence any State or Government, or any Provincial, Local or Tribal Authority with force or by means of fear, terrorism or violence;
- (b) Any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause or to bring about any social or economic change or in protest against any State or Government, or Provincial, Local or Tribal Authority, or for the purpose of inspiring fear in the public, or any section thereof;
- (c) Any attempt to perform any act referred to in clause (a) or (b) above;
- (d) The act of any lawfully established authority in controlling, preventing, suppressing or in any way dealing with any occurrence referred to in clauses (a), (b) or (c);

are excluded from the protection of this Agreement.

B. Notwithstanding any provision of this Agreement including any exclusion, exception or extension or other provision not included herein, this policy does not cover loss or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purpose of clause (B) of this general exclusion, an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or Government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any Government or for the purposes of inspiring fear in the public or any section thereof.

If the insurer alleges that, by reason of clause (A) or (B) of this exclusion, loss or damage is not covered by this Agreement, the burden of proving the contrary shall rest on the Insured.

10. Transmission and Distribution Lines Exclusion

All transmission and distribution lines, including wires, cables, poles, pylons, standards, towers and any equipment of any type which may be attendant to such installations, including substations of any description. This exclusion includes but is not limited to transmission or distribution of electrical power, telephone or telegraph signals, and all communication signals whether audio or visual.

This exclusion applies to above ground equipment which is more than 100 meters from an insured structure or 100 meters from the fence / boundary of the insured premises, as applicable.

This exclusion applies both to physical loss or damage to the equipment and all business interruption consequential loss, and/or other contingent losses related to transmission and distribution lines.

It is understood and agreed that public utilities extension and/or supplier's extension and/or contingent business interruption coverages are not subject to this exclusion, provided that these are not part of a transmitters' or distributors' policy.

11. Physical Damage Proviso

Property coverage (including Business Interruption and Contingent Business Interruption) is subject to a Physical Damage proviso. Physical Damage is understood to mean a detrimental change in property substance through physical (mechanical, electrical) or chemical impact or biological contamination.

12. Cyber Loss exclusion clause

This policy does not cover any legal liability, loss or damage directly or indirectly caused by or related to cyber acts, cyber incidents cyber-attacks, hacking or terrorism, nor does the policy cover any consequential losses as a result thereof.

This policy excludes all loss, damage, liability, cost, expense, or consequential loss of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

1. any loss of, alteration of, or damage to or a reduction in the functionality, availability, or operation of a Computer System
2. any loss of use, reduction in functionality, repair, replacement, restoration, or reproduction of any Data, including any amount pertaining to the value of such Data.
3. any cyber loss.
4. any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.

This exclusion supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss, Data or Data Processing Media, replaces that wording.

Definitions applicable to this exclusion

Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.

Cyber incident means any error or omission or series of related errors or omissions involving access to processing of, use of or operation of any Computer System; or any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

Data means information, facts, concepts, code, or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted, or stored by a Computer System.

Data processing media means any property insured by this policy on which data can be stored.

13. Exclusion of any composite peril or accompanying part or component of a composite peril

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a General Exception, this policy does not cover any claim, loss, damage, cost or expense of any nature whatsoever, directly or indirectly, related to, caused by, attributable to, contributed to any actions, advice, measures, restrictions, or other responses of any governmental authority or any other authority to any Defined Event /Insured Event.

It is declared and agreed that "The term Defined Event / Insured Event shall be construed narrowly to comprise only of the event(s) expressly described in the particular section of the policy and any governmental authority or any other authority's actions, advice, measures, restrictions, or other responses to any of the Defined Events / Insured Events shall not constitute a part or component of such Defined Event /Insured Event."

For purposes of this general exclusion:

An "authority" is defined to mean any public authority, including any national or international body empowered with the capability and authority to act, react or respond, or cause an action, reaction or response, to whatsoever circumstance at a local, municipal, regional, provincial, national, or international level.

An "action, reaction or response" is defined to mean, without limitation, any action by an authority."

If the Company alleges that, by reason of this exception, any claim, loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

14. Utilities exclusion

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a General Exception, this policy does not cover any claim, loss, damage, cost or expense of any nature whatsoever, directly or indirectly, related to, caused by, the total or partial failure of the supply of electricity, gas, water, communications or data processing facilities, steam, sewerage or other similar services attributable to, any actions, advice, measures, restrictions, or other responses of any governmental authority or any other authority.

For purposes of this general exclusion:

An **"authority"** is defined to mean any public authority, including any national or international body empowered with the capability and authority to act, react or respond, or cause an action, reaction or response, to whatsoever circumstance at a local, municipal, regional, provincial, national, or international level;

An **"action, reaction or response"** is defined to mean, without limitation, any action by an authority."

If the Company alleges that, by reason of this exception, any claim, loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

15. Electronic smoking devices, E-Cigarettes, and E-liquid exclusion

This insurance does not cover liability, including all loss, cost and expense, directly or indirectly arising out of, resulting as a consequence of, or related to, and whether or not there is a related cause of loss which may have contributed concurrently or in any sequence to a loss, cost or expense:

An electronic smoking device including the design, manufacture, distribution, sale, maintenance, use, or repair thereof, or the inhalation of vapor delivered from an electronic smoking device. Electronic smoking device means a battery powered device that delivers a vaporized inhalable substance through a mouthpiece including but not limited to battery-powered cigarettes, pipes, cigars, hookahs, and vaporizers, other than steam inhalers, mist inhalers or vaporizers used for medical purpose.

E-liquids and/or e-juices including the design, manufacture, distribution, sale, maintenance or use. E-liquids and/or e-juices means nicotine solutions, flavouring or any other substance used in an electronic smoking device.

16. Opioid or Opiate-based substance or Narcotic Exclusion.

This insurance does not apply to and specifically excludes coverage for any damage, loss, liability, claim, injury, expense, cost, or legal obligation of any kind arising from any opioid or opiate-based substance or narcotic of any type, nature, or kind, including but not limited to any loss, injury, damage, expense, cost, claim, liability, or legal obligation directly or indirectly arising from the manufacture, marketing, production, distribution, application, prescription, sale, use, storage, safeguarding, warning, failure to warn, or diversion of, or addiction to, any opioid or opiate-based substance or narcotic of any type, nature, or kind.

17. Exclusions

This policy shall exclude cover for:

1. Decennial Liability Insurances
2. Workers' compensation
3. Fines, penalties, punitive, vindictive and exemplary damages of whatsoever nature
4. consequential loss or damage except as specifically provided for in the policy
5. Loss or damage following any exchange or sale transaction (whether complete or incomplete)
6. Loss or damage arising out of theft through false pretences and or fraud (No applicable to the Fidelity section)
7. Loss associated with defective design, defective parts, or defective repairs
8. Loss, damage or liability caused by or arising from a lack of maintenance, wear and tear, depreciation or damage that has occurred over a period of time (gradually operating causes)
9. Loss, damage or liability caused by or as a result of rust, oxidation, corrosion, rot, fungus or mould
10. Loss or damage caused by moth, vermin, insects, infestation, or domesticated pets
11. Loss or damage cause by or as a result of, warping or shrinkage
12. Costs in addition to the limit of indemnity
13. Loss of or damage to data or software, in particular any detrimental change in data, software or computer programs that is caused by a deletion, a corruption or a deformation of the original structure, and any business interruption losses resulting from such loss or damage. Notwithstanding this exclusion, loss of or damage to data or software which is the direct consequence of insured physical damage to the substance of property shall be covered.
14. Loss or damage resulting from an impairment in the function, availability, range of use or accessibility of data, software or computer programs, and any business interruption losses resulting from such loss or damage.
15. detention, confiscation, forfeiture, nationalisation or requisition;

GENERAL CONDITIONS

Subject to the provisions of Section 55 of the Short-Term Insurance Act No 53 of 1998 (as amended)

1. Misrepresentation, misdescription and non-disclosure

Any form of misrepresentation, misdescription or non-disclosure in any way shall render voidable the particular item, section or sub-section of the policy. Such misrepresentation, misdescription or non-disclosure may also lead to the repudiation of claims made against this policy and the company reserves the right to cancel such a policy.

2. Other insurance

If, at the time of any event giving rise to a claim under this policy, an insurance exists with any other insurers covering the insured against the defined events, the company shall be liable to make good only a rateable proportion of the amount payable by or to the insured in respect of such event. If any such other insurance is subject to any condition of average, this policy, if not already subject to any condition of average, shall be subject to average in like manner.

3. Cancellation and continuation of cover

A. Cancellation:

This policy or any section may be cancelled at any time by the company giving 30 days' notice in writing (or such other period as may be mutually agreed) or by the insured giving immediate notice. On cancellation by the insured, the company shall be entitled to retain the customary short period or minimum premium for the period the policy or section has been in force. On cancellation by the company, the insured shall be entitled to claim a pro rata proportion of the premium for the remainder of the period of insurance from the date of cancellation, subject to general condition 4.

B. Continuation of cover (where premium is payable by bank debit order or by transmission account):

The premium is due in advance and, if it is not received by the company by due date, this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance unless the insured can show that failure to make payment was an error on the part of his bank or other paying agent. Due date will be the first day of every calendar month where premium is payable monthly, and the first day of:

- a. Each third;
- b. Each sixth; or
- c. Each twelfth

calendar month following inception where premium is payable quarterly, half-yearly or annually.

If the company does not receive the premium by the payment due date, the company will debit the unpaid premium again at the next payment due date. If the company is able to collect both premiums, the policy will remain in force. If the company is unable to collect both premiums, the policy will be cancelled automatically from the due date of the first unpaid premium.

If the insured effects a stop payment on the premium payment, the policy will be cancelled automatically from the due date of the stopped premium.

4. Adjustment of premium

If the premium for any section of this policy has been calculated on any estimated figures, the insured shall, after the expiry of each period of insurance, furnish the company with such particulars and information as the company may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the insured as the case may be.

5. Prevention of loss

The insured shall take all responsible steps and precautions to prevent accidents or losses including but not limited to compliance and adherence to laws and regulations which are material to the risk.

The insured warrants that all laws, regulations, by-laws and rules that apply to the business or to any other matter for which cover is provided in terms of this policy (irrespective of whether the laws, regulations, by-laws and rules are in force at the date the policy is issued or are enacted after that date) shall be adhered to at all times. The failure to adhere to any applicable law, regulation, by-law or rule shall entitle the insurer to reject any claim where such failure is material to the claim.

6. Claims

- a) On the happening of any event which may result in a claim under this policy the insured shall, at their own expense
 - i. give notice thereof to the company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured;
 - ii. as soon as practicable after the event inform the police of any claim involving theft or (if required by the company) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property;
 - iii. as soon as practicable after the event submit to the company full details in writing of any claim, but no later than 30

- iv. give the company such proof, information and sworn declarations as the company may require and forward to the company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to the claim;
- b) No claim (other than a claim under the business interruption, fidelity, stated benefits or group personal accident section or the personal accident (assault) extension under the money section, if applicable) shall be payable after the expiry of 24 months or such further time as the company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the insured's legal liability to a third party;
- c) In the event of the rejection or repudiation of a claim, no such claim shall be payable unless the insured demands payment by serving written notice to the company within 90 (ninety) days of the rejection or repudiation. Should the rejection or repudiation still not be resolved, the insured will have an additional 180 (one hundred and eighty) days to pursue such legal proceedings to finality.
- d) If, after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the company, provided that the insured's reasonable expenses in rendering such assistance shall be reimbursed by the company. Should the insured fail to render assistance in terms of this condition when called upon to do so, the insured shall immediately become liable to repay to the company all amounts paid in respect of the claim.

7. Company's rights after an event

- a) On the happening of any event in respect of which a claim is or may be made under this policy, the company and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the company to rely upon any conditions of this policy,
 - i. take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and license of the insured to the company to do so. The insured shall not be entitled to abandon any property to the company whether taken possession of by the company or not.
 - ii. take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the company.
- b) The insured shall, at the expense of the company, do and permit to be done all such things as may be necessary or reasonably required by the company for the purpose of enforcing any rights to which the company shall be, or would become, subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification.
- c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, the company may, upon the happening of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the company shall thereafter not be under further liability in respect of such event.

8. Fraud

If any claim under this policy is in any respect fraudulent or if any fraudulent means or devices are used by the insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit under this policy or if any event is occasioned by the wilful act or with the connivance of the insured, the benefit afforded under this policy in respect of any such claim shall be forfeited.

You will lose all rights to claim under this policy if:

- i. a claim or any part thereof is fraudulent or if you or anyone acting on your behalf uses any fraudulent means to obtain any benefit under this policy.
- ii. a claim occurs due to a deliberate, or wilful, or intentional act committed by you or with your involvement or anyone acting on your behalf.
- iii. information or documents in support of a claim, whether created by you or on your behalf, is not true, is not complete or is fraudulent
- iv. the quantum of a claim is deliberately exaggerated by you or anyone acting on your behalf.

Should any claim or part thereof be fraudulent in any way, your policy may be cancelled, and you will lose all rights to claim under this policy.

9. Reinstatement of cover after loss (not applicable to stock on a declaration basis nor to any section where it is stated to be not applicable)

In consideration of sums insured not being reduced where appropriate, by the amount of any loss, the insured shall pay additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is the later) to expiry of the period of insurance.

10. Breach of conditions

The conditions of this policy and sections thereof shall apply individually to each of the risks insured and not collectively to them so that any breach shall render voidable the section only in respect of the risk to which the breach applies.

11. No rights to other persons

Unless otherwise provided, nothing in this policy shall give any rights to any person other than the insured. Any extension providing indemnity to any person other than the insured shall not give any rights of claim to such person, the intention being that the insured shall claim on behalf of such person. The receipt of the insured shall in every case be a full discharge to the company.

12. Collective insurances

If this insurance is a collective insurance, then the following amendment is made to general condition 6(a) (iv) above:

"give the leading insurer on behalf of the insurers such proof, information and sworn declaration as the insurers may require and forward to the leading insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to the claim."

and General condition 7 is substituted by the following:

"7. Company's rights after an event;

- a) On the happening of any event in respect of which a claim is or may be made under this policy the leading insurer and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the insurers to rely upon any conditions of this policy,
 - i. take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and license of the insured to the lead insurer on behalf of all insurers to do so. The insured shall not be entitled to abandon any property to the insurers whether taken possession of by the leading insurer or not
 - ii. take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for their own benefit, any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the leading insurer.
- b) The insured shall, at the expense of the insurers, do and permit to be done all such things as may be necessary or reasonably required by the insurers for the purpose of enforcing any rights to which the insurers shall be or would become subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification;
- c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, the insurers may, in the case of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the insurers shall thereafter not be under further liability in respect of such event."

13. Payment of premiums

You can choose to pay your premium in one of three ways: Monthly by debit order, yearly by debit order or yearly by way of an electronic funds transfer. Your premiums, whether paid monthly or annually, must reach us on time. All premiums are payable in advance, before your policy starts.

- a) Monthly premiums by debit order.
 - i. We will present your debit order to your paying agent on the date shown in the schedule.
 - ii. If we do not receive your premium by the date shown in the schedule;
 - a. Because you have instructed your paying agent not to honour the debit order, all cover under this policy will end on the last day of the month for which we have received your premium;
 - b. For any reason, other than that mentioned in 2a, we will present your debit order again (unless a special debit order was requested) and collect it with the debit order due for the next month (double debit). If only one debit order is paid, we will use it to clear the oldest debt. If the second attempt to collect your debit order is not successful, then this policy will end on the last day of the month for which we have received your premium and all cover will be cancelled. The period between the first attempt and the second attempt is referred to as the grace period.
 - c. Should a claim arise within the grace period, we will wait for the collection of the double debit that includes all outstanding premiums after which the claim will be considered.
- b) Annual premiums
 - i. If you are paying annually, you are allowed a 15-day grace period after the inception or renewal of your policy to settle your payment. Should you miss this deadline date, your policy will automatically lapse, and all cover cancelled, and it will be effective from the day preceding the inception or renewal date.
 - ii. If you pay annually by debit order and you have instructed your paying agent not to honour your debit order, then the policy will automatically be cancelled effective from the last day preceding the inception or renewal date.

14. Policy Variation

This policy, any section thereof, any term, condition, exception, extension, or clause may be amended, varied or endorsed by the Company by giving 31 days' notice in writing (or such other period as may be mutually agreed upon) to the insured or the insured's appointed intermediary by post, fax or email to the last known contact details of the insured or its appointed intermediary that the company has on record. Any such amendment or variation shall be evidenced by the company issuing a written endorsement to the Policy and shall apply from the date as advised in the notice given to the insured. Should the insured not be prepared to accept the amendment, variation or change, the insured may elect to terminate the Policy, with effect from the expiry of the above 31-day period of notice provided that the insurer is given not less than 14 days' written notice of termination."

The insured may request amendments to the Policy at any time by directing these requests to their appointed intermediary or the company by way of post, fax or email. Any such amendments shall be evidenced by the company by issuing an updated Policy Schedule to the insured or the insured's intermediary by post, fax or email detailing the amendments as requested by the Insured.

15. Disclosures and changes in risk

Acceptance of risk and determination of premiums under this policy are based on accurate and correct disclosures made by the insured. In addition to providing accurate information and making the correct disclosures at inception of the policy, it remains the duty of the insured to inform us of any change in circumstances that may affect the nature of the risk or the ongoing acceptance of the risk. Failure to correctly disclose material information which affects the ongoing acceptance of the risk, will result in the cover being void.

16. Definition of damage

"Damage" in referring to any insured property under any section of this policy means direct physical damage to that property involving a structural and/or physical alteration of that property for the worse. It does not include loss of use where there has been no physical damage. Nor does "loss of" in reference to any insured property include loss of use where there is no direct physical damage.

17. Conditions precedent

The due observance and fulfilment of the terms, exceptions, conditions of this policy insofar as they relate to anything to be done or complied with by the insured, including the insured's management, and the truth of the statements and answers of any proposal and declaration shall be conditions precedent to any liability to the company to make any payment under this policy.

GENERAL PROVISIONS

Subject to the provisions of Section 55 of the Short-Term Insurance Act No 53 of 1998 (as amended)

A. Claims preparation costs

The insurance provided by each section of this policy is extended to include costs reasonably incurred by the insured in producing and certifying any particulars or details required by the company in terms of general condition 6 or to substantiate the amount of any claim, provided that the liability of the company for such costs in respect of any one claim shall not exceed, in respect of a particular section, R1 000 or 10% of the sum insured or limit of indemnity on the item affected, whichever is the lesser amount, plus any amount stated in the schedule to each section against an item for additional claim preparation costs.

B. Payments on account

In respect of any section where amounts recoverable from the company are delayed pending finalisation of any claim, payments on account may be made to the insured, if required, at the discretion of the company.

C. First amount payable

Except where provided for specifically in any section, the amount payable under this policy/section for each and every loss, damage or liability shall be reduced by the first amount payable shown in the schedule for the applicable defined event.

D. Members

Wherever the word "director" is used it is deemed to include "member" if the insured is a close corporation.

E. Liability under more than one section

The company shall not be liable under more than one section of this policy in respect of liability, loss or damage arising from the same happening in respect of the same liability, loss or damage.

F. Meaning of words

The schedules and any endorsements thereto and the policy wording shall be read together and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

G. Premium payment

Premium is payable on or before the inception date or renewal date as the case may be. The company shall not be obliged to accept premium tendered to it after inception date or renewal date as the case may be but may do so upon such terms as it at its sole discretion may determine.

H. Holding covered

If the company is holding covered on a risk, they will not reject a claim on the basis that the premium has not been agreed.

I. Schedule sums insured which are blank or no monetary amount shown

If, in a schedule of this policy, the sum insured, limit of indemnity or compensation is:

- i. left blank or has no monetary amount stipulated against it or
- ii. Reflected as nil or not applicable or not covered or no indemnity extended

this means the defined event or circumstance shown in the schedule is not insured by the policy.

J. Security firms

If an employee of a security firm employed by the insured under a contract causes loss or damage, the company agrees, in terms of the said contract the insured may not claim against the said security firm, not to exercise their rights of recourse against the said security firm.

The company shall not raise as a defence to any valid claim submitted under any section or sub-section of this policy that the company's rights have been prejudiced by the terms of any contract entered into between the insured and any security provider relating to the protection of the insured property.

K. Value Added Tax

All monetary amounts stated in this policy such as sums insured, limits of indemnity and premiums are Value Added Tax (VAT) inclusive amounts. First amounts payable are not subject to VAT.

L. Consent of disclosure of private information

- a. The Insured acknowledges that the sharing of information for underwriting and claims purposes is in the public interest, as it will enable insurers to underwrite policies and assess risks fairly and reduce the incidence of fraudulent claims with a view to limiting premiums.
- b. On behalf of the Insured and on behalf of anyone the Insured represents herein, the Insured hereby waives any right to privacy with regard to any underwriting and claims information in respect of any insurance policy or claims made or lodged by the Insured, or on behalf of the Insured.
- c. The Insured consents to such information being stored in the share database and used as set out above.
- d. The Insured also consents to such information being disclosed to any insurer or its agent.
- e. The insured further consents to any underwriting information being verified against legally recognised sources or databases.
- f. The Insured agrees that this consent clause will survive the termination for whatever reason of the policy, including its cancellation or lapsing.

M. Processing of personal information in terms of the protection of personal information act 4 of 2013

- a. The privacy of the insured is of utmost importance to the company. The company will take the necessary measures to ensure that any and all information, including Personal Information (as defined in the Protection of Personal Information Act 4 of 2013) provided by the insured or which is collected from the insured is processed in accordance with the provisions of the Protection of Personal Information Act 4 of 2013 and further, is stored in a safe and secure manner.
- b. The insured hereby agrees to give honest, accurate and up-to-date Personal Information and to maintain and update such information when necessary.
- c. The insured accepts that the Personal Information collected by the company may be used for the following reasons:
 - i. to establish and verify your identity in terms of any Applicable Laws.
 - ii. to enable the Administrator/company to fulfil its obligations in terms of this Policy.
 - iii. to enable the Administrator/company to take the necessary measures to prevent any suspicious or fraudulent activity in terms of any Applicable Laws; and
 - iv. reporting to the relevant Regulatory Authority/Body, in terms of any Applicable Laws.
- d. The insured acknowledges that any Personal Information supplied to the company in terms of this Policy is provided according to any Applicable Laws.
- e. Unless consented to by the insured, the company will not sell, exchange, transfer, rent or otherwise make available your Personal Information (such as your name, address, email address, telephone or fax number) to any other parties and the insured indemnifies the company from any claims resulting from disclosures made with the insured's consent.
- f. The insured understands that if the company has utilised your Personal Information contrary to any Applicable Laws, the insured has the right to lodge a complaint with the company within 10 (ten) days. Should the company not resolve the complaint to the satisfaction of the insured, the insured has the right to escalate the complaint to the Information Regulator.

3. FIRE & ALLIED PERILS SECTION

DEFINED EVENTS

This section will provide cover for damage to the whole or part of the property described in the schedule, owned by the insured or for which they are responsible, including alterations by the insured as tenants to the buildings and structures caused by:

1. Fire
2. Lightning or thunderbolt
3. Explosion
4. Such additional perils as are stated in the schedule to be included.
5. Power surge (only if stated in the schedule to be included), provided that;
 - a. The company's liability for any one claim or series of claims with one originating cause or source, shall not exceed, in the annual aggregate a total amount of R50 000;
 - b. A SABS-approved surge arrestor is installed at the insured premises to protect all devices against electrical supply variations;
 - c. The insured shall be responsible for the first amount payable being 10% of claim, minimum R1 000;
 - d. Cover is only extended to include the property specifically insured and noted in the schedule;
 - e. Cover specifically excludes any consequential loss, damage or liability which may arise as a result of such a loss;

SPECIFIC EXCEPTIONS

This section does not cover any loss or damage:

1. caused by any earthquake (whether arising from mining operations or otherwise), unless added as an additional peril and stated in the schedule to be included;
2. caused by volcanic eruption or other convulsion of nature (other than subterranean fire);
3. 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 company alleges that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary shall be on the insured.
4. associated with defective design, defective parts or defective repairs or if the structure wouldn't have been approved by the relevant local authorities at the time of construction;

Unless specifically noted in the policy schedule to be included, this section does not cover:

1. damage to property occasioned by its undergoing any heating or drying process;
2. 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 which would have been payable under the marine policy(ies) had this insurance not been effected;
3. Loss of or damage to insured property kept in the open (not in a roofed building structure of standard wall and roof construction being brick walls and tile, concrete or metal roofing), unless so described and specifically insured as a separate item on the policy schedule.

SPECIFIC CONDITION

Average

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

ADDITIONAL PERILS (IF STATED IN THE SCHEDULE TO BE INCLUDED)

It is understood and agreed that in respect of each additional peril 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.

A. Earthquake extension (if stated in the schedule to be included)

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

B. Special perils extension (if stated in the schedule to be included)

Includes 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
 - c) in the underground workings of any mine
 - d) in the open (other than buildings, structures and plant designed to exist or operate in the open)
 - e) in any structure, not completely roofed
 - f) in any structure undergoing construction
 - g) being retaining walls
2. aircraft and other aerial devices or articles dropped therefrom
3. impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, 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. leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby
 - b. subsidence or landslip
 - c. 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.

C. Leakage extension (if stated in the schedule to be included)

Includes damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installation / appliance.

If a first loss limit is shown against this additional peril in the schedule, the amount of such limit shall be the maximum liability of the company in respect of any one event and, for the purposes of this extension only, the following shall be substituted for the average condition hereinbefore expressed:

If the property insured is, at the commencement of any damage to such property by discharge or leakage, collectively of greater value than the sum insured thereon against fire damage, then the company shall be liable under this extension only for that proportion of the first loss limit as the sum insured against fire bears to the total value of such property and the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, to which this extension applies shall be separately subject to this clause.

D. Subsidence and landslip extension (if stated in the schedule to be included)

Includes damage caused by subsidence or landslip. Provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 5% of the sum insured on the property or R500 whichever is the greater.

This extension does not cover:

1. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured.
2. damage caused by or attributable to:
 - a. faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises.
 - b. workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises.
 - c. excavation on or under land other than excavations in the course of mining operations.
3. damage to any structure which does not comply with SANS building regulations and guidelines.
4. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.

In any action, suit or other proceeding where the company alleges that, by reason of the provisions of these exceptions, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the insured.

E. Malicious damage extension (if stated in the schedule to be included)

This extension includes damage caused in consequence of the deliberate, wilful or wanton act of any person committed with the intention of causing such damage. This extension does not include 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;
 - 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:
 - i. damage related to or caused by fire or explosion;
 - ii. consequential or indirect damage of any kind or description whatsoever, other than loss of rent if specifically insured;
 - iii. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
 - iv. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - v. 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 company alleges that, by reason of proviso (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless the insured, before the occurrence of any damage, obtains the written agreement of the company to continue this extension.

During the period of the initial unoccupancy of 30 consecutive days, the insured shall become a co-insurer with the company and shall bear a proportion of any damage equal to 20% of the claim before deduction of any first amount payable.

F. 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 damage directly occasioned by or through or in consequence of:

- i. civil commotion, labour disturbances, riot, strike or lockout;
- ii. (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), (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 company 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.

CLAUSES AND EXTENSIONS

Rent clause (if insured under column 2: Rent)

The company will pay the amount of rent receivable or rent payable as defined hereunder in the event of the premises stated in the schedule being rendered untenable during the term specified therein in consequence of damage by a defined event.

- i. Rent receivable - the actual rent receivable by the insured at the time of the event in respect of the aforesaid premises or on such part of the same as may then be let.
- ii. Rent payable - the actual rent payable by the insured to the owner or landlord of the said premises.

The amount payable in terms of this clause shall be in the proportion which the amount insured bears to the actual rent receivable or rent payable pertaining to the premises as the case may be. If the premises are not untenable during the whole of the aforesaid term, the company shall only be liable to pay such proportion of the amount payable as the period of time during which the premises may remain untenable bears to the whole term specified above, but the period shall not exceed the time which would be required to place the premises in a tenable condition.

The amount payable under this section may not exceed 25 percent of the sum insured for this section. The total amount claimable under this section is limited to the sum insured as shown in the schedule.

Designation of property clause

For the purpose of determining where necessary the column under which any property is insured, the company agrees to accept the designation under which such property has been entered in the insured's books.

All other contents clause

The term all other contents referred to in the definition of property under column 3 of the schedule includes, but is not restricted to personal effects, tools and pedal cycles, the property of the insured or directors or employees of the insured in so far as such property is not otherwise insured. The benefit under this extension is limited to R10 000 for any one individual in respect of property lost or damaged whilst on the insured's premises.

Limitation's clause

The company's liability under column 3 of the schedule is restricted in respect of:

- a) money and stamps to a limit of R 7 500 with an excess of R500;
- b) documents, manuscripts, business books, plans, computer systems, records and media, designs, patterns, models and moulds to the value of materials and sums expended in labour.

Alterations and misdescription clause

The insurance under this section shall not be prejudiced by any alteration or misdescription of Occupancy whether due to the transfer of processes or machinery or by virtue of acquisition of additional premises, structural alterations or repairs to buildings, machinery, or plant provided that notice is given to the company in writing within 30 days of such alteration or misdescription. The company will confirm all changes in writing and the company has the right to adjust the extent of the cover provided and or increase the premium from the date of change. If the insured fails to notify the company of such alteration or misdescription the company will be entitled to turn down any claim arising from such alteration or misdescription.

Architects' and other professional fees clause

The insurance under column 1 (Buildings) and column 3 (Plant and Machinery) of the schedule includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 15 per cent of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the insured's claim.

Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 15 per cent of the sum insured thereon, 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 thereon.

Cost of demolition and clearing and erection of hoardings clause

The insurance under this section includes costs necessarily incurred by the insured in respect of the demolition of buildings and machinery and/or the removal of debris (including stock debris) and in providing, erecting and maintaining hoardings required during demolition, site clearing and/or building operations following damage to the property insured by a defined event, provided that the total amount recoverable shall not exceed the sum insured on the property affected. The company will not pay for any costs or expenses:

1. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site;
2. arising from pollution or contamination of property not insured by this policy/section.
3. Exceeding 15% of the sum insured for removal of debris and the cost of demolition

Fire extinguishing charges clause

Any costs 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. The amount is limited to 20% of the sum insured as shown in the schedule.

Mortgagee clause

The interest of any mortgagee in the insurance under this section shall not be prejudiced by any act or omission on the part of the mortgagor without the mortgagee's knowledge. The mortgagee shall, however, inform the company as soon as any such act or omission comes to his knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall, in terms of this clause, be assumed by the company.

Municipal plans scrutiny fee clause

The insurance under column 1 of the schedule includes municipal plans scrutiny fee, provided that the total aggregate amount recoverable under any item shall not exceed the sum insured on the building affected.

Public authorities' requirements clause

The insurance under this section includes such additional cost of repairing or rebuilding the damaged property 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, municipal or other local authority provided that 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 under this section
 - iii. under which notice has been served upon the insured prior to the happening of the damage
 - iv. in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged
- b) the additional cost that would have been required to make good the 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 from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations

The work of repairing or rebuilding must be commenced and carried out with reasonable dispatch and 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

If the liability of the company under any item of 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 in respect of any such item shall be reduced in like proportion.

The total amount recoverable under any item of this section shall not exceed the sum insured thereby.

Railway and other subrogation clause

The insured shall not be prejudiced by signing the "Transnet Cartage (Hazardous Premises) Indemnity" or other special agreements with Transnet Administration regarding private sidings or similar agreements with other government bodies.

Hot works clause

It is declared and agreed that the Insurers will not be liable to indemnify the Insured for loss or damage to property insured due to fire caused by "hot" work (welding/cutting/grinding or application of heat) unless the Insured has taken reasonable precautions to prevent the start and propagation of fire by means such as but not limited to:

- a) fire breaks
- b) Use of welding screens
- c) Isolating any combustible materials or liquids
- d) Provision of adequate fire-fighting equipment and the presence of an employee trained to use such equipment to extinguish fire
- e) Provision of adequate ventilation that removes or exhausts fumes, vapours, or dust to prevent hazardous conditions from occurring
- f) Inspection of hot work areas one hour after completion of such hot work

Reinstatement value conditions clause

In the event of property other than stock being damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than the insured property when new provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to requirements of the insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;
2. until expenditure has been incurred by the insured in replacing or reinstating the property, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged, exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision;
4. these conditions shall be without force or effect if:
 - a. the insured fails to disclose to the company within six months of the date of damage or such further time as the company may in writing allow, his intention to replace or reinstate the property;

- b. the insured is unable or unwilling to replace or reinstate the property on the same or another site.

Alternative replacement conditions (design capacity) clause

In the event of property insured which has a measurable function, capacity or output being damaged by a defined event and it not being possible to replace or reinstate such property in terms of the reinstatement value conditions, then the company will pay the cost of replacing such property with property the quality, capacity, function or output of which is as near as possible but not inferior to that of the original property provided that:

1. proviso 1, 2, 3 and 4 of the reinstatement value conditions apply equally to this clause;
2. in applying the provisions of proviso 3 of the reinstatement value conditions, the cost (as provided for in proviso 3) "which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged" will be increased by such amount payable under the alternative replacement clause which is in excess of that which would have been payable under the reinstatement value conditions clause, had it been possible to reinstate or replace the property in terms thereof.

Temporary removal clause

Except in so far as it is otherwise insured the property insured is covered whilst temporarily removed elsewhere on the premises stated in the schedule or to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi provided that;

1. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the company shall not exceed 15 per cent of the sum insured applicable to any item;
2. the amount payable under this clause shall not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the property is temporarily removed.
3. Any conditions, warranties, requirements, or exceptions that are applicable to the property whilst at its original location shall apply without reservation to the property whilst being temporarily removed.

Tenant's clause

The company's liability to the insured shall not be affected by any act or omission on the part of any owner of a building or any tenant (other than the insured) without the insured's knowledge. The insured shall, however, inform the company as soon as such act or omission which is a contravention of any of the terms, exceptions or conditions of this section, comes to their knowledge and will be responsible for any additional premium payable from the date any increased hazard shall be assumed by the company.

Stock declaration conditions (if stated in the schedule to be included)

In respect of stock and materials in trade insured under this section being subject to the stock declaration conditions, the premium is calculated on 75 per cent of the sum or sums insured thereon, subject to the following specific conditions:

1. (a) The insured shall declare to the company in writing the market value of their stock and materials in trade as it is on the last day of each month/quarter (as stated in the schedule). Such declaration must be made within 30 days from the last day of the month / quarter, otherwise they shall be deemed to have declared the sum insured on such property as the market value thereof.
(b) After each period of insurance, the premium shall be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium differs from the provisional premium, the difference shall be payable by or to the insured as the case may be, but the amount payable by the company shall not exceed 50 per cent of the provisional premium.
2. Any claim hereunder shall be settled on the basis of the market value immediately anterior to the damage.
3. If, after the occurrence of damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by the insured shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is the lesser amount. The provisions of this condition shall, if applicable, operate cumulatively with the provisions of the specific condition relating to average.
4. In consideration of the insurance not being reduced by the amount of any loss, the insured shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium.
5. The liability of the company shall not exceed the sum insured and premium shall not be receivable on values in excess thereof.
6. The above specific conditions shall apply separately to each item of the specification to which these stock declaration conditions apply.

Public supply connections clause

This section is extended to cover accidental damage to water, sewerage, gas, electricity, and telecommunication connections, the property of the insured or for which they are legally responsible between the property insured and the public supply or mains.

Escalator clause extension (if stated in schedule to be included)

During each period of insurance, the sum(s) insured under columns 1 and/or 3 of this section shall be increased by that portion of the percentage specified in the schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, the insured shall notify the company of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause shall cease to apply.

The additional premium for this extension shall be 50 per cent of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this extension applies.

Disposal of salvage clause (if stated in the schedule to be included)

Without diminishing the rights of the company to rely on the provisions of the general conditions in the event of a loss, the company agrees that it will not sell or otherwise dispose of any property which is the subject of a claim hereunder without the consent of the insured provided that the insured can establish to the satisfaction of the company that to do so will prejudice their interests in which event the company agrees to give the insured first option to repurchase such property at its fair intrinsic value or market value whichever is the greater.

The insured shall not be entitled under the provisions of this clause to abandon any property to the company whether taken possession of by the company or not.

4. BUILDINGS COMBINED SECTION

DEFINED EVENTS

1. This section provides cover for damage by the perils described:
 - a. in sub-section A to the buildings including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the schedule) and sporting and recreational structures, landlord's fixtures and fittings therein and thereon, walls (except dam and canal walls), gates, posts, fences, and tarred or paved roads, driveways, paths or parking areas;
 - b. in sub-section B to public supply connections situated as stated in the schedule.
2. Cover for loss of rent as provided for in sub-section C
3. Cover for legal liability as provided for in sub-section D

Sub-section A – Property

Cover for:

1. Fire, lightning, thunderbolt, subterranean fire or explosion;
2. Storm, wind, water, hail or snow other than:
 - a. that arising from its undergoing any process necessarily involving the use or application of water
 - b. wear and tear or gradual deterioration
 - c. loss or damage
 - i. to retaining walls
 - ii. caused or aggravated by:
 - subsidence or landslip;
 - the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.
2. Earthquake;
3. Aircraft and other aerial devices or articles dropped therefrom;
4. Impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes, vehicles or property in or on such vehicles;
5. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building. If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, this item is suspended as regards the property affected unless the insured before the occurrence of damage obtains the written agreement of the company to continue this insurance. During the period of the initial unoccupancy of 30 consecutive days the insured shall become a co-insurer with the company and shall bear a rateable proportion of any damage equal to 20% of the claim before deduction of any first amount payable;
6. Accidental damage to sanitary ware, but the amount payable will be reduced by R250 for each and every such damage.
7. Power surge provided that;
 - i. The company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed in the aggregate R50 000;
 - ii. The insured shall be responsible for a first amount payable of 10% of claim subject to a minimum of R1000.

Specific exceptions

1. This section does not cover:
 - a. loss associated with defective workmanship, defective design, defective parts or defective repairs;
 - b. loss associated with faulty design, faulty construction or failure to comply with any building regulations or other applicable law including South African National Standards (SANS) regulations and guidelines;
 - c. damage to property occasioned by its undergoing any heating or drying process;
 - d. damage caused to property through a process where water is applied;
 - e. 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 which would have been payable under the marine policy(ies) had this insurance not been effected.

Specific condition

Average

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

Sub-section B Public supply connections

Accidental damage to water, sewerage, gas, electricity and telecommunication connections the property of the insured or for which they are legally responsible, between the property insured and the public supply or mains.

Sub-section C Rent

1. Where the business of the insured is that of a hotel, boarding house, bed and breakfast or similar occupation: Loss of Rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25% of the sum insured applicable to buildings. The basis of calculation shall be the rent payable by the insured as lessee of the buildings, immediately preceding the damage, or if the insured are not the lessee of the buildings, the rental equivalent they should receive as lessor for leasing all the buildings, plant and machinery to a single legal entity.
2. Where the business of the insured is other than that as stated in 1. above: Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25 per cent of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the damage or its equivalent in rental value.

Sub-section D Liability

Damages for which the insured shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury) or accidental loss of or physical damage to tangible property (hereinafter termed damage) occurring during the period of insurance in, on or about the property insured and arising from the insured's ownership thereof.

The limit of indemnity

The amount payable inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and other costs and expenses incurred with the company's consent for any one event or series of events with one original cause or source shall not exceed the amount of R1 000 000.

Specific exceptions (applicable to sub-section D)

The company will not indemnify the insured under this sub-section in respect of;

1. injury or damage sustained by:
 - a. any member of the same household as the insured;
 - b. any person employed by the insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the insured;
 - c. any other person resulting from the ownership of or use by or on behalf of the insured of mechanically propelled vehicles (except pedal cycles and lawnmowers);
 - d. caused by earthquake;
2. damage to property:
 - (a) (i) belonging to the insured;
 - (ii) in the custody or control of the insured or any employee of the insured;
 - (b) caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
 - (c) caused by earthquake.
3. Liability assumed by agreement unless liability would have attached to the insured notwithstanding such agreement;
4. a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination. Provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;
(b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;
This exception shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exception.
5. fines, penalties, punitive, exemplary or vindictive damages;
6. (a) damages in respect of judgments delivered or obtained in the first instance otherwise 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 6(a) above.

Memoranda to sub-section D

1. 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 insured's 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.
2. Provided that the aggregate liability of the company is not increased beyond the limit of indemnity stated, the company will also indemnify as though a separate policy had been issued to each:
 - a. in the event of the death of the insured, any personal representative of the insured in respect of liability incurred by the insured;
 - b. any partner or director or member or employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance.

3. In respect of this sub-section only, General exception 1 is deleted and replaced by the following: "This sub-section does not cover injury, damage or liability directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power"
4. If, at the time of any event giving rise to a claim under this sub-section, indemnity is also provided under any other insurance, this sub-section shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.

CLAUSES AND EXTENSIONS

Subsidence and landslip extension to sub-section A (if stated in the schedule to be included)

The following peril is added to the perils applicable to sub-section A - Property:

Damage caused by subsidence or landslip

Provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 5 per cent of the sum insured on the property or R750 whichever is the greater.

For the purposes hereof, any damage insured shall be deemed to have been caused by fire.

Provided that this extension does not cover:

- i. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured;
- ii. damage caused by or attributable to:
 - a. faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
 - b. workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises;
 - c. excavation on or under land other than excavations in the course of mining operations;
 - d. consequential loss of any kind whatsoever except loss of rent.

In any action suit or other proceeding where the company alleges that, by reason of the provisions of this extension, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the insured.

Prevention of access extension to sub-section C (if stated in the schedule to be included)

If property within a 10km radius of the premises stated in the schedule is lost or damaged by a peril defined in sub-section A during the period of insurance and this prevents or hinders the use of or access to the property insured by this section, the company will pay any loss of rent the insured may incur as a result thereof up to an amount not exceeding 25 per cent of the sum insured on the affected property. The loss of rent calculation will be based on the rent payable immediately preceding the loss or damage.

Security firms (applicable to sub-section D - Liability)

Notwithstanding specific exception 3, if, in terms of a contract with a security firm engaged in the course of the insured's business (as owner of the premises specified in the schedule) to protect the insured's property at the premises stated in the schedule, the insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment at these premises, then this sub-section includes such legal liability to the extent that indemnity would have been granted under this sub-section had the said employees been under a contract of service to the insured and not the security firm, but not exceeding the limit of liability stated in the schedule for this sub-section.

If, at the time of an occurrence giving rise to a claim, the security firm is entitled to indemnity under any other policy in respect of the same event, the company shall not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

Architects' and other professional fees clause

The insurance under sub-section A includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 15 per cent of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the insured's claim.

Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property for an amount not exceeding 15 per cent of the sum insured thereon, 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 thereon.

Cost of demolition and clearing and erection of hoardings clause

The insurance under this section includes costs necessarily incurred by the insured in respect of the demolition of property insured and/or the removal of debris and in providing, erecting and maintaining hoardings required during demolition, site clearing and/or building operations following damage to the property insured by a defined event, provided that the total amount recoverable shall not exceed the sum insured on the property affected.

The company will not pay for any costs or expenses:

1. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site;
2. arising from pollution or contamination of property not insured by this policy/section.

Fire extinguishing charges clause

Any costs 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 property insured was in danger from the fire.

Mortgagee clause

The interest of any mortgagee in the insurance under this section shall not be prejudiced by any act or omission on the part of the mortgagor without the mortgagee's knowledge. The mortgagee shall, however, inform the company as soon as any such act or omission comes to his knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall, in terms of this clause, be assumed by the company.

Municipal plans scrutiny fee clause

The insurance under this section includes municipal plans scrutiny fees, provided that the total amount recoverable under any item shall not exceed the sum insured on the property insured so affected.

Public authorities' requirements clause

The insurance under this section includes such additional cost of repairing or rebuilding the damaged property 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, municipal or other 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 property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged.
 - b. the additional cost that would have been required to make good the 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 from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations;
2. The work of repairing or rebuilding must be commenced and carried out with reasonable despatch and 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;
3. if the liability of the company under any item of 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 in respect of any such item shall be reduced in like proportion;
4. The total amount recoverable under any item of this section shall not exceed the sum insured thereby.

Railway and other subrogation clause

The insured shall not be prejudiced by signing the "Transnet Cartage (Hazardous Premises) Indemnity" or other special agreements with the Transnet Administration regarding private sidings or similar agreements with other government bodies.

Reinstatement value conditions

In the event of the property being damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made;
2. until expenditure has been incurred by the insured in replacing or reinstating the property, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;

3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision;
4. these conditions shall be without force or effect if:
 - a. the insured fails to intimate to the company within six months of the date of damage, or such further time as the company may in writing allow, their intention to replace or reinstate the property;
 - b. the insured is unable or unwilling to replace or reinstate the property on the same or another site.

Temporary removal clause

Except in so far as otherwise insured, landlord's fixtures and fittings are covered while temporarily removed to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi provided that the amount payable under this clause shall not exceed that which would have been payable had the loss occurred on the premises from which the property is temporarily removed.

Tenant's clause

The company's liability to the insured shall not be affected by any act or omission on the part of any tenant (other than the insured) without the insured's knowledge. The insured shall, however, inform the company as soon as any such act or omission which is a contravention of any of the terms, exceptions or conditions of this section comes to their knowledge and will be responsible for any additional premium payable from the date any increased hazard shall be assumed by the company.

Hot works clause

It is declared and agreed that the Insurers will not be liable to indemnify the Insured for loss or damage to property insured due to fire caused by "hot" work (welding/cutting/grinding or application of heat) unless the Insured has taken reasonable precautions to prevent the start and propagation of fire by means such as but not limited to:

- a) fire breaks
- b) Use of welding screens
- c) Isolating any combustible materials or liquids
- d) Provision of adequate fire-fighting equipment and the presence of an employee trained to use such equipment to extinguish fire
- e) Provision of adequate ventilation that removes or exhausts fumes, vapours, or dust to prevent hazardous conditions from occurring
- f) Inspection of hot work areas one hour after completion of such hot work

Escalator clause extension (if stated in the schedule to be included)

During each period of insurance, the sum(s) insured under sub-section A of this section shall be increased by that portion of the percentage specified in the schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, the insured shall notify the company of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause shall cease to apply.

The additional premium for this extension shall be 50% of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this extension applies.

Malicious damage extension (If stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained herein, this section is extended to cover loss or 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 loss or damage other than loss or 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 thereof of;
 - b. the demolition or partial demolition or any attempt thereof of the said immovable property or any part thereof with the intention of stealing any part thereof provided that this extension does not cover:
 - i. loss or damage related to or caused by fire or explosion;
 - ii. consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured;
 - iii. loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;

- iv. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
- v. loss or damage related to or caused by any occurrence referred to in General exception 1 (A) (i), (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 proviso (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days the insurance in respect of this extension is suspended as regards the property affected unless the insured, before the occurrence of any damage obtains the written agreement of the company to continue this extension. During the period of the initial unoccupancy of 30 consecutive days the insured shall become a co-insurer with the company and shall bear a proportion of any damage equal to 20% of the claim before deduction of any first amount payable. Cover under this extension is sub-limited to R100 000.00

Riot and strike extension (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein sub-sections A, B and C of this section are extended to cover loss or damage directly occasioned by or through or in consequence of:

1. civil commotion, labour disturbances, riot, strike or lockout;
2. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (1) 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 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.

5. OFFICE CONTENTS SECTION

DEFINED EVENTS

This section provides cover for the following:

1. Loss of or damage to the contents (other than documents as defined in sub-section C if insured thereunder and electronic data processing equipment) including landlord's fixtures and fittings, the property of the insured or property for which they are responsible and, unless otherwise stated in the schedule, to the extent that the same is not otherwise insured, property owned by any partner or director or employee of the insured up to an amount of R5 000 per person while contained in the offices and/or consulting rooms situated as stated in the schedule (hereinafter called the office premises) by any of the perils specified in sub-section A;
2. Loss of or damage to the whole or part of the property insured and defined under sub-section C and the consequences thereof insured and described in sub-section D;
3. Loss and/or expenditure described in sub-sections B and E.

Definition

"Electronic data processing equipment" is limited to computers and all related hardware, peripherals and computer software and the information or data stored therein or thereon.

Sub-section A – Contents

1. Fire, lightning, thunderbolt, subterranean fire or explosion;
2. Storm, wind, water, hail or snow excluding loss of or damage to property arising from its undergoing any process necessarily involving the use or application of water;
3. Earthquake but excluding loss of or damage to property in the underground workings of any mine;
4. Aircraft and other aerial devices or articles dropped therefrom;
5. 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;
6. Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.
7. Power surge provided that;
 - i. The company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed in the aggregate the maximum of R50 000 or 25% of the sum insured, whichever is the lesser;
 - ii. The insured shall be responsible for a first amount payable of 10% of claim subject to a minimum of R 1 000.

Limitation's clause (not applicable to 6 & 7 above)

The company's liability under this sub-section is restricted in respect of documents, manuscripts, business books, plans, designs, patterns, models, and moulds to the value of materials and sums expended in labour.

Specific conditions

Average (not applicable to peril 6 above or to the theft or the theft by forcible entry extensions)

If the property insured is, at the commencement of any loss or damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss or damage accordingly. Each item of the schedule covering such property shall be separately subject to this condition.

First Loss Average (if stated in the schedule to be included)

In respect of the theft or theft by forcible entry extensions only, if, at the time of any loss or damage arising, the total value of the property insured does not exceed the sums stated in the schedule then this insurance shall be declared free of average, but if the total value of the property insured shall be greater than the aforementioned sums, the insured shall be considered as being their own insurer for the difference and the company shall be liable only for such proportion of the first loss sum insured as the aforementioned sums shall bear to the total value not exceeding in all the total sum insured by each item.

Specific exception (applicable to sub-section A)

This sub-section does not cover:

- a) property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
- b) designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of subsection A), stock in trade, samples, motor vehicles and accessories therefor, money, securities, stamps, jewellery or precious stones;
- c) the first 10% of the indemnifiable amount or R1 000 whichever is the greater if the loss or damage is due to lightning strikes;
- d) loss or damage associated with defective workmanship, defective design, defective parts or defective repairs
- e) loss or damage associated with faulty design, faulty construction or failure to comply with any building regulations or other applicable law.

- f) gradual deterioration
- g) loss or damage due to wear and tear.

Sub-section B Rent

Loss of rent actually incurred by the insured in consequence of the office premises or portion thereof being so damaged by any of the perils specified in sub-section A as to be rendered uninhabitable, but only in respect of the period necessary for reinstatement. The indemnity under this sub-section shall not exceed 25 per cent of the sum insured or value (whichever is the lower) of all contents of the office premises affected. For the purpose of this sub-section, the term "office premises" shall be deemed to extend to any premises or portion thereof in the vicinity of the office premises, damage to which prevents or limits access to the office premises.

Sub-section C Documents

Loss of or damage to documents normally kept at the office premises, by any peril not specifically excluded.

Definition

The term "documents" shall mean; films, tapes, addressograph plates, books, records, maps, plans, drawings, abstracts, deeds, wills, mortgages, agreements, manuscripts, letters, certificates, documents and similar written, printed or otherwise inscribed papers and documents used by the insured in the business and owned by them or for which they are responsible **excluding** money, current postage or revenue stamps, cancelled and uncancelled coupons, securities, bearer bonds, cheques, drafts and any written order to pay a sum certain in money and any written evidence of indebtedness or obligation and all property carried or held as samples or for sale or for delivery after sale and computer software and computer data carrying media unless otherwise stated in the schedule.

Limitations clause

The company's liability under this sub-section is limited to all costs, charges and expenses incurred by the insured in replacing or restoring such documents. Cover limited to the sum insured as shown in the schedule.

Specific exception (applicable to sub-section C)

This sub-section does not cover:

- a) loss or damage caused by;
 - i. electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning in which case the lightning loss or indemnity amount will be reduced by the greater of 10% of such amount or R1 000;
 - ii. vermin or inherent defect or by processing, copying or other work upon the documents;
 - iii. the dishonesty of any principal, partner or director of the insured whether acting alone or in collusion with others. This exception shall not apply to any director who is also an employee of the insured and whom the insured has the right at all times to govern, control and direct in the performance of his work in the service of the insured and in the course of the business;
- b) gradual deterioration or wear and tear;
- c) costs involved in reshooting films and videos and rerecording audio tapes.

Sub-section D Legal liability documents

Legal liability as a direct consequence of loss of or damage to documents as defined in sub-section C and in respect of which payment, reinstatement or repair has been made or liability admitted by the company under sub-section C unless such payment, reinstatement, repair or liability has not been made or admitted solely because the insured is required to bear the first portion of the loss. Cover limited to sum insured as shown in the schedule.

Specific exception (applicable to sub-section D)

This sub-section does not cover liability assumed by the insured under any contract, undertaking or agreement where such liability would not have attached to the insured in the absence of such contract, undertaking or agreement.

Sub-section E- Increase in cost of working

Any additional expenditure not otherwise provided for in this section reasonably incurred by the insured for the purposes of maintaining the normal operation of the business in consequence of loss or damage in respect of which payment, reinstatement or repair has been made or liability therefor admitted by the company under sub-sections A or C.

The indemnity under this sub-section shall not exceed 25 per cent of the sum insured on all contents of the office premises affected.

CLAUSES AND EXTENSIONS

Alterations and misdescription clause

The insurance under this section shall not be prejudiced by any alteration or misdescription of occupancy whether due to the transfer of processes or machinery or by virtue of structural alterations, repairs to buildings, machinery or plant, provided that notice is given to the company as soon as practicable after such event and the insured agrees to pay additional premium if required.

Capital additions clause

The insurance under this section covers alterations, additions, and improvements (but not appreciation in value in excess of the sums insured) to the property for an amount not exceeding 15 per cent of the sum insured thereon, 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 thereon.

Fire extinguishing charges clause

Any costs 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.

Locks, keys and remote controls clause

In addition to the limit of indemnity stated in the schedule, the company will indemnify the insured in respect of the cost of replacing locks, keys and remote controls to any insured office premises following upon the disappearance of any key to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that:

- i. the company's liability shall not exceed R3 000 in respect of any one event;
- ii. the company shall not be liable for the first R250 of each and every event.

New and additional premises clause

If the insured occupies offices or consulting rooms other than those situated as stated in the schedule in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, the insurance by this section shall apply as though such offices or consulting rooms were office premises within the meaning of this section provided that:

- i. the insured shall, within a reasonable time of taking occupation, advise the company thereof and pay additional premium calculated pro-rata from the time of taking occupation until the end of the then current period of insurance;
- ii. this clause shall not apply to any loss if and so far as the same is otherwise insured.

Removal of debris clause

The insurance under this section is extended to include such reasonable costs and expenses as may be necessarily incurred by the insured in respect of the removal of debris following loss of or damage to the insured property by any peril hereby insured against, provided that the liability of the company for such loss or damage and costs and expenses shall not exceed in the aggregate the sum expressed in the schedule to be insured on the property affected. The company will not pay for any costs or expenses:

- i. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site;
- ii. arising from pollution or contamination of property not insured by this policy/section.

Temporary removal clause

Except in respect of the personal property of any partner, director or employee of the insured, loss of or damage to the insured property by any peril hereby insured against while such property is temporarily contained in any building in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi shall be deemed to be loss or damage happening while such property is contained in the office premises.

Temporary repairs and measures after loss clause

The insurance under this section is extended to include all reasonable costs and expenses incurred by the insured in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after loss of or damage to the insured property by any peril hereby insured against, provided that the liability of the company for such loss or damage and costs and expenses shall not exceed in the aggregate the sum expressed in the schedule to be insured on the property affected.

Tenant's clause

The company's liability to the insured shall not be affected by any act or omission on the part of any owner of a building or any tenant (other than the insured) without the insured's knowledge. The insured shall, however, inform the company as soon as any such act or omission which is a contravention of any of the terms, exceptions or conditions of this section comes to their knowledge and will be responsible for any additional premium payable from the date any increased hazard shall be assumed by the company.

Replacement value condition

The basis upon which the amount payable for a claim in respect of contents is calculated, shall be either the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new, or the repair of the contents to a condition substantially the same as but not better than its condition when new, provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the contents had been lost, destroyed or damaged beyond repair, exceeds the sum insured thereon at the time of the loss or damage, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

Malicious damage extension

Subject otherwise to the terms, conditions, exceptions and warranties contained therein, sub-sections A, B and C are extended to cover 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 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 thereof;
 - b. the demolition or partial demolition or any attempt thereof 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 loss or 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) 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 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.

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless the insured, before the occurrence of any damage, obtains the written agreement of the company to continue this extension.

During the period of the initial unoccupancy of 30 consecutive days, the insured shall become a co-insurer with the company and shall bear a proportion of any damage equal to 20 per cent of the claim before deduction of any first amount payable.

Riot and strike extension (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, sub-sections A, B and C of this section are 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 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.

Theft by forcible entry extension (if stated in the schedule to be included)

The following peril is added to the perils applicable to sub-section A contents:

Theft accompanied by forcible and violent entry into or exit from the offices and/or consulting rooms or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence provided that:

- i. the company will not be liable under this extension for theft or attempted theft by any principal, partner, director or employee of the insured;
- ii. the amount payable will be reduced by the first amount payable shown in the schedule for this extension;
- iii. the maximum amount payable will not exceed the sum insured shown in the schedule for this extension less its first amount payable.

Theft extension (if stated in the schedule to be included)

The following peril is added to the perils applicable to sub-section A contents:

Theft or any attempt thereat other than by any principal, partner, director, or employee of the insured provided that:

- i. the amount payable will be reduced by the first amount payable shown in the schedule for this extension;
- ii. the maximum amount payable will not exceed the sum insured shown in the schedule for this extension less its first amount payable.

Memorandum

In respect of sub-section D only, General exception 1 is deleted and replaced by the following:

“This sub-section does not cover loss, damage, liability or expenditure directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.”

Hot works clause

It is declared and agreed that the Insurers will not be liable to indemnify the Insured for loss or damage to property insured due to fire caused by “hot” work (welding/cutting/grinding or application of heat) unless the Insured has taken reasonable precautions to prevent the start and propagation of fire by means such as but not limited to:

- g) fire breaks
- h) Use of welding screens
- i) Isolating any combustible materials or liquids
- j) Provision of adequate fire-fighting equipment and the presence of an employee trained to use such equipment to extinguish fire
- k) Provision of adequate ventilation that removes or exhausts fumes, vapours, or dust to prevent hazardous conditions from occurring
- l) Inspection of hot work areas one hour after completion of such hot work

6. BUSINESS INTERRUPTION SECTION

DEFINED EVENTS

This section provides cover for loss following an interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:

- i. the fire section of this policy;
- ii. the buildings combined section of this policy;
- iii. the office contents section of this policy;
- iv. any other material damage insurance covering the interest of the insured.

But only in respect of perils insured under the fire section hereof (hereinafter termed Damage).

Liability shall be deemed to have been admitted if such payment is precluded solely because the insured is required to bear the first portion of the loss.

The company will indemnify the insured in accordance with the provisions of the specification hereinafter set out.

Specific conditions

1. The insurance under this section shall cease if the business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the company;
2. On the happening of any Damage in consequence of which a claim may be made under this section, the insured shall, in addition to complying with general conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this section shall, not later than 30 days after the expiry of the indemnity period, or within such further time as the company may in writing allow, at their own expense deliver to the company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No claim under this section shall be payable unless the terms of this specific condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the company forthwith;

Item 1 Gross profit (difference basis)

The insurance under this item is limited to loss of gross profit due to:

- a) reduction in turnover; and
- b) increase in cost of working.

and the amount payable as indemnity hereunder shall be:

- a) **in respect of reduction in turnover** the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover;
- b) **in respect of increase in cost of working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided;

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

Item 1 Gross profit (additions basis)

The insurance under this item is limited to loss of gross profit due to:

- a) reduction in turnover and;
- b) increase in cost of working.

and the amount payable as indemnity hereunder shall be:

- a) **in respect of reduction in turnover** the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover;
- b) **in respect of increase in cost of working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided.

less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

Memorandum

If any standing charges of the business are not insured under this section, then in computing the amount recoverable hereunder as increase in cost of working, that proportion only of the additional expenditure shall be brought into account which the sum of the net profit and the insured standing charges bears to the sum of the net profit and all the standing charges.

Item 2 Gross rentals

The insurance under this item is limited to:

- a) loss of gross rentals and;
- b) increase in cost of working

and the amount payable as indemnity hereunder shall be:

- a) in respect of loss of gross rentals, the amount by which the gross rentals during the indemnity period shall in consequence of the Damage fall short of the standard gross rentals;
- b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of gross rentals which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of gross rentals thereby avoided.

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross rentals as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross rentals is less than the annual gross rentals where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 months.

Item 3 Revenue

The insurance under this item is limited to:

- a) loss of revenue; and
- b) increase in cost of working;

And the amount payable as indemnity hereunder shall be:

- a) in respect of loss of revenue, the amount by which the revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard revenue;
- b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of loss of revenue thereby avoided.

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of revenue is less than the annual revenue where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual revenue where the maximum indemnity period exceeds 12 months.

Item 4 Additional increase in cost of working

The insurance under this item is limited to reasonable additional expenditure (not recoverable under other items) incurred with the consent of the company during the indemnity period in consequence of the Damage for the purpose of maintaining the normal operation of the business.

Item 5 Wages (number of weeks basis)

The insurance under this item is limited to the loss incurred by the insured by the payment of wages for a period beginning with the occurrence of the damage and ending not later thereafter than the specified number of weeks.

The amount payable as indemnity under this item, will be the actual amount which the insured shall pay as wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by the insured at all and an equitable part of the wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilised by the insured to the full, provided that if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

Item 6 Fines and penalties for breach of contract

The insurance under this item is limited to fines or penalties for breach of contract and the amount payable as indemnity hereunder shall be such sum as the insured shall be legally liable to pay and shall pay in discharge of fines or penalties incurred solely in consequence of Damage for non-completion or late completion of orders.

DEFINITIONS

Indemnity period: The period beginning with the commencement of the Damage and ending not later than the number of months thereafter stated in the schedule during which the results of the business shall be affected in consequence of the Damage.

Turnover: The money paid or payable to the insured for goods sold and delivered and for services rendered in the course of the business at the premises.

Revenue: The money paid or payable to the insured for goods sold and for services rendered in the course of the business at the premises.

Gross rentals: The money paid or payable to the insured by tenants in respect of rental of the premises and for services rendered.

Gross profit (difference basis): The amount by which:

1. the sum of the turnover and the amount of the closing stock shall exceed;
2. the sum of the amount of the opening stock and the amount of the uninsured costs.

The amount of the opening and closing stocks shall be arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation.

Uninsured costs: As specified in the schedule (the words and expressions used shall have the meaning usually attached to them in the books and accounts of the insured).

Gross profit (additions basis): The sum produced by adding to the net profit the amount of the insured standing charges or, if there is no net profit, the amount of the insured standing charges less such proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the business.

Net profit: The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the insured at the premises after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

Insured standing charges: As specified in the schedule (the words and expressions used shall have the meaning usually given to them in the books of account of the insured).

Standard turnover / Standard revenue / Standard gross rentals: The turnover / revenue / gross rentals during that period in the 12 months immediately before the date of the Damage which corresponds with the indemnity period to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the damage. Note that if the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

Annual turnover / Annual revenue / Annual gross rentals: The turnover / revenue / gross rentals during the 12 months immediately before the date of the damage to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the damage. Note that if the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

Rate of gross profit: The rate of gross profit earned on the turnover during the financial year immediately before the date of damage. Note that if the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

Memo

If, during the indemnity period, goods shall be sold, or services shall be rendered elsewhere than at the premises for the benefit of the business either by the insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover, revenue or gross rentals during the indemnity period.

EXTENSIONS AND CLAUSES

Accountant's clause

Any particulars or details contained in the insured's books of account or other business books or documents which may be required by the company under this section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the insured's auditors or professional accountants, and their certificate shall be prima facie evidence of the particulars and details to which it relates.

Accumulated stocks clause

In adjusting any loss, account shall be taken, and an equitable allowance made if any shortage in turnover or revenue due to the Damage is postponed by reason of the turnover or revenue being temporarily maintained from accumulated stocks.

Departmental clause

If the business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under items 1 (gross profit), 2 (gross rentals) or 3 (revenue) relating to reduction in turnover/gross rentals/revenue and increase in cost of working, shall apply separately to each department or branch affected by the Damage, except that if the sum insured by the relative item is less than the aggregate of the (annual gross rentals) (annual revenue) (sums produced by applying the rate of gross profit) for each department or branch, whether or not affected by the Damage, (to the relative annual turnover thereof) (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12), the amount payable shall be proportionately reduced.

Deposit premium clause

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on 75 percent of the sum insured, the premium is subject to adjustment on expiry of each period of insurance as follows In the event of the gross profit/gross rentals/revenue earned (increased proportionately if the number of months referred to in the definition of indemnity period exceeds twelve) during the financial year most nearly concurrent with any period of insurance being less or greater than 75 percent of the sum insured thereon, a pro rata return or additional premium not exceeding 33,3 percent of the provisional premium paid for such period of insurance will be made in respect of the difference.

In the event of a claim being made under this section, the amount paid or payable thereon shall be regarded as actually earned.

Output (alternative basis) clause

At the option of the insured, the term output may be substituted for the term turnover and, for the purposes of this section, output shall mean the sale or transfer value, as shown in the insured's books, of goods manufactured or processed by the insured at the premises provided that;

- a) only the meaning of output or the meaning of turnover shall be operative in connection with any one event resulting in interruption;
- b) if the meaning of output be used:
 - i. the accumulated stocks clause shall be inoperative;
 - ii. the memo at the end of the definitions shall read.

If, during the indemnity period, goods shall be manufactured or processed other than at the premises for the benefit of the business either by the insured or by others on behalf of the insured, the sale or transfer of such goods shall be brought into account in arriving at the output during the indemnity period.

Salvage sale clause

If the insured shall hold a salvage sale during the indemnity period clause (a) of item 1 (gross profit) shall, for the purposes of such claim, read as follows:

- a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period (less the turnover for the period of the salvage sale) shall, in consequence of the damage, fall short of the standard turnover, from which sum shall be deducted the gross profit actually earned during the period of the salvage sale.

Extensions to other premises

Loss as insured by this section resulting from interruption of or interference with the business in consequence of damage (as defined herein) at the undernoted situations or to property as undernoted shall be deemed to be loss resulting from damage to property used by the insured at the premises.

a) Specified suppliers/sub-contractors (if stated in the schedule to be included)

The premises of the suppliers and sub-contractors specified in the schedule subject to stated limits. This cover is sub-limited to 30% of the sum insured as stated in the schedule. Cover for any one event or series of events with one originating cause or source shall not exceed in the aggregate the total sum insured as shown in the schedule for business interruption. Cover is limited to first tier (direct) customers / suppliers.

b) Unspecified suppliers (if stated in the schedule to be included)

The premises of any other of the insured's suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any public supply undertaking from which the insured obtains electricity, gas or water. This cover is sub-limited to 30% of the sum insured as stated in the schedule. Cover for any one event or series of events with one originating cause or source shall not exceed in the aggregate the total sum insured as shown in the schedule for business interruption. Cover is limited to first tier (direct) customers / suppliers

c) Storage, transit and vehicle

Property of the insured whilst stored or whilst in transit by air, road, rail or inland waterway or being motor vehicles of the insured elsewhere than at premises occupied by the insured.

d) Contract sites

Any situation not occupied by the insured where the insured is carrying out a contract.

e) Prevention of access - extended cover (if stated in the schedule to be included)

Property within a 10km radius of the insured's premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the insured therein shall be damaged or not. This cover is sub-limited to 30% of the sum insured as stated in the schedule. Cover for any one event or series of events with one originating cause or source shall not exceed in the aggregate the total sum insured as shown in the schedule for business interruption

f) Additional premises

In the event of the insured occupying or having property at any newly added premises for the purpose of the business during the currency of this section, such newly added premises shall be deemed to be included in those specified here subject to notification to the company as soon as reasonably practicable (but no later than 30 days) and to adjustment of the premium if necessary.

g) Customers (if stated in the schedule to be included)

The premises of the customers specified in the schedule subject to stated limits. This cover is sub-limited to 30% of the sum insured as stated in the schedule. Cover for any one event or series of events with one originating cause or source shall not exceed in the aggregate the total sum insured as shown in the schedule for business interruption. Cover is limited to first tier (direct) customers / suppliers

h) Public utilities - insured perils only (if stated in the schedule to be included)

Property at electricity generating stations, sub-stations or transmission networks, gasworks including the related gas distribution network, water purification plants, pumping stations, aqueducts and pipelines of an authority empowered by law to supply water, gas or electricity for consumption by the public and which results in an interruption of water, gas or electricity to the premises of the insured. This cover is sub-limited to 30% of the sum insured as stated in the schedule. Cover for any one event or series of events with one originating cause or source shall not exceed in the aggregate the total sum insured as shown in the schedule for business interruption

i) Public telecommunications - insured perils only (if stated in the schedule to be included)

- i. Property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the insured;
- ii. the transmission facilities network of the public authority mentioned in (i).

j) Public telecommunications - extended cover (if stated in the schedule to be included)

Loss as insured resulting from interruption of or interference with the business in consequence of the failure of the public telecommunication facilities to the premises of the insured shall be deemed to have resulted from Damage (as defined herein) provided this extension does not cover loss resulting from damage directly or indirectly caused by:

- i. Drought;
- ii. a fault on any part of the premises belonging to the insured;
- iii. a decision by any authority to legally withhold the telecommunication facility from the insured unless such decision is directly attributable to Damage to property of such authority;
- iv. any event described in general exception 1 and 2, but cover provided under the Malicious damage extension in the underlying policy is not excluded.

If the failure of the facility is due to its mechanical or electrical or electronic breakdown, there shall be no liability under this extension unless the interruption or interference with the business of the insured extends beyond 24 business hours.

This cover is sub-limited to 30% of the sum insured as stated in the schedule. Cover for any one event or series of events with one originating cause or source shall not exceed in the aggregate the total sum insured as shown in the schedule for business interruption

k) Public utilities - extended cover (if stated in the schedule to be included)

Loss as insured resulting from interruption of or interference with the business in consequence of total or partial failure of the public supply of water, gas or electricity to the premises of the insured shall be deemed to have resulted from Damage (as defined herein) provided that this extension does not cover loss resulting from damage directly or indirectly caused by:

- i. Drought;
- ii. pollution of water;
- iii. shortage of fuel or water;
- iv. a fault on any part of the installation belonging to the premises;
- v. 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;
- vi. any event described in General exception 1 and 2, but cover provided by the Malicious damage extension in the underlying material damage section of this policy is not excluded.

In respect of interruption of or interference with the business arising from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for interruption of or interference with the business unless such interruption or interference extends beyond 24 hours from commencement thereof.

This cover is sub-limited to 30% of the sum insured as stated in the schedule. Cover for any one event or series of events with one originating cause or source shall not exceed in the aggregate the total sum insured as shown in the schedule for business interruption

The geographical limits of

(b), (c), (d), (e), (f), (h), (i) and (j) of the extensions to other premises and the extended covers for public telecommunications and public utilities are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

(g) of the extensions to other premises is confined to the Republic of South Africa and Namibia.

Accidental damage (if stated in the schedule to be included)

The following defined event is added:

"Loss following interruption or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under defined event (i) of the Accidental damage section of this policy (hereinafter termed Damage) provided that:

- a) the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this defined event
- b) the company shall not pay more than the sum insured stated in the schedule of the Accidental damage section for both this section and the Accidental damage section combined.

7. ACCOUNTS RECEIVABLE SECTION

DEFINED EVENTS

Loss or damage as a result of accident or misfortune (hereinafter termed Damage) to the insured's books of account or other business books or records at the premises or at the residence of any director, partner or employee or the premises of any accountant of the insured, in consequence whereof the insured is unable to trace or establish the outstanding debit balances in whole or part due to it provided that the liability of the company shall not exceed the sums insured stated in the schedule and that the basis of indemnity will be as set out in the specification which forms part of this section.

If, because of imminent danger of their destruction, such books of account or other business books or records are removed to a place of safety, the insurance hereunder shall apply if such goods are destroyed, damaged or lost as aforesaid during such removal or while so located or being returned to the premises, provided the insured shall notify the company in writing of such removal within 30 days thereafter.

The company will also pay all reasonable collection costs and expenses incurred by the insured in excess of normal collection costs and expenses made necessary because of such Damage.

SPECIFIC EXCEPTIONS

The company will not pay for:

- a) loss resulting from loss or damage to the books of account or other business books or records caused by:
 - i. wear and tear or gradual deterioration or moths or vermin;
 - ii. detention, seizure or confiscation by any lawfully constituted authority;
 - iii. electrical or electronic or magnetic injury, disturbances or erasure unless the insured maintains the duplicate records referred to in the Duplicate records clause of this section, in which case the insured will be responsible for the first R500 of each and every loss;
- b) loss caused by fraud or dishonesty of any principal, director, partner or employee of the insured.

Specification

The insurance under this section is limited to the loss sustained by the insured in respect of outstanding debit balances directly due to the damage and the amount payable shall not exceed the difference between the outstanding debit balances and the total of the amounts received or traced in respect thereof plus the additional expenditure incurred in tracing and establishing customers' debit balances after the damage provided that, if the sum insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

DEFINITIONS

Outstanding debit balances

The total declared in the statement last given under the provisions of the following memorandum adjusted for:

- a) bad debts;
- b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage; and
- c) any abnormal condition of trade which had or could have had a material effect on the business.

so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

CLAUSES AND MEMORANDA

Declarations

The insured shall, within 60 days of the end of each month or other agreed period, deposit with the company a signed statement showing the total amount outstanding in customers' accounts as set out in the insured's accounts as at the end of the said month.

Adjustment

In consideration of the premium under this section being provisional in that it is calculated on 75 per cent of the sum insured, the premium will be adjusted as follows:

On the expiry of each period of insurance, the actual premium shall be calculated at the rate per cent per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, the insured shall pay the difference. If it is less, the difference shall be repaid to the insured, but such repayment shall not exceed 33.3 per cent of the provisional premium paid.

If the amount of a declaration exceeds the sum insured applicable at the date of such declaration, then for the purposes of this memorandum only, the insured shall be deemed to have declared such sum insured.

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.

Accountant's clause

Any particulars or details contained in the insured's books of account or other business books or records which may be required by the company under this section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the insured's auditors or professional accountants, and their certificate shall be prima facie evidence of the particulars and details to which it relates.

Protection clause

The insured's books of account, or other business books or records containing details of outstanding balances, must be kept in a fire-resistant safe, cabinet or strong room outside business hours unless they are being worked on or are required for immediate reference.

Duplicate records clause

The insured shall maintain duplicates of their books of account or other business books or records containing details of outstanding balances and such duplicates shall be stored at different premises from the originals.

Transit extension (if stated in the schedule to be included)

The insurance under this section includes loss as defined to the insured's books of account or other business books or records whilst in transit to or from the premises or residence of any director, partner, employee or accountant of the insured.

8. THEFT SECTION

DEFINED EVENTS

Loss of or damage to all contents (the property of the insured or for which they are responsible) of any insured building at the insured premises described in the schedule as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence.

Limit of indemnity

The liability of the insurer for loss of, or all damage arising from all occurrences of a series consequent upon, or attributable to one source or original cause shall not exceed the limit of indemnity stated in the schedule provided that the insurers' liability in respect of documents, manuscripts, business books, computer systems records, and media, plans, designs, patterns, models and moulds is restricted to the value of materials and sums expended in labour.

EXTENSIONS

1. The insurance under this section extends to cover loss of or damage to the property insured
 - a. caused or accompanied by:
 - i. a thief or thieves being concealed upon the insured premises before close of business;
 - ii. entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the insured shall establish to the satisfaction of the company that such a skeleton key or device was used;
 - b. whilst in a building at any additional premises used by the insured provided that:
 - i. such additional premises are advised to the company within 30 days from the time the risk attaches to the company;
 - ii. an additional premium, if any, is paid;
 - iii. the company's liability in respect of this extension shall not exceed 50% of the highest amount stated in the schedule applicable to any one premises.
2. In addition to the limit of indemnity stated in the schedule:
 - a. the insurance under this section includes:
 - i. damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat;
 - ii. loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence.
 - b. the company will reimburse the insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this section provided that the company's liability shall not exceed the greater of R5 000 or the amount stated in the schedule in respect of any one event.
3. In addition to the limit of indemnity stated in the schedule the company will indemnify the insured in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that:
 - a. the company's liability shall not exceed R3 500 in respect of any one event;
 - b. the company shall not be liable for the first R350 of each and every event.
4. The term all contents includes personal effects, tools and pedal cycles the property of the insured or any principal, partner, director or employee of the insured in so far as such property is not otherwise insured up to an amount of R5,000 in the case of any one person.

Limitations

The company's liability in respect of documents, manuscripts, business books, computer system records and media, plans, designs, patterns, models and moulds is restricted to the value of materials and sums expended in labour.

SPECIFIC EXCEPTIONS

The company shall not be liable for:

1. loss or damage which can be insured under a fire policy except in the case of explosion caused in an attempt to effect entry;
2. loss or damage insurable under a glass insurance policy;
3. property more specifically insured or, unless specified in the schedule, cash, bank and currency notes, cheques, postal orders, money orders, current negotiable stamps and documents or certificates of a negotiable nature;
4. loss or damage in which any principal, partner, director or any member of the insured's household or any of the insured's employees is concerned as principal or accessory.

SPECIFIC CONDITIONS

1. This section shall be voidable if the nature of the risk is materially altered without the prior written consent of the company.
2. In respect of any premises stated in the schedule to be subject to this condition at which a burglar alarm is installed it is a condition precedent to the liability of the company and warranted that:
 - a. the burglar alarm installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the insured is on the premises;
 - b. such alarm shall be maintained in proper working order, but the insured shall be deemed to have discharged his liability in this regard if he has maintained his obligations under a contract with the suppliers or servicing engineers of the alarm system.

This insurance shall not cover loss of or damage to the property following the use of the keys of the burglar alarm or any duplicate thereof belonging to the insured unless such keys have been obtained by violence or threat of violence to any person.

9. MONEY SECTION

DEFINED EVENTS

Loss of or damage to money (as defined) occurring in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi except if otherwise specified, provided that the liability of the company for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the schedule.

DEFINITIONS

Money shall mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage, revenue and holiday stamps, credit card vouchers and documents, certificates or other instruments of a negotiable nature, the property of the insured or for which they are responsible.

Receptacle shall mean any safe, strong room, strongbox, till, cash register, cash box or other receptacle for money or any franking machine which is situated at the risk address as noted on the schedule.

Clothing shall mean clothing and personal effects not otherwise insured belonging to the insured or to any principal, partner, director or employee of the insured.

Professional cash carrier means a logistics company specialising in the armed secure transport of money, valuables or precious metals in the private security industry who complies with relevant transport and security legislation.

EXTENSIONS

1. **Receptacles and clothing**

In addition to any payment in respect of a defined event, the company will indemnify the insured in respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money.

2. **Locks and keys**

In addition to any payment in respect of a defined event, the company will indemnify the insured in respect of the cost of replacing locks and keys to any receptacle at the insured premises following upon the disappearance of any key to such receptacle or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that:

- i. the company's liability shall not exceed the sum insured as noted in the schedule in respect of any one event;
- ii. the company shall not be liable for the first amount payable as noted in the schedule.

3. **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.
- 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 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.

4. **Skeleton keys**

The insurance under this section extends to cover loss of or damage to the property insured caused or accompanied by entry to receptacles by use of a skeleton key or other similar device (excluding a duplicate key) provided that the insured shall establish to the satisfaction of the company that a skeleton key or device was used.

5. **Personal accident (assault) extension (if stated to be included)**

The term "defined events" in the money section shall be deemed to include bodily injury, caused by accidental, violent external and visible means as a result of theft, or any attempt thereat, to the insured or to any principal, partner, director or employee of the insured (hereinafter in this extension referred to as such person) while such person is acting in the course of his duties in the insured's employ.

The company will pay to the insured, on behalf of such person or his estate, the sum or sums stated in the schedule in the event of bodily injury to such person resulting within 24 calendar months in:

- i. Death - The sum insured
- ii. Permanent Disability – The percentage of the capital sum specified in the schedule as Follows:

Permanent disability shall mean:	Percentage of compensation
loss by physical separation above the wrists or ankle of one or more limbs	100%
permanent and total loss of the whole eye	100%
permanent and total loss of sight	100%
permanent and total loss of sight except perception of light	75%
permanent and total loss of hearing in both ears	100%
permanent and total loss of hearing in one ear	25%
permanent and total loss of speech	100%
injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100%
loss of four fingers	70%
Loss of thumb – both phalanges	25%
Loss of thumb – one phalanx	10%
loss of index finger – three phalanges	10%
loss of index finger – two phalanges	8%
loss of index finger – one phalanx	4%
loss of middle finger – three phalanges	6%
loss of middle finger – two phalanges	4%
loss of middle finger – one phalanx	2%
loss of ring finger – three phalanges	5%
loss of ring finger – two phalanges	4%
loss of ring finger – one phalanx	2%
loss of little finger – three phalanges	4%
loss of little finger – two phalanges	3%
loss of little finger – one phalanx	2%
loss of metacarpals - first or second (additional)	3%
loss of metacarpals - third, fourth or fifth (additional)	2%
loss of toes - all on one foot	30%
loss of toes - great, both phalanges	5%
loss of toes - great, one phalanx	2%
loss of toes - other than great, if more than one toe lost, each	2%

- iii. In the case of total and absolute incapacity from following usual business or occupation the weekly sum specified in the schedule shall be payable;
- iv. The reasonable expenses incurred, up to the sum specified in the schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) incurred within 24 months of the defined event.

Memoranda (applicable to permanent disablement benefits)

- a) Where the injury is not specified the company will pay such sum as in its opinion is consistent with the above provisions.
- b) Permanent total loss of use of part of the body shall be considered as loss of such part.
- c) 100 per cent shall be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person provided that:

- i. the company shall not be liable to pay in respect of any one such person more than the capital sum plus the sums specified under items 3 and 4;
- ii. the sum specified under item 3 shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
- iii. compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;
- iv. this extension shall not apply to any such person under 18 or over 65 years of age;
- v. after suffering bodily injury for which benefit may be payable under this extension, such person shall submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- vi. general exception 2 and general conditions 2 and 9 do not apply to this extension;
- vii. in respect of this extension only general exception 1 is deleted and replaced by the following: This extension does not cover death or bodily injury directly or indirectly caused by or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution or military or usurped power.

Extensions to the personal accident (assault) extension

1. Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereof.
2. In the event of disappearance of any such person in circumstances which satisfy the company that he has sustained injury to which this personal accident (assault) extension applies and that such injury has resulted in the death of such person, the company will, for the purpose of the insurance afforded by this extension, presume his death provided that if, after the company shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the company.

SPECIFIC EXCEPTIONS

The company shall not be liable for loss of or damage to money:

1. arising from dishonesty of any principal, partner, director or person or persons in the employ of the insured not discovered within 14 working days of the occurrence thereof.
2. arising from shortage due to error or omission.
3. arising from the use of keys to any safe or strong room unless the keys:
 - a. are obtained by violence or threats of violence to any person.
 - b. are used by the key holder or some other person with the collusion of the key holder and the insured can prove to the satisfaction of the company that the key holder or such other person had used the keys to open the safe or strong room with the intention of committing a crime.
4. in an unlocked safe or strong room whilst the portion of the premises containing such safe or strong room is unattended.
5. not contained in a locked safe or strong room whilst the portion of the premises containing such money is unattended.
6. in transit or in any vehicle being used by the insured unless a principal, partner, director or employee of the insured is actually in such vehicle or, if not in such vehicle, is within 5 metres of it in a position from which the vehicle is clearly visible. This exception shall not apply following an accident involving such vehicle rendering the said person incapacitated. Specific exceptions (3), (4), (5) and (6) do not apply up to an amount of R5000, 00 and such losses shall not be reduced by any first amount payable.

Specific exceptions (3), (4), (5) and (6) do not apply up to an amount of R3 000 and such losses shall not be reduced by any first amount payable.

Memoranda

1. Loss of or damage to money as insured under this section arising from dishonesty of any principal, partner, director or person in the employ of the insured (such person), as defined under this section, shall be subject to the following compulsory First Amount Payable Clause. The amount payable hereunder in respect of an event involving any such person or any number of such persons acting in collusion, shall be reduced by;
 - a. 2 % of the applicable limit under defined events plus;
 - b. a further amount of 10% of the net amount payable after deduction of the 2% specified in (a) above.
2. The company shall not be liable under this section of the policy in respect of loss or damage arising from any event in respect of which a claim is payable or would be payable but for any first amount payable or co-insured clause under the fidelity section of the policy or any other fidelity insurance.

Money specification - Limits applicable to approved strongrooms and safes

The following maximum limits are applicable to the construction of safes and strongrooms:

Descriptions:

3A:	means the walls, floor and roof must be constructed of not less than 230-millimetre solid brick
3C:	means the walls must be constructed of not less than 50-millimetre solid reinforced concrete
5:	means the walls and floor and roof must be constructed of not less than 300 millimetres solid reinforced concrete containing at least one row of tang bars
6:	means the walls and floor and roof must be constructed of not less than 450-millimetre solid reinforced concrete containing at least two rows of tang bars
7:	means the walls and floor and roof must be constructed of not less than 600-millimetre solid reinforced concrete containing at least three rows of tang bars

Strongroom construction and limits:

Category	Door plate thickness	Walls	Roof and floor	Maximum limit
Unapproved	4mm	3A or C	3A	R3000
	7mm	3A or C	3A	R3500
	10mm	3A or C	3A	R5000
SABS approved - Category I - Category II - Category II HD - Category II ADM - Category II ADM D3 - Category III* - Category IV*	As stated in the SABS specification for the category	3A or C	3A	R7500
		5	5	R15000
		5	5	R30 000
		5	5	R50 000
		6	6	R100 000
		6	6	R100 000
		7	7	R200 000

*Category III and IV strongrooms must be fitted with a vibration alarm otherwise it will be considered unapproved with a maximum limit of R10 000.

The following is applicable to safes:

Safe Category	Door plate thickness	Maximum limits
Unapproved	Up to 7 millimetres	R5 000
	Over 7millimetres, but less than 10 millimetres	R10 000
	10 millimetres and over	R10 000
- No SABS grading - SABS category 1 grading - SABS category 2 grading - SABS category 2 HD grading D3 - SABS category 2 ADM grading - SABS category 2 ADM grading D3 - SABS category 3 grading - SABS category 4 grading - SABS category 5 grading	As stated in the SABS specification for the category	R 5 000
		R 10 000
		R 20 000
		R 50 000
		R100 000
		R125 000
		R175 000
		R350 000
R500 000		

10. GLASS SECTION

DEFINED EVENTS

Loss of or damage to internal and external glass (including mirrors), signwriting and treatment thereon at the insured premises as stated in the schedule, the property of the insured or for which they are responsible.

Following loss of or damage to glass the company will also indemnify the insured for:

1. the cost of such boarding up as may be reasonably necessary.
2. damage to shop fronts, frames, window displays (including fixtures and fittings), burglar alarm strips, wires and vibrators as a direct result of such loss or damage.
3. the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the glass.
4. the cost of employment of a watchman service prior to replacement of glass or boarding up or the repair of the burglar alarm system, unless payable under any other insurance arranged by the insured.
provided that the liability of the company shall not exceed.
 - i. for the replacement of glass, signwriting and treatment — the sum insured as stated in the schedule applicable to the premises at which loss or damage occurs.
 - ii. for all other costs and expenses provided for by this section and resulting from one occurrence or series of occurrences attributable to one source or original cause — in the aggregate the sum of R10,000

SPECIFIC CONDITION

Average

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss or damage accordingly. Every item if more than one shall be separately subject to this condition.

Definition of glass

Unless specifically agreed, all glass (other than mirrors) insured by this section is presumed to be plain plate/float glass not exceeding 4 mm in thickness, whether coated with a film or not, or laminated safety glass not exceeding 6.5mm in thickness.

SPECIFIC EXCEPTIONS

The company **shall not** be liable for:

1. loss or damage which is insured by, or would, but for the existence of this section, be insured by any fire insurance, except in respect of any excess beyond the amount which would have been payable under such fire insurance had the insurance under this section not been effected, but this specific exception shall not apply to loss or damage for which the insured is responsible as tenant and not as owner.
2. glass forming part of stock in trade e.g. glass traders and or suppliers, installers of windscreens and plate/float glass.
3. glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by the company.
4. defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof.
5. loss associated with defective design, defective construction, defective parts or defective repairs.

EXTENSIONS

Special replacement (if stated in the schedule to be included)

If, following loss or damage insured hereunder, the insured is obliged in terms of the National Building Regulations or similar legislation to replace the damaged glass with glass of a superior quality, then the company shall be liable for the increased cost of such replacement including (but not limited to) frames therefor, provided that if the cost of so replacing the whole of the insured property (inclusive of other items insured) is greater than the sum insured thereon at the time of the loss or damage, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly.

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 or 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.

This extension shall only apply to loss or damage for which the insured is responsible as tenant and not as owner.

11. FIDELITY

DEFINED EVENTS

1. Loss of money and/or other property belonging to the insured or for which they are responsible, stolen by an insured employee during the currency of this section.
2. Direct financial loss sustained by the insured as a result of fraud or dishonesty of an insured employee all of which occurs during the currency of this section which results in dishonest personal financial gain for the employee concerned.

provided that:

- I. a) the company is not liable for all losses which occurred more than 24 months prior to discovery.
b) all losses are discovered not later than 12 months after the termination of:
 - i. this section, or
 - ii. this section in respect of any insured employee concerned in a loss, or
 - iii. the employment of the insured employee or the last of the insured employees concerned in a losswhichever occurs first
- II. (a) **BLANKET BASIS** – the liability of the company for all losses shall not exceed the sum insured stated in the schedule whether involving any one employee or any number of employees acting in collusion or independently of each other.
(b) **NAMED OR POSITION BASIS** – the liability of the company for all losses involving any employee shall not exceed the sum insured stated opposite his name in the schedule or, if he is unnamed, the sum insured stated opposite the position held by him in the business as stated in the schedule.
- III. renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the company beyond the sum insured stated in the schedule. If the period of insurance is less than 12 months, the company's liability is limited to the sum stated in the schedule during any 12-month period of insurance calculated from inception or renewal.
- IV. the term "dishonest personal financial gain" shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

DEFINITION

Employee shall mean:

- a) any person while employed under a contract of service with or apprenticeship to the insured.
- b) any person while hired or seconded from any other party into the service of the insured.

who the insured has the right at all times to govern, control and direct in the performance of his work in the course of the business of the insured and who, if this section is on a named and/or position basis, is described in the schedule by name and/or by the position held by him in the business.

SPECIFIC EXCEPTIONS

1. The company shall not be liable for:
 - a. loss resulting from or contributed to by any defined event by:
 - i. any partner in or of the insured to the extent that such partner would benefit by indemnity granted under this policy.
 - ii. any principal, director or member of the insured unless such director or member is also an employee.
 - iii. any employee from the time the insured shall become aware that such employee has committed any fraud or dishonesty.
 - b. any consequential losses of any kind following losses referred to under defined events.
2. This section does not cover any company or other legal entity acquired during the period of insurance.
3. The company shall not be liable for any defined event if it results from the dishonest:
 - a. manipulation of
 - b. input into
 - c. suppression of input into
 - d. destruction of; or
 - e. alteration ofany computer program, system, data or software by any insured employee who is employed in the insured's electronic data-processing department or area. This exception does not apply to insured employees who are employed in the electronic data-processing department/area of any non-networked micro/personal computer.
4. The company shall only be liable to the extent of the participation/shareholding of any uninvolved partners/principals/directors or members for an insured event in which any partner/principal/director or member of the insured is or has been directly involved. This specific exception only applies to Partnerships, Proprietary Companies or Close Corporations.

SPECIFIC CONDITIONS

1. The insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his business as has been represented to the company but the insured may:

- a. change the remuneration and conditions of service of any employee
 - b. in respect of any employee who is described in the schedule by name, change his duties and position
 - c. in respect of any employee who is described in the schedule only by the position held by him, remove such employee and place in his position any other person who falls within the definition of employee
 - d. make such other changes as are approved beforehand in writing by the insured's auditors.
2. If the insured shall sustain any loss to which this section applies which exceeds the amount payable hereunder in respect of such loss, the insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken or effected by the company or for the amount of any first amount payable) by whomsoever made on account of such loss until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be applied to the reimbursement of the company and the insured to the extent of his coinsurance in terms of item (b) the compulsory first amount payable clause.

CLAUSES AND EXTENSIONS

Accountants' clause

Any particulars or details contained in the insured's books of account or other business books or documents which may be required by the company under this section for the purpose of investigating or verifying any claim hereunder may be produced and certified by the insured's auditors or professional accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.

Extended cover for past employee's extension (if stated in the schedule to be included)

Any person who ceases to be an employee shall, for the purposes of this section, be considered as being an employee for a period of 30 days after he in fact ceased to be an employee.

Retroactive cover extension – No previous insurance in force (if stated in the schedule to be included)

This section will also apply to defined events as insured herein which occurred up to 12 months prior to inception of this section but not more than 24 months prior to discovery, provided the events are discovered within the shorter period of 12 months of the termination of the employment of the employee concerned or 12 months of the expiry of this section.

Superseded insurances extension (if stated in the schedule to be included)

This section will apply to defined events insured herein which occurred during the currency of any insurance superseded by this section and specified in the schedule provided that:

1. this extension is restricted to losses which would have been payable by the superseded insurance, but which are not claimable because of the expiry of the period of time allowed by the superseded insurance for the discovery of the defined events
2. the defined events are discovered within the shorter period of 12 months of the termination of the employment of the employee concerned or 12 months of the expiry of this section
3. the amount payable under this extension shall not exceed the amount insured by this section or the amount insured by the superseded insurance whichever is the lesser
4. in the event of the defined events involving one employee or any number of employees occurring during both the currency of this section and that of the superseded policy, the maximum amount payable shall not exceed the amount insured by this section at the time of discovery of the defined events
5. this extension will not apply to defined events which occurred more than the number of years stated in the schedule before inception of this section
6. the company is not liable for any loss which occurred more than 24 months prior to discovery.

Other insurances

It is a condition of this section that other than:

- a) a money policy
- b) a policy declared to the company at inception or renewal or at the time a claim is submitted
- c) a fidelity pension fund policy which is not in excess of this section
- d) this policy

no other insurance is in force during the currency of this section to insure against the risks insured hereunder.

Compulsory first amount payable

The amount payable under this section in respect of a defined event involving one employee or any number of employees acting in collusion shall be reduced by:

- a) 2% of the aggregate of the sum insured under this section and the declared insurance or R60 000 whichever is the lesser plus
- b) a further amount of 10% of the nett amount payable after deduction of the amount specified in (a) above.

Both amounts shall be borne in full by the insured and remain uninsured.

Computer losses first amount payable

The percentage shown in (b) of the compulsory first amount payable clause is increased from 10% to 20% if the defined event results from the dishonest:

- i. manipulation of
- ii. input into
- iii. suppression of input into
- iv. destruction of
- v. alteration of

any non-networked micro/personal computer program, system, data or software by any insured employee whose duties involve the managing, supervision, design, creation or alteration of computer systems or programs.

First amount payable for losses discovered more than 12 months after they were committed

If any defined event is discovered more than 12 months after:

1. it was committed;
2. the first event in a series of events committed by one person or a number of persons acting in collusion the percentages contained in the first amount payable clause are increased as follows:

First amount payable clause	First amount payable increased to percentage shown below	
	If losses are discovered more than 12 months after being committed, but not more than 24 months thereafter	If Policy has been extended to cover that part of losses discovered more than 24 months after being committed, but not more than 36 months thereafter
Compulsory paragraph (a)	Increased from 2% to 4%	Increased from 2% to 5%
Compulsory paragraph (b)	Increased from 10% to 15%	Increased from 10% to 20%
Computer losses	Increased from 20% to 30%	Increased from 20% to 35%

Notwithstanding the above, the insured may opt to claim only for that part of the loss, which was discovered in a lesser period, in which case the first amount payable applicable for the corresponding lesser period will apply.

Voluntary first amount payable clause (if stated in the schedule to be included)

In addition to the amount payable by the insured under the compulsory first amount payable clause, the insured shall be responsible for the difference between such amount and the amount stated in the schedule as the voluntary first amount payable provided such voluntary amount exceeds the compulsory amount.

Reduction/Reinstatement of insured amount clause (if stated in the schedule to be included)

The payment by the company of any loss involving one employee or any number of employees shall not reduce the company's liability in respect of the remaining insured employees provided that:

1. the maximum amount payable by the company for all insured employees shall not exceed double the sum insured shown in the schedule;
2. the insured pays additional premium calculated in terms of the following formula:

$$\text{Annual premium in force at time of discovery of loss} \times \frac{\text{Amount of claim payment}}{\text{Sum insured at time of discovery of loss}}$$

The additional premium shall be payable in full and may not be reduced due to the period between the date of discovery of loss and the expiry date being less than 12 months.

Costs of recovery extension (if stated in the schedule to be included)

If the insured shall sustain any loss to which this section applies which exceeds the sum insured hereunder, the company will, in addition to the sum insured, pay to the insured costs and expenses not exceeding the amount stated in the schedule necessarily incurred with the consent of the company (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in respect of whom the claim is made, of that part of the loss which exceeds the sum insured hereunder. All amounts recovered by the insured in excess of the said part of the loss shall be for the benefit of the company and the insured to the extent of his co-insurance in terms of item (b) the compulsory first amount payable clause.

Computer losses extension (if stated in the schedule to be included)

The insured having completed a satisfactory questionnaire, specific exception 3 and the Computer losses first amount payable clause are deleted.

Extension for losses discovered more than 24 months after being committed but not more than 36 months thereafter (if stated in the schedule to be included)

1. In consideration of the payment of an additional premium, proviso I (a) of the defined events is restated to read:
I (a) the company is not liable for all losses which occurred more than 36 months prior to discovery.
2. If this policy section includes the superseded policy clause, the period referred to in proviso 6 thereof is increased from 24 months to 36 months.

Extension granted on receipt of a satisfactory systems audit in respect of losses discovered more than 24 months after being committed (if stated in the schedule to be included)

In consideration of the accounting firm named in the schedule having conducted a satisfactory audit of the insured's systems of:

- Control;

- fraud dishonesty and theft detection

and subject to the insured implementing and maintaining all the recommendations contained in such audit:

1. proviso I (a) of the defined events (which limits cover to that part of losses discovered within 24 months) and proviso 6 of the superseded insurance extension clause (if applicable) are deleted;
2. if any defined event is discovered more than 12 months after it was committed, the percentages contained in the undernoted first amount payable clauses are increased as follows:

First amount payable clause	First amount payable increased to percentage shown below if losses discovered more than 12 months after being committed
Compulsory – Paragraph (a)	From 2% to 3%
Compulsory – Paragraph (a)	From 10% to 12.5%
Computer losses	From 20% to 25%

Notwithstanding the above, the insured may opt to claim only for that part of the loss which was discovered within 12 months, in which case the first amount payable applicable for that period will apply.

3. The first amount payable clause for losses discovered more than 12 months after they were committed is deleted.

Memoranda

4. In the event of the discovery of any loss resulting from a defined event, the insured may, notwithstanding anything to the contrary contained in paragraph (ii) of general condition 6, refrain from reporting the matter to the police but shall do so immediately should the company require such action to be taken.
5. Non-disclosure of his own fraud or dishonesty or that of others with whom he is in collusion by the person signing any proposal form or giving renewal or other instructions shall not prejudice any claim under this section.
6. General exceptions 1 and 2 and general condition 9 do not apply to this section.
7. If the sum insured shall be increased at any time, such increased amount shall apply only to defined events committed after the date of such increase.

12. GOODS IN TRANSIT SECTION

DEFINITIONS

The “**load limit**” will be the sum insured for each load conveyed.

The “**Annual carry**” means the total value of all loads carried during a year. (Load limit multiplied by the number of loads carried per annum).

DEFINED EVENTS

Loss of or damage to the whole or part of the property described in the schedule, owned by the insured or for which they are responsible, in the course of transit by the means of conveyance or other means incidental thereto and caused by any accident or misfortune not otherwise excluded, provided that:

- (i) the insured shall be responsible for the first amount payable stated in the schedule in respect of each and every defined event except a claim resulting from fire, lightning or explosion.
- (ii) the liability of the company for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the schedule.
- (iii) In the event of loss or damage that gives rise to a claim, the company has the option to indemnify the insured based on the cost price or replacement price at the time of loss, whichever is the lesser, subject to any first amount payable or excess.

Memoranda

1. Transit shall be deemed to commence from the time of moving the property described in the schedule at the consignor’s premises (including carrying to any conveyance and loading thereon), continue with transportation to the consignee (including temporary storage not exceeding 96 hours in the course of the journey) and end when off-loaded and delivered at any building or place of storage at the consignee’s premises.
2. If any consignee shall refuse to accept property consigned, transit shall be deemed to continue and the insurance in respect of such property shall continue in force until the property is delivered at the premises of the consignor by any means of conveyance, provided that the insured shall take all reasonable steps to ensure that the property is returned as soon as is reasonably possible.
3. Where the means of conveyance is by specified vehicle, the insurance under this section shall apply to property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not the property of the insured or leased or hired by them under a lease or suspensive sale agreement.
4. In the event of breakdown of the means of conveyance during transit or if, for any reason beyond the insured’s control, the property is endangered, nothing contained herein shall debar the utilisation of any other form of transport to assist completion of the transit and the insurance afforded shall not be affected thereby.

Debris removal extension

The insurance under this section includes costs necessarily incurred by the insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R20, 000 or the limit stated in the schedule, whichever is the greater, in respect of any one defined event.

Restricted cover

Fire, explosion, collision, derailment and overturning limitation (if stated in the schedule to be included)

The insurance under this section is limited to loss or damage resulting from fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule.

SPECIFIC EXCEPTIONS

The company shall not be liable for:

1. loss or damage resulting from or caused by:
 - a. theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry to or exit from
 - b. inherent vice or defect, vermin, insects, damp, mildew or rust
 - c. the dishonesty of any principal, partner, director or employee of the insured whether acting alone or in collusion with others
 - d. detention, confiscation or requisition by customs or other officials or authorities
 - e. or arising whilst in transit by sea or inland transit incidental thereto
 - f. breakdown of refrigeration equipment
 - g. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded

- h. mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property unless following an accident or misfortune not otherwise excluded
- 2. loss of or damage to:
 - a. cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind
 - b. property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi
 - c. property otherwise insured, or which would, but for the existence of this section, be insured by any other insurance except in respect of any excess beyond the amount which would have been payable under such other insurance, had the insurance under this section not been effected
- 3. Consequential loss of any kind, delay, loss of market, depreciation or changes brought about by natural causes.
- 4. The company shall not be liable for any accident, injury, loss, damage or liability while a vehicle is used:
 - a. In the transport of highly explosive substances
 - b. In the transport of oil or liquefied gas
 - c. In the transport of chemical substances and gases in liquid, compressed or gaseous states.

SPECIFIC EXTENSIONS

1. Fire extinguishing charges extension

If the property described in the schedule is lost or damaged by fire in the course of a transit insured by this section, the company will in addition to indemnifying the insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this extension shall not exceed the limit of indemnity shown in the schedule opposite this clause plus (if applicable) the increased Fire extinguishing charges extension limit.

2. 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.

13. BUSINESS ALL RISKS SECTION

DEFINED EVENTS

Loss of or damage to the whole or part of the property described in the schedule while anywhere in the world by any accident or misfortune not otherwise excluded, provided that the insured shall be responsible for the first amount payable stated in the schedule in respect of each and every event except a claim resulting from fire, lightning or explosion.

SPECIFIC EXCEPTIONS

The company **shall not** be liable for:

1. loss of or damage to property resulting from or caused by:
 - a) theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;
 - b) its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration;
 - c) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - d) the dishonesty of any principal, partner, director or employee of the insured whether acting alone or in collusion with others.
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded;
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;
4. loss of or damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
5. loss of or damage to goods consigned under a bill of lading.
6. loss associated with defective design, defective parts or defective repairs.

SPECIFIC CONDITIONS

Average

If the total value of property insured which is not separately and individually specified is, at the time of the happening of any loss or damage to such property, of greater value than the sum insured thereon, the insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the amount of the loss or damage. Each item of the schedule covering such property shall be separately subject to this condition.

Replacement value condition (if stated in the schedule to be included)

The basis upon which the amount payable is to be calculated shall be either the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new.

OR;

the repair of the property to a condition substantially the same as, but not better than, its condition when new, provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the property had been lost, destroyed or damaged beyond repair, exceeds the sum insured thereon at the commencement of the loss or damage, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

SPECIFIC EXTENSIONS

Increase in cost of working extension (if stated in the schedule to be included)

The insurance under this item is limited to expenditure not otherwise recoverable under this section, necessarily and reasonably incurred as a result of loss of or damage to property for which payment is made or liability therefor is admitted under this section, for the purpose of maintaining the normal operation of the business.

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 or 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.

14. ACCIDENTAL DAMAGE SECTION

DEFINED EVENTS (I)

Accidental physical loss of or damage to the insured property at or about the premises not otherwise insured or for which insurance is available and described (whether incorporated in this policy or not) in terms of any section (other than Business All Risks) listed in the index of this policy.

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum stated and notwithstanding the general conditions, this section shall not be called into contribution for any defined event for which more specific insurance has been arranged.

SPECIFIC EXCEPTIONS

The company shall not be liable for;

- a) any peril excluded, or circumstance precluded from any other insurance available from the company at inception hereof or for any excess payable by the insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;
- b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;
- c) detention confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
- d) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information;
- e) loss of or damage to insured property caused by;
 - i. any fraudulent scheme, trick, device or false pretence practiced 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. breakdown, electrical, electronic and/or mechanical derangement;
 - iv. altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
 - v. 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;
 - vi. denting, chipping, scratching or cracking not affecting the operation of the item;
 - vii. termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
 - viii. defective design, defective parts or defective repairs.
- f) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property;
- g) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
- h) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- i) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;
- j) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

Definition

Insured property

Any tangible property belonging to the insured or held in trust or on commission for which they are responsible other than;

- a) current coin (including Krugerrands and similar coins), bank and currency notes, travellers and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, and other certificates, documents or instruments of a negotiable nature;
- b) furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art;
- c) property in transit by air, inland waterway or sea;
- d) railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motorcycles, mobile plant, caravans and trail;
- e) standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises), cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives;
- f) electronic data-processing equipment and external data media (hard drives, punch cards, tape disks and the like) and the information they contain;
- g) property in the course of construction, erection or dismantling including materials or supplies related thereto;
- h) property in the possession of customers under lease, rental, credit or suspensive sale agreements;
- i) glass, china, earthenware, marble and other fragile or brittle objects

unless stated in the schedule to be insured.

DEFINED EVENTS (II) (IF STATED IN THE SCHEDULE TO BE INCLUDED)

Accidental physical loss of or damage to the insured property caused by discharge or leakage from tanks, pipes or apparatus of chemicals, oils, liquids, fluids, gases or fumes (including loss of such chemicals, oils, liquids, fluids, gases or fumes) other than loss or damage resulting from wear and tear or other gradually operating causes of the tanks, pipes or apparatus.

CLAUSES AND EXTENSIONS

Restricted cover clause

The insurance in respect of documents, manuscripts, business books, plans, designs, patterns, models, moulds and computer system records is limited to the value of the materials and the cost of labour for recreating and excludes any expenses in connection with the production of any information contained therein or the value of such information to the insured.

Additional costs clause

In respect of buildings, plant and machinery insured, the sum insured includes:

- a) any costs incurred, due to the necessity to comply with building or other regulations of any public authority, in repair or reinstatement following an insured event, provided that such costs do not include:
 - i. anything for which notice had been served on the insured prior to the insured event;
 - ii. anything connected with undamaged property or undamaged portions of property;
 - iii. rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
 - iv. fees for the examination of municipal or other plans;
 - v. fees for the examination of municipal or other plans;
- b) Fees for the examination of municipal or other plans;
- c) costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
- d) the professional fees of architects, quantity surveyors and other consultants and the sum insured on all insured property includes:
 - i. charges levied by any authorised fire brigade for their services, but the company shall not be liable under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay nor under (d) for any expenses in connection with the preparation of the insured's claim. Further, the company shall not be liable under (c) for any costs or expenses:
 - i. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site;
 - ii. arising from pollution or contamination of property not insured by this policy/section.

Mortgagee's clause

From the date of notification, the company accepts the interest of a mortgagee or others with an insurable interest in the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge, provided that the mortgagee advises the company as soon as such act or omission comes to his knowledge and agrees to be responsible for any additional premium resulting from the company assuming any increased hazard.

Railway and other subrogation clause

The insured shall not be prejudiced by signing the "Transnet Cartage (Hazardous Premises) Indemnity" or other special agreements with Transnet administration regarding private sidings or similar agreements with other government bodies.

Tenant's clause

The insured shall not be prejudiced by the act of any tenant in premises he owns or in which he is a co-tenant or of the owner of any premises of which he is a tenant, provided that the company is notified as soon as he becomes aware of such act and he pays any additional premium resulting from the company assuming any additional hazard.

Memoranda

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.

Excluded property (if stated in the schedule to be included)

The property listed in the schedule is added to the excluded property in the definition of insured property.

Reinstatement (if stated in the schedule to be included)

The basis upon which the amount payable is to be calculated following an insured event to buildings, plant and machinery shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than such insured property when new, provided that:

- a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to requirements of

- b) the insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section shall be made;
- c) the company shall not be liable for any payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section, until expenditure has been incurred by the insured in replacing or reinstating the lost or damaged insured property;
- d) if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the insured shall be considered his own insurer for the difference and shall bear a rateable share of loss accordingly. Each item, if more than one, to which this memorandum applies shall be separately subject to this provision;
- e) this memorandum shall not apply if:
 - i. the insured fail to intimate to the company within six months of the insured event or such further time as the company may allow in writing their intention to replace or reinstate the lost or damaged insured property;
 - ii. the insured are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

First loss average (if stated in the schedule to be included)

If, at the time of any loss or damage arising, the total value of the property described by each item does not exceed the sums stated in the schedule then this insurance shall be declared free of average, but if the total value of such property shall be greater than the aforementioned sums, the insured shall be considered as being their own insurer for the difference and the company shall be liable only for such proportion of the first loss sum insured as the aforementioned sums shall bear to the total value not exceeding in all the total sum insured by each item.

15. PUBLIC LIABILITY (CLAIMS MADE BASIS) SECTION

DEFINED EVENTS

Damages which the insured shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury), or accidental loss of or physical damage to tangible property (hereinafter termed damage) which occurred in the course of or in connection with the business within the territorial limits and on or after the retroactive date shown in the schedule, and which results in a claim or claims first being made against the insured in writing during the period of insurance.

The limits of indemnity

The amount payable, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and all other costs and expenses incurred with the company's consent for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the schedule.

A Claims Series Event shall be defined as a series of two or more claims arising from one specific common cause which is attributable to one design and / or specification and / or formula in products and/or services supplied by one and only one original insured.

Territorial limits

Anywhere in the world but not in connection with:

- i. any business carried on by the insured at or from premises outside;
or
- ii. any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

The company will not indemnify the insured in respect of;

1. liability consequent upon injury to any person employed by the insured under a contract of service or apprenticeship and arising from and in the course of such employment by the insured;
2. damage to:
 - a.
 - i. property belonging to the insured;
 - ii. property in the custody or control of the insured or any employee of the insured;
 - b. that part of any property on which the insured is or has been working if such damage results directly from such work.
3. Professional advice, vehicles, aircraft, products etc;
4. liability consequent upon injury or damage:
 - a. caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the insured;
 - b. caused by or through or in connection with the ownership, possession or use by or on behalf of the insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock, provided that this exception shall not relieve the company of liability to indemnify the insured in respect of liability consequent upon injury or damage caused or arising beyond the limits of any carriage-way or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such injury or damage is not insured by any other insurance policy;
 - c. caused by or through or in connection with:
 - i. the refuelling of aircraft;
 - ii. the ownership, possession, maintenance, operation or use of aircraft or an airline;
 - iii. the ownership hire or leasing of any airport, airstrip or helicopter pad.
 - d. caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by the insured;
 - e. occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work.
5. damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
6. liability assumed by agreement (other than under the insured's own standard conditions of contract) unless liability would have attached to the insured notwithstanding such agreement;
7.
 - a. liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;
 - b. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;

This exception shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exception.

8. fines, penalties, punitive, exemplary or vindictive damages;
9. The company will not indemnify the insured in respect of;
 - a. damages in respect of judgements delivered or obtained in the first instance otherwise 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 9(a) above;
10. any claim arising from an event known to the insured;
 - a. which is not reported to the company in terms of the General condition 6;
 - b. prior to inception of this section;
11. any claim (in the event of cancellation or non-renewal of this section) not first made in writing against the insured within the 3-month period (or extended period in respect of minors) as specified in the specific conditions below;
12. the first amount payable.

The insured shall be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by the insured.

Memorandum

In respect of this section only, General exception 1 A (ii) is deleted and replaced by the following:

This section does not cover injury, damage or liability directly or indirectly caused by, related to, or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

SPECIFIC CONDITIONS

1. Any claim first made in writing against the insured as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the insured on the same day that the insured reported the event to the company.
2. In the event of cancellation or non-renewal of the policy:
 - a. any claim resulting from a reported event, first made in writing against the insured during the 3 Months immediately following cancellation or non-renewal shall be treated as having been made against the insured on the same day that the insured reported the event. Removed minor clause;
 - b. the insured may report an event in terms of General condition 6 to the company for up to 3 Months after cancellation or non-renewal, provided:
 - i. such event occurred during the period of insurance;
 - ii. any subsequent claim first made in writing against the insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 3-month period specified in 2(a) above.
3. Any series of claims made against the insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the insured:
 - a. on the date that the event was reported by the insured in terms of General condition 6; or
 - b. if the insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the insured.

EXTENSIONS

Extended reporting option

At the option of the insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, the company agrees to extend the period during which the insured may report an event in terms of General condition 6 for a period to be agreed, but in no circumstances exceeding 24 months (hereinafter referred to as extended reporting period) provided that:

- a) this option may only be exercised in the event of the company cancelling or refusing to renew this section;
- b) this option must be exercised by the insured in writing within 30 days of cancellation or non-renewal;
- c) once exercised, the option cannot be cancelled by either the insured or the company;
- d) the insured has not obtained insurance equal in scope and cover to this section as expiring;
- e) the company shall only be liable for a defined event which occurred after the retroactive date but prior to date of cancellation or non-renewal;
- f) claims first made against the insured or any reported event by the insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal;
- g) the total amount payable by the company for claims made or reported events during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal;

- h) any claim made, following a reported event during the extended reporting period, which is first made against the insured in writing more than 24 months after the last day preceding cancellation or non-renewal, shall not be subject to indemnification by this extension. Removed minor clause.

Additional insured

The company will also, as though a separate policy had been issued to each, indemnify:

- a) in the event of the death of the insured, any personal representative of the insured in respect of liability incurred by the insured;
- b) any partner or director or employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance;
- c) to the extent required by the conditions of any contract (and notwithstanding the specific exceptions), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the insured for the purposes of the business;
- d) in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by the insured for the benefit of their employees,
 - i. any officer or member thereof;
 - ii. any visiting sports team or member thereof

provided that:

1. the aggregate liability of the company is not increased beyond the limits of indemnity stated in the schedule;
2. any person or organisation to which this extension applies is not entitled to indemnity under any other policy;
3. the indemnity under (a), (b) and (c) applies only in respect of liability for which the insured would have been entitled to indemnity if the claim had been made against the insured.

For the purposes of this extension, the company waives all rights of subrogation or action which they may have or acquire against any of the above, and each party to whom the indemnity hereunder applies 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.

Security firms

Notwithstanding the specific exceptions, if in terms of a contract with a security firm engaged to protect the insured's property in the course of the business of the insured stated in the schedule or persons, the insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment, then this section includes such legal liability to the extent that indemnity would have been granted under this section had the said employees been under a contract of service to the insured and not the security firm, but not exceeding the limit of liability stated in the schedule. If, at the time of an event giving rise to a claim, the security firm is entitled to indemnity under any other policy in respect of the same event, the company shall not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

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.

Tool of trade

Specific exception 4(b) shall not apply to the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto, provided that the company shall not be liable hereunder in respect of so much of any liability as falls within the scope of any form of motor insurance or compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected, nor shall the company be liable where any other form of motor insurance has been effected by the insured covering the same liability.

Employees' and visitors' property

Specific exception 2(a)(ii) shall not apply to property belonging to any partner, director or employee of the insured or any visitor to the insured's premises.

Liability by agreement

Notwithstanding the provisions of specific exceptions 2(a)(ii), 4(b) and 6, this section extends to indemnify the insured:

- a) against liability assumed by the insured under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature;
- b) against liability arising from loss of or damage to property belonging to Transnet while in the insured's custody or control;
- c) in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on behalf of the insured at any railway siding.

Unattached trailers

Specific exception 4(b) shall, as far as it relates to trailers, not apply in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle, provided that the company shall not be liable hereunder in respect of so much of any liability:

- i. which is insured by or would, but for the existence of this section, be insured by any other policy or policies effected by the insured;
- ii. as falls within the scope of any compulsory third-party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

Emergency medical expenses

The company will indemnify the insured for all reasonable expenses incurred by the insured for such immediate medical treatment as may be necessary at the time of an accident causing injury to any person who may be the subject of a claim for indemnity by the insured in terms of this section.

Car parks

Notwithstanding the provisions of specific exception 2(a)(ii), the company will indemnify the insured in respect of liability as herein provided arising from loss of or damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or employees of the insured using parking facilities provided by the insured.

Tenant's liability

Specific exceptions 2(a)(ii) and 4(b) of this section shall not apply to premises occupied by the insured as tenant (but not as the owner) thereof.

Products liability (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in specific exception 4(d), the company will indemnify the insured in respect of defined events happening anywhere in the territories stated in the schedule elsewhere than at premises occupied by the insured and caused by goods or products (including containers and labels) sold or supplied (including wrongful delivery and delivery of incorrect goods) by the insured in connection with the business.

The amount payable under this extension, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants, and all other costs and expenses incurred with the company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

A Claims Series Event shall be defined as a series of two or more claims arising from one specific common cause which is attributable to one design and / or specification and / or formula in products and/or services supplied by one and only one original insured.

Additional specific exceptions (applicable to products liability extension)

This extension does not cover liability:

- i. for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage;
- ii. for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products;
- iii.
 - a. arising from defective or faulty design, formula, plan or specification, but if the insured is a retailer this specific exception (iii) does not apply if the insured's activities are wholly restricted to sales, distribution and/or marketing (including any marketing advisory service accompanying the products) of the product, and the insured's activities do not include final preparation which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to the insured's original customers, nor include any enhancement, amendment or alteration to the product;
 - b. arising from inefficacy or failure to conform to specification, unless such inefficacy or failure is due to negligence in the following of such specification;
- iv. arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft;
- v. in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to the order of the insured, if such goods or products have, to the insured's knowledge, been exported to the United States of America or Canada by or on behalf of the insured.

Defective workmanship liability (if stated in the schedule to be included)

Specific exceptions 2(b) and 4(e) are deleted.

The amount payable under this extension, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and all other costs and expenses incurred with the company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

Additional specific exceptions (applicable to defective workmanship liability)

This extension does not cover liability:

- i. for the cost of rectifying or recalling defective work;
- ii. arising from inefficacy of such work or because the work did not produce the result anticipated or claimed;
- iii. arising out of the failure of any product or part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed;
- iv. arising prior to the handing over of such work;
- v. arising from defective design;

vi. arising from any work on any aircraft or part thereof

- vii. which is professional liability. i.e. claims arising out of design, formula, specification, supervision, treatment or advice given by or on behalf of the policyholder;

Legal defence costs (if stated in the schedule to be included)

If the insured so requests, the company will indemnify any employee, partner or director of the insured against costs and expenses not exceeding the amount stated in the schedule incurred by or on behalf of such person with the consent of the company in the defence of any criminal action brought against such person in the course of his occupation with the insured arising from an alleged contravention of the statutes as herein defined during the period of insurance provided that;

- i. in the case of an appeal, the company shall not indemnify such person unless a senior counsel approved by the company shall advise that such appeal should, in his opinion, succeed;
- ii. the company shall not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon;
- iii. such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this policy and this section thereof in so far as they can apply.

The Statutes

- a. The National Building Regulations of the Republic of South Africa – SANS 10400 (as amended)
- b. The Occupational Health and Safety Act No. 85 of 1993 (as amended)
- c. The Mines and Works Act No. 27 of 1956 (as amended)
- d. The Electricity Act No. 41 of 1987 (as amended), and/or any other Act or Ordinance pertaining to the supply of Electricity all as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended).

Wrongful arrest and defamation

The defined events are extended to include damages:

- i. resulting from wrongful arrest (including assault in connection with such wrongful arrest);
- ii. in respect of defamation

provided always that the limits of indemnity as stated shall not exceed R50 000 or the amount stated in the schedule.

EU Liability (if stated in the schedule to be included)

Subject otherwise to the terms and conditions and limitations, the following changes are made to this section of the policy in respect of “injury” or “damage” (as insured by the products liability extension) which results from goods or products exported to any European Union (EU) country or any European Free Trade Association (EFTA) country.

- 1. Specific exceptions 9(a) and 9(b) shall not apply to damages or costs and expenses of litigation recovered by any claimant in respect of judgements delivered in the first instance in courts of the EU or EFTA;
- 2. In respect of these goods or products (other than raw materials), the insured shall:
 - a. implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner;
 - b. note and maintain a record of the date on which the actual goods or products were first put into circulation. This record shall be maintained so as to provide the required detail for a minimum period of 10 years after the goods or products were first put into circulation;
- 3. The information mentioned in 2, together with all supporting documentation, shall be made available to the company or their nominee at any time on request;
- 4. In respect of this indemnity, the insured shall be responsible for the first amount payable shown in the schedule for this extension;

The amount payable under this extension, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and all other costs and expenses incurred with the company’s consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

16. PUBLIC LIABILITY (OCCURRENCE BASIS) SECTION

DEFINED EVENTS

Damages which the insured shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury), or accidental loss of or physical damage to tangible property (hereinafter termed damage) occurring within the territorial limits during the period of insurance in the course of or in connection with the business.

The limits of indemnity

The amount payable, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and all other costs and expenses incurred with the company's consent for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the schedule.

Territorial limits

Anywhere in the world but not in connection with:

- i. any business carried on by the insured at or from premises outside;
or
- ii. any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

The company will not indemnify the insured in respect of:

1. liability consequent upon injury to any person employed by the insured under a contract of service or apprenticeship and arising from and in the course of such employment by the insured;
2. damage to:
 - a. i. property belonging to the insured;
ii. property in custody or control of the insured or any employee of the insured;
 - b. that part of any property on which the insured is or has been working if such damage results directly from such work;
3. liability consequent upon injury or damage;
 - a. caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the insured;
 - b. caused by or through or in connection with the ownership, possession or use by or on behalf of the insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock, provided that this exception shall not relieve the company of liability to indemnify the insured in respect of liability consequent upon injury or damage caused or arising beyond the limits of any carriage-way or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such injury or damage is not insured by any other insurance policy;
 - c. caused by or through or in connection with:
 - i. the refuelling of aircraft;
 - ii. the ownership, possession, maintenance, operation or use of aircraft or an airline;
 - iii. the ownership, hire or leasing of any airport, airstrip or helicopter pad;
 - d. caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by the insured other than food and drink supplied incidentally for consumption on the premises;
 - e. occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work;
4. damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
5. liability assumed by agreement (other than under the insured's own standard conditions of contract) unless liability would have attached to the insured notwithstanding such agreement;
6.
 - a. liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;
 - b. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

This exception shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exception.
7. fines, penalties, punitive, exemplary or vindictive damages;
8. a. damages in respect of judgements delivered or obtained in the first instance otherwise 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 8a above;

9. the first amount payable.

The insured shall be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by the insured.

Memorandum

In respect of this section only, General exception 1 is deleted and replaced by the following:

“This section does not cover injury, damage or liability directly or indirectly caused by, related to, or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.”

EXTENSIONS

Additional insured

The company will also, as though a separate policy had been issued to each, indemnify:

- a) in the event of the death of the insured, any personal representative of the insured in respect of liability incurred by the insured;
- b) any partner or director or employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance;
- c) to the extent required by the conditions of any contract (and notwithstanding Specific exception 5), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the insured for the purposes of the business;
- d) in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by the insured for the benefit of their employees,
 - i. any officer or member thereof;
 - ii. any visiting sports team or member thereof;

provided that:

1. the aggregate liability of the company is not increased beyond the limits of indemnity stated in the schedule;
2. any person or organisation to which this extension applies is not entitled to indemnity under any other policy;
3. the indemnity under (a), (b) and (c) applies only in respect of liability for which the insured would have been entitled to indemnity if the claim had been made against the insured.

For the purposes of this extension, the company waives all rights of subrogation or action which they may have or acquire against any of the above, and each party to whom the indemnity hereunder applies 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.

Security firms

Notwithstanding specific exception 5, if in terms of a contract with a security firm engaged to protect the insured's property in the course of the business of the insured stated in the schedule or persons, the insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment, then this section includes such legal liability to the extent that indemnity would have been granted under this section had the said employees been under a contract of service to the insured and not the security firm, but not exceeding the limit of liability stated in the schedule.

If, at the time of an event giving rise to a claim, the security firm is entitled to indemnity under any other policy in respect of the same event, the company shall not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

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 insured's 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.

Tool of trade

Specific exception 3(b) shall not apply to the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto, provided that the company shall not be liable hereunder in respect of so much of any liability as falls within the scope of any form of motor insurance or compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected, nor shall the company be liable where any other form of motor insurance has been effected by the insured covering the same liability.

Employees' and visitors' property

Specific exception 2(a)(ii) shall not apply to property belonging to any partner, director or employee of the insured or any visitor to the insured's premises.

Liability by agreement

Notwithstanding the provisions of specific exceptions 2(a)(ii), 3(b) and 5, this section extends to indemnify the insured:

- a) against liability assumed by the insured under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature;
- b) against liability arising from loss of or damage to property belonging to Transnet while in the insured's custody or control;
- c) in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on behalf of the insured at any railway siding.

Unattached trailers

Specific exception 3(b) shall, as far as it relates to trailers, not apply in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle, provided that the company shall not be liable hereunder in respect of so much of any liability:

- i. which is insured by or would, but for the existence of this section, be insured by any other policy or policies effected by the insured;
- ii. as falls within the scope of any compulsory third-party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

Emergency medical expenses

The company will indemnify the insured for all reasonable expenses incurred by the insured for such immediate medical treatment as may be necessary at the time of an accident causing injury to any person who may be the subject of a claim for indemnity by the insured in terms of this section.

Car parks

Notwithstanding the provisions of specific exception 2(a)(ii), the company will indemnify the insured in respect of liability as herein provided arising from loss of or damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or employees of the insured using parking facilities provided by the insured.

Tenant's liability

Specific exceptions 2(a)(ii) and 3(b) of this section shall not apply to premises occupied by the insured as tenant (but not as the owner) thereof.

Products liability (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in specific exception 3(d), the company will indemnify the insured in respect of defined events happening anywhere in the territories stated in the schedule elsewhere than at premises occupied by the insured and caused by goods or products (including containers and labels) sold or supplied (including wrongful delivery and delivery of incorrect goods) by the insured in connection with the business.

The amount payable under this extension, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants, and all other costs and expenses incurred with the company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

Additional specific exceptions (applicable to products liability extension)

This extension does not cover liability:

- i. for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage and / or for the loss of use of any product or part thereof;
 - a. For the purposes of this additional specific exception, the term "replacement" shall be deemed to include any credit or refund granted or alternative product provided by or on behalf of the insured in lieu of replacement of the defective product.
- ii. for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products;
- iii. arising from defective or faulty design, formula, plan or specification, but if the insured is a retailer this specific exception (iii) does not apply if the insured's activities are wholly restricted to sales, distribution and/or marketing (including any marketing advisory service accompanying the products) of the product, and the insured's activities do not include final preparation which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to the insured's original customers, nor include any enhancement, amendment or alteration to the product;
- iv. arising from inefficacy or failure to conform to specification, unless such inefficacy or failure is due to negligence in the following of such specification;
- v. arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft;
- vi. in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to the order of the insured, if such goods or products have, to the insured's knowledge, been exported to the United States of America or Canada by or on behalf of the insured;
- vii. For any defect in any product or any part thereof of which the insured was aware prior to the inception of this extension.

Defective workmanship liability (if stated in the schedule to be included)

Specific exceptions 2(b) and 3(e) are deleted.

The amount payable under this extension, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and all other costs and expenses incurred with the company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

Additional specific exceptions (applicable to defective workmanship liability)

This extension does not cover liability:

- i. for the cost of rectifying or recalling defective work;
- ii. arising from inefficacy of such work or because the work did not produce the result anticipated or claimed;
- iii. arising prior to the handing over of such work;
- iv. arising from defective design;
- v. arising from any work on any aircraft or part thereof.

Legal defence costs (if stated in the schedule to be included)

If the insured so requests, the company will indemnify any employee, partner or director of the insured against costs and expenses not exceeding the amount stated in the schedule incurred by or on behalf of such person with the consent of the company in the defence of any criminal action brought against such person in the course of his occupation with the insured arising from an alleged contravention of the statutes as herein defined during the period of insurance provided that:

- i. in the case of an appeal, the company shall not indemnify such person unless a senior counsel approved by the company shall advise that such appeal should, in his opinion, succeed;
- ii. the company shall not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon;
- iii. such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this policy and this section thereof in so far as they can apply.

Wrongful arrest and defamation (if stated in the schedule to be included)

The defined events are extended to include damages:

- i. resulting from wrongful arrest (including assault in connection with such wrongful arrest);
- ii. in respect of defamation.

provided always that the limits of indemnity as stated shall not exceed R50, 000 under each of (i) and (ii) and R50, 000 in any one (annual) period of insurance unless otherwise stated in the policy schedule.

The Statutes

- a. The National Building Regulations of the Republic of South Africa – SANS 10400 (as amended)
- b. The Occupational Health and Safety Act No. 85 of 1993 (as amended)
- c. The Mines and Works Act No. 27 of 1956 (as amended)
- d. The Electricity Act No. 41 of 1987 (as amended), and/or any other Act or Ordinance pertaining to the supply of Electricity all as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended).

EU Liability (if stated in the schedule to be included)

Subject otherwise to the terms and conditions and limitations, the following changes are made to this section of the policy in respect of "injury" or "damage" (as insured by the products liability extension) which results from goods or products exported to any European Union (EU) country or any European Free Trade Association (EFTA) country.

1. Specific exceptions 8(a) and 8(b) shall not apply to damages or costs and expenses of litigation recovered by any claimant in respect of judgements delivered in the first instance in courts of the EU or EFTA;
2. In respect of these goods or products (other than raw materials), the insured shall
 - a. implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner;
 - b. note and maintain a record of the date on which the actual goods or products were first put into circulation. This record shall be maintained so as to provide the required detail for a minimum period of 10 years after the goods or products were first put into circulation;
3. The information mentioned in 2, together with all supporting documentation, shall be made available to the company or their nominee at any time on request;
4. In respect of this indemnity, the insured shall be responsible for the first amount payable shown in the schedule for this extension;

The amount payable under this extension, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and all other costs and expenses incurred with the company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

17. EMPLOYERS' LIABILITY SECTION

DEFINED EVENTS

Damages which the insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with the insured, which occurred in the course of and in connection with such person's employment by the insured within the territorial limits and on or after the retroactive date shown in the schedule, and which results in a claim or claims first being made against the insured in writing during the period of insurance.

The limit of indemnity

The amount payable, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants, and all other costs and expenses incurred with the company's consent for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the schedule.

Territorial limits

Anywhere in the world but not in connection with:

- i. any business carried on by the insured at or from premises outside;
or
- ii. any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

This section does not cover:

- a) liability assumed by the insured under any contract, undertaking or agreement where such liability would not have attached to the insured in the absence of such contract, undertaking or agreement;
- b) liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event;
- c) fines, penalties, punitive, exemplary or vindictive damages;
- d)
 - i. damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland;
 - ii. costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the area described in (d)(i) above;
- e) any claim arising from an event known to the insured;
- f) which is not reported to the company in terms of General condition 6 (ii) prior to inception of this section;
- g) any claim (in the event of cancellation or non-renewal of this section) not first made in writing against the insured within the 48-month period (or extended period in respect of minors) as specified in Specific condition 2.

SPECIFIC CONDITIONS

1. Any claim first made in writing against the insured as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the insured on the same day that the insured reported the event to the company.
2. In the event of cancellation or non-renewal of the policy
 - a. any claim resulting from a reported event, first made in writing against the insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the insured on the same day that the insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant.
 - b. the insured may report an event in terms of General condition 6 to the company for up to 15 days after cancellation or non-renewal, provided that:
 - i. such event occurred during the period of insurance;
 - ii. any subsequent claim first made in writing against the insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48-month period specified in 2(a) above.
3. Any series of claims made against the insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the insured.
 - a. on the date that the event was reported by the insured in terms of General condition 6; or
 - b. if the insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the insured.

EXTENSIONS

Extended reporting option

At the option of the insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, the company agrees to extend the period during which the insured may report an event in terms of General condition 6 (Claims) for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period) provided that;

- a) this option may only be exercised in the event of the company cancelling or refusing to renew this section;
- b) this option must be exercised by the insured in writing within 30 days of cancellation or non-renewal;
- c) once exercised, the option cannot be cancelled by either the insured or the company;
- d) the insured has not obtained insurance equal in scope and cover to this section as expiring;
- e) the company shall only be liable for a defined event which occurred after the retroactive date but prior to date of cancellation or non-renewal;
- f) claims first made against the insured or any reported events by the insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal;
- g) the total amount payable by the company for claims made or reported events during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal;
- h) any claim made, following a reported event during the extended reporting period, which is first made against the insured in writing more than 48 months after the last day preceding cancellation or non-renewal, shall not be subject to indemnification by this extension. If the claimant is a minor, the period of 48 months is extended until the expiry of 12 months after the attainment of majority by the claimant.

Principals

Where a principal and the insured are liable for the same damages and where any contract or agreement between a principal and the insured so requires, the company will, notwithstanding the aforementioned Specific exception (a) above, indemnify the principal in like manner to the insured but only so far as concerns the liability of the principal to an employee as aforementioned for death or bodily injury to or illness of such person resulting from the negligence of the insured or the insured's employees provided that:

- a) in the event of a claim in terms of this extension, the insured shall endeavour to arrange with the principal for the conduct and control of all claims to be vested in the company;
- b) the principal shall, as though he were the insured fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this policy in so far as they can apply;
- c) the liability of the company is not hereby increased.

Memorandum

In respect of this section only, General exception 1 is deleted and replaced by the following:

This section does not cover death, injury, illness or liability directly or indirectly caused by, related to, or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

18. GROUP PERSONAL ACCIDENT

DEFINED EVENTS

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the insured (hereinafter in this section referred to as such person) specified in the schedule.

The company will pay to the insured, on behalf of such person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule under the heading circumstances.

DEFINITIONS

Table of Benefits

Permanent disability shall mean:

Percentage of compensation

Permanent disability shall mean:	Percentage of compensation
loss by physical separation above the wrists or ankle of one or more limbs	100%
permanent and total loss of the whole eye	100%
permanent and total loss of sight	100%
permanent and total loss of sight except perception of light	75%
permanent and total loss of hearing in both ears	100%
permanent and total loss of hearing in one ear	25%
permanent and total loss of speech	100%
injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100%
loss of four fingers	70%
Loss of thumb – both phalanges	25%
Loss of thumb – one phalanx	10%
loss of index finger – three phalanges	10%
loss of index finger – two phalanges	8%
loss of index finger – one phalanx	4%
loss of middle finger – three phalanges	6%
loss of middle finger – two phalanges	4%
loss of middle finger – one phalanx	2%
loss of ring finger – three phalanges	5%
loss of ring finger – two phalanges	4%
loss of ring finger – one phalanx	2%
loss of little finger – three phalanges	4%
loss of little finger – two phalanges	3%
loss of little finger – one phalanx	2%
loss of metacarpals - first or second (additional)	3%
loss of metacarpals - third, fourth or fifth (additional)	2%
loss of toes - all on one foot	30%
loss of toes - great, both phalanges	5%
loss of toes - great, one phalanx	2%
loss of toes - other than great, if more than one toe lost, each	2%

Memoranda

- I. Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions;
- II. Permanent total loss of use of part of the body shall be treated as loss of such part;
- III. 100 percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person;
- IV. We will pay compensation in the event of Permanent Disablement in accordance with the 'Table of Benefits' above;
- V. For medical expenses, you are compensated on reimbursement basis on the actual amount incurred subject to the limit specified in the policy.

Temporary total disability shall mean total and absolute incapacity from following usual business or occupation.

Medical expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 months of the defined event. If Medical Expenses is payable under this Policy, also covered by any other insurance covering the same benefit, we shall not be liable to pay or contribute for more than the rateable proportion of any such claim.

Annual earnings shall mean the annual rate of wage, salary and cost of living allowance being paid or allowed by the insured to such person at the time of accidental bodily injury, plus overtime, house rents, food allowances, commissions and other considerations of a constant character paid or allowed by the insured to such person during the 12 months immediately preceding the date of accidental bodily injury.

Average weekly earnings shall mean one fifty-second part of annual earnings.

Business limitation (if stated in the schedule to be applicable)

This section applies only in respect of accidental bodily injury to such person arising from and in the course of his employment in the business.

PROVISOS

It is declared and agreed that:

1. the company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any such person under 16 or over 65 years of age;
4. any compensation payable by the company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the company so to do, submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. general conditions 2 and 9 do not apply to this section;
7. In respect of this section only, General exception 1 is deleted and replaced by the following:
"This section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."

EXTENSIONS

Exposure (if stated in the schedule to be included)

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

Disappearance (if stated in the schedule to be included)

In the event of the disappearance of any such person in circumstances which satisfy the company that he has sustained injury to which this section applies, and that such injury has resulted in the death of such person, the company will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the company shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the company.

Burns disfigurement (if stated in the schedule to be included)

Subject to the exclusion shown below, the following item is added to the definition of permanent disability:

permanent disfigurement resulting from accidental external burns to the combined surface area of the face and neck – 100% surface area disfigurement	50%
permanent disfigurement resulting from accidental external burns to the combined surface area of the face and neck – less than 100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
permanent disfigurement resulting from accidental external burns to the combined surface area of the remaining parts of the body other than the face and neck	25%

The company shall not pay under any sub-item of this extension unless the disfigurement exceeds 10 per cent for the sub-item under which a claim is lodged.

Life support machinery

Notwithstanding anything contained in the defined events, the 24 -month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

SPECIFIC EXCEPTIONS

The company shall not be liable to pay compensation for death, disability or medical expenses in respect of such person:

- a) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- b) by his/her suicide or intentional self-inflicted injury;
- c) caused solely by or related to or exaggerated by any pre-existing physical defect or other infirmity of such person;
- d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- e) as a result of his/her participation in any riot, strike, civil commotion or terrorism;
- f) in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof;
- g) while he/she is, or as a result of his/her, engaging in:
 - i. motor cycling, motor Quadra cycling or motor tri cycling (whether as a driver or passenger)
 - ii. racing of any kind involving the use of any power-driven vehicle, vessel or craft
 - iii. mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football or hang-gliding.
- h) As a result of illness, diseases, infections, acquired immune deficiency syndrome (AIDS), human immune deficiency virus (HIV) and/or HIV related illnesses
- i) Flying as a pilot or crew member in any aircraft other than as a fare paying passenger in an aircraft licensed for passenger service
- j) engaging in any form of criminal acts
- k) participating in any professional sports activities of any kind
- l) related to any radioactive or nuclear material accidents
- m) as a result of kidnapping, abduction or any attempt thereat

19. STATED BENEFITS

DEFINED EVENTS

Bodily injury caused by accidental, violent, external, and visible means to any principal, partner, director or employee of the insured (hereinafter in this section referred to as such person) specified in the schedule.

The company will pay to the insured, on behalf of such person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule under the heading circumstances.

DEFINITIONS

Table of Benefits

Permanent disability shall mean:

Percentage of compensation

Permanent disability shall mean:	Percentage of compensation
loss by physical separation above the wrists or ankle of one or more limbs	100%
permanent and total loss of the whole eye	100%
permanent and total loss of sight	100%
permanent and total loss of sight except perception of light	75%
permanent and total loss of hearing in both ears	100%
permanent and total loss of hearing in one ear	25%
permanent and total loss of speech	100%
injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100%
loss of four fingers	70%
Loss of thumb – both phalanges	25%
Loss of thumb – one phalanx	10%
loss of index finger – three phalanges	10%
loss of index finger – two phalanges	8%
loss of index finger – one phalanx	4%
loss of middle finger – three phalanges	6%
loss of middle finger – two phalanges	4%
loss of middle finger – one phalanx	2%
loss of ring finger – three phalanges	5%
loss of ring finger – two phalanges	4%
loss of ring finger – one phalanx	2%
loss of little finger – three phalanges	4%
loss of little finger – two phalanges	3%
loss of little finger – one phalanx	2%
loss of metacarpals - first or second (additional)	3%
loss of metacarpals - third, fourth or fifth (additional)	2%
loss of toes - all on one foot	30%
loss of toes - great, both phalanges	5%
loss of toes - great, one phalanx	2%
loss of toes - other than great, if more than one toe lost, each	2%

Memoranda

- VI. Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions;
- VII. Permanent total loss of use of part of the body shall be treated as loss of such part;
- VIII. 100 percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person;
- IX. We will pay compensation in the event of Permanent Disablement in accordance with the 'Table of Benefits' above;
- X. For medical expenses, you are compensated on reimbursement basis on the actual amount incurred subject to the limit specified in the policy.

Temporary total disability shall mean total and absolute incapacity from following usual business or occupation.

Medical expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 months of the defined event. If Medical Expenses is payable under this Policy, also covered by any other insurance covering the same benefit, we shall not be liable to pay or contribute for more than the rateable proportion of any such claim.

Annual earnings shall mean the annual rate of wage, salary and cost of living allowance being paid or allowed by the insured to such person at the time of accidental bodily injury, plus overtime, house rents, food allowances, commissions and other considerations of a constant character paid or allowed by the insured to such person during the 12 months immediately preceding the date of accidental bodily injury.

Average weekly earnings shall mean one fifty-second part of annual earnings.

Business limitation (if stated in the schedule to be applicable)

This section applies only in respect of accidental bodily injury to such person arising from and in the course of his employment in the business.

PROVISOS

It is declared and agreed that:

8. the company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
9. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
10. unless otherwise provided herein, this section shall not apply to any such person under 16 or over 65 years of age;
11. any compensation payable by the company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
12. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the company so to do, submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
13. general conditions 2 and 9 do not apply to this section;
14. In respect of this section only, General exception 1 is deleted and replaced by the following:
"This section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."

EXTENSIONS

Exposure (if stated in the schedule to be included)

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

Disappearance (if stated in the schedule to be included)

In the event of the disappearance of any such person in circumstances which satisfy the company that he has sustained injury to which this section applies, and that such injury has resulted in the death of such person, the company will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the company shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the company.

Burns disfigurement (if stated in the schedule to be included)

Subject to the exclusion shown below, the following item is added to the definition of permanent disability:

permanent disfigurement resulting from accidental external burns to the combined surface area of the face and neck – 100% surface area disfigurement	50%
permanent disfigurement resulting from accidental external burns to the combined surface area of the face and neck – less than 100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
permanent disfigurement resulting from accidental external burns to the combined surface area of the remaining parts of the body other than the face and neck	25%

The company shall not pay under any sub-item of this extension unless the disfigurement exceeds 10 per cent for the sub-item under which a claim is lodged.

Life support machinery

Notwithstanding anything contained in the defined events, the 24 -month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

SPECIFIC EXCEPTIONS

The company shall not be liable to pay compensation for death, disability or medical expenses in respect of such person:

- n) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- o) by his/her suicide or intentional self-inflicted injury;
- p) caused solely by or related to or exaggerated by any pre-existing physical defect or other infirmity of such person;
- q) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- r) as a result of his/her participation in any riot, strike, civil commotion or terrorism;
- s) in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof;
- t) while he/she is, or as a result of his/her, engaging in:
 - i. motor cycling, motor Quadra cycling or motor tri cycling (whether as a driver or passenger)
 - ii. racing of any kind involving the use of any power-driven vehicle, vessel or craft
 - iii. mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football or hang-gliding.
- u) As a result of illness, diseases, infections, acquired immune deficiency syndrome (AIDS), human immune deficiency virus (HIV) and/or HIV related illnesses
- v) Flying as a pilot or crew member in any aircraft other than as a fare paying passenger in an aircraft licensed for passenger service
- w) engaging in any form of criminal acts
- x) participating in any professional sports activities of any kind
- y) related to any radioactive or nuclear material accidents
- z) as a result of kidnapping, abduction or any attempt thereat

20. MOTOR SECTION

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. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the company will pay the reasonable cost of protection and removal to the nearest repairers.

The insured may give instructions for emergency repairs following an insured event to be executed without the prior consent of the company to the extent of but not exceeding R10 000.00, provided that a detailed estimate is first obtained and immediately forwarded to the insurer.

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 in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi.

Provided that:

1. 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 retail value of the vehicle and its accessories (as specified on the policy schedule) and spare parts at the time of such loss or damage;
2. 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 retail value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage;
3. 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;
4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) 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 exercise 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;
5. 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, CD players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.
6. in the event of accidental damage to the vehicle, we will pay for the reasonable cost of safeguarding and towing the vehicle, up to a maximum of R7500 inclusive of VAT, provided our approved service providers are used. In the event that our approved service providers are not used, cover will be limited to R2000 for towing and storage.
7. In the event of mechanical or electrical breakdown of the vehicle, we will pay for the reasonable cost towing the vehicle to the nearest repairer, up to a maximum of R2000 inclusive of VAT, provided our approved service providers are used. We will not be liable for any storage charges following mechanical breakdown.

Exceptions to sub-section A

The company shall not be liable to pay for:

- a) Consequential loss as a result of any cause whatsoever;
- b) Depreciation in value whether arising from repairs following a defined event or otherwise
- c) Loss or damage caused by or as a result of wear and tear, gradually operating causes, rust, oxidation, corrosion, moth, vermin or insects, warping or shrinkage, rot, fungus, mould, or infestation;
- d) Mechanical, electronic or electrical breakdowns, failures or breakages;
- e) Damage to tyres by application of brakes or by road punctures, cuts or bursts;
- f) Damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.

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 the insured or 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. Such person holds a valid South African driver's license without any existing endorsements legally not allowing him to drive such a vehicle;
 - d. indemnity shall not apply in respect of claims made by any member of the same household as such person
 - e. 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.

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 effected;
- 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 1500kg);
- 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.

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 R3 000 per injured occupant but not exceeding R20,000 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 medical aid scheme, workmen's compensation enactment or similar legislation.

The term medical expenses include 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 12 persons including the driver);

- b) commercial vehicles and special type vehicles as described in the schedule;
- c) motorcycles (including motor scooters and 3-wheeled vehicles);
- d) buses (including any vehicle used for business purposes and designed to seat more than 12 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, including any such vehicle temporarily operated by the insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the insurer's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.

4. No claim rebate provisions (applicable to specified vehicle basis)

In the event of no claim being made or arising under this policy during a period of insurance specified below immediately preceding the renewal of this policy, the renewal premium for the insurance of the vehicles will be based on the relevant Claim-Free Group or subject to the No Claim Discount as follows:

- i. If you have not claimed during the 12 months before the renewal date of this policy, you may earn a discount on your premium according to our scale of premiums. If we settle one or more claims, we will adjust the premium according to our scale of premiums. This discount is not applied automatically and must be requested in writing confirming that no claims have been made under any other policies for the sections insured under which discount is applied for;
- ii. If a claim is made under any applicable section of your policy where your no claim bonus is affected, such claim will not take the no claim bonus down to zero, but only reduce your no claim bonus by two years. For example:
Should you be on a 5 year no-claim bonus under the motor section of the policy, and you submit a claim, your no-claim bonus will then be reduced to 3 years and the premium adjusted accordingly.

Should the company consent to a transfer of interest in this policy, the period during which the interest was in the transferor shall not accrue to the benefit of the transferee.

If more than one vehicle is described in the schedule to this policy, the Claim-Free Group/No Claim Discount shall be applied as if a separate policy had been issued in respect of each such vehicle.

EXTENSIONS

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 travelling 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.

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). The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

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 upon or entering or getting onto or alighting from any 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.

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.

Windscreen extension (if stated in the schedule to be included)

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.

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.

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.

Cross liabilities

Where more than one insured are named in the schedule, the company will indemnify each insured separately and not jointly, and any liability arising between such insured's 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.

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.

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, 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.

Fire extinguishing charges extension

Any costs (not exceeding R7500) 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.

Wreckage removal extension (if stated in the schedule to be included)

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, the limit stated in the schedule to apply to this extension.

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.

Memoranda

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.

War clause

In respect of sub-sections B and C only, General exception 1 is deleted and replaced by the following:

This section does not cover war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

Description of use clause

Use for social, domestic and pleasure purposes and use for the business or occupation of the insured excluding 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 or use for any purpose in connection with the motor trade.

The indemnity to the insured in connection with any vehicle shall operate 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 applicable)

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 applicable)

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 otherwise than in accordance with the description of use clause;
 - b. arising from the ownership, possession or use of vehicles:
 - i. in the transport of highly explosive substances;
 - ii. for Bulk transport of oil or liquefied gas;
 - iii. in the transport of chemical substances and gases in liquid, compressed or gaseous states.
 - iv. In the underground workings of any mine or on the apron or runway at any airport;
 - c. from any airport vehicles used airside;
 - d. arising from the ownership, possession or use of any contractor plant and equipment (e.g. Bomag rollers; graders etc.) and agricultural/farmer's plant and equipment (e.g. combines harvesters etc.) if not licensed for use on a public road.

- e. incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique, but the insurers will 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.
 - f. the insured must take all reasonable steps to safeguard and protect the vehicle and maintain it in accordance with the roadworthy requirements of any legislation applicable within the territorial limits. Failure to maintain a vehicle in a proper roadworthy condition may result in a claim being repudiated.
 - a. caused by any domesticated animals or pets;
 - g. incurred while any vehicle is driven by:
 - i. the insured while under the influence of intoxicating liquor or drugs (unless administered or prescribed by and taken in accordance with the instruction of a member of the medical profession other than himself or herself);
 - 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 or prescribed by and taken in accordance with the instruction of a member of the medical profession other than himself or herself);
 - iii. the insured or any other person without a valid license to drive such a vehicle;
 - iv. or is under the control for the purpose of being driven by a person who does not hold a current valid professional driving permit (PDP) to drive such a vehicle as required in terms of the National Road Traffic Act of 1998 as amended – Regulation 251(1). This exception applies if the said person has held a PDP, but has not renewed it and is applicable to all drivers of:
 - i. goods vehicles with a Gross Vehicle Mass (GVM) exceeding 3,500kg;
 - ii. breakdown vehicles;
 - iii. buses;
 - iv. mini-Buses with a GVM exceeding 3,500Kg or with 12 or more seats (including the driver);
 - v. motor vehicles conveying more than 12 persons;
 - vi. motor vehicles conveying persons for reward.
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 license in favour of the insured or his authorised driver is endorsed, suspended or cancelled, or if he or they are charged or convicted of negligent, reckless or improper driving, notification must be sent in writing to the company as soon as the insured has knowledge of such fact.

Vehicle security

If the company specifies that a particular type of security system or tracking unit must be installed on any insured vehicle stated in the schedule of this section, for the insured to qualify for theft cover in terms of this policy or if the insured receives a security discount on any insured vehicle stated in the schedule, the onus rests upon the insured, in the event of theft of any such insured vehicle to prove that the security system was installed, engaged and fully operational at the time of theft of such vehicle.

The insured shall ensure that the service agreement with and / or recommendations made by the manufacturers or installers of such security system are always adhered to. This includes regular self-testing or testing otherwise.

The company shall not be liable in respect of any loss or damage arising from such theft of such vehicle if the insured:

- a. fails to install any required security device or to engage and/or activate it prior to the theft of the vehicle;
- b. cancels the service agreement;
- c. fails to pay any subscription due in terms of such agreement.

21. ELECTRONIC EQUIPMENT SECTION

SUB-SECTION A: MATERIAL DAMAGE

DEFINED EVENTS

Physical loss of or damage to the property insured described in the schedule from any cause not hereinafter excluded whilst:

- a) at work or at rest anywhere within that part of the building occupied by the insured at the insured premises described in the schedule;
- b) in transit including loading and unloading or whilst temporarily stored at any premises en route;
- c) temporarily removed from that part of the building occupied by the insured at the insured premises described in the schedule to any other building.

Exceptions to sub-section A

The company will not be liable to indemnify the insured irrespective of the original cause in respect of:

1. the first amount payable as stated in the schedule in respect of sub-section A, of each and every event giving rise to a claim. Where more than one item of property insured suffers physical loss or damage in any one event, the first amount payable shall be the highest single amount applicable to such property insured;
2. derangement unless accompanied by physical damage otherwise covered by this section;
3. loss or damage recoverable in terms of any maintenance and/or leasing agreement effected by or on behalf of the insured covering the insured equipment;
4. faults or defects known to the insured (or their responsible employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to the company or any consequences thereof;
5. wastage of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching of painted or polished surfaces of a cosmetic nature;
6. parts having a short life such as (but not limited to) bulbs, valves, contacts, X-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of physical loss or damage as provided for by this sub-section to other parts of the property insured, the company shall indemnify the insured for the residual value prior to the loss of such exchangeable parts;
7. the cost of reproducing data and/or programs whether recorded on cards, tapes, disks or otherwise unless specifically provided for in sub-section B hereof;
8. loss of use of the property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein;
9. loss by theft or by disappearance of the property insured:
 - (a) unless accompanied by forcible and violent entry into or exit from that part of the building occupied by the insured at the insured premises described in the schedule or as a result of theft or any attempt thereat, following violence or threat of violence;
 - (b) during transit or whilst temporarily removed from the insured premises unless identifiable by the insured with a specific incident which has been immediately reported to the police and the company;
 - (c) without valid proof of ownership in the form of a valid till slip, tax invoice, valuation certificate or original packaging. Photos will only be accepted as proof of ownership if provided to us at cover inception.
10. The company shall not indemnify the insured for the theft of the property insured from any motor vehicle where the property insured has been:
 - (a) left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit;
 - (b) contained in a compartment of the motor vehicle which is visible and not hidden from sight;provided that (a) and (b) above shall not apply to theft of the property insured where the transport vehicle:
 - (d) has been hijacked; or
 - (e) has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

Basis of indemnification

The indemnity by this sub-section subject always to the sums insured contained in the schedule or any specific limit of liability contained in this sub-section, shall be as hereinafter provided and as appropriate including dismantling, re-erection, transportation, removal of damaged property insured (but less the value of the remains) and, where applicable, importation duties and value added tax.

(1) Partial loss

If the property insured suffers damage that can be repaired, the basis of indemnification shall be the restoration expenses reasonably and necessarily incurred to restore the damaged property to working order provided that:

- a) the value of damaged parts which can be used will be deducted;
- b) the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this sub-section;

- c) if, without the consent of the company, temporary repairs are carried out by the insured in the interests of safety or to minimize further loss or damage to the property insured, the cost of such temporary repairs will be borne by the company. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the property insured, any additional costs so incurred or consequence arising therefrom will be for the account of the insured;
- d) where the damage is restricted to a part or parts of an insured item, the company shall not be liable for an amount greater than the value of such part or parts which are lost or damaged allowed for within the sum insured.

(2) Total loss

1. In cases where the new property insured is totally lost or destroyed, the basis of indemnification shall be the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged provided always that:
 - i. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured, subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the property insured immediately before the damage shall be made;
 - ii. until expenditure has been incurred by the insured in replacing or reinstating the property insured, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
 - iii. these conditions shall be without force or effect if:
 - a) the insured fails to intimate to the company within six (6) months of the date upon which the damage occurred (or such further time as the company may in writing allow) his intention to replace or reinstate the property insured;
 - b) the insured is unable or unwilling to replace or reinstate the property insured on the same or another site;
 - iv. at the sole option of the company, following commercial and technical appraisal by a representative of the company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this section.

Definition of new property insured

- A. New property shall mean property purchased no more than seven (7) years (or such extended period as may be approved by the company in writing) prior to the defined event, it being expressly agreed that in applying this definition upgrades and enhancements will be taken into account in arriving at an indemnifiable amount and the age of the property insured.
- B. In respect of property insured not provided for in (A) above, the basis of indemnification shall be the market value of the property insured immediately before the loss or damage. At the option of the company, the property insured shall be regarded as totally destroyed if the repair costs as defined in (1) above equal or exceed its market value immediately before the damage.

Definition of market value

The current day purchase price of second-hand/used property of equal performance and/or capacity to the property lost or damaged and of substantially similar condition. Where no similar property is available, market value shall be calculated by deducting from the current new replacement value of the nearest equivalent property, an amount representing:

- i. 20% (twenty per cent) for the first year after the date of purchase;

And:

- ii. 10% (ten per cent) per year for each succeeding year subject always to a minimum indemnity of 40% (forty per cent) of the current new replacement value of the nearest equivalent property.

Average

In respect of (1) and (2) above, if at the time of repair, replacement or reinstatement, the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the property insured had been lost or damaged exceeds the sum insured thereon at the time of any loss of or damage to such property, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision.

Limit of liability

The amount of liability shall not exceed, in respect of any of the items specified in the schedule, the sums insured set opposite thereto respectively and, in addition thereto, the following:

(a) Architects' and other professional fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or damage, provided that the amount payable in respect of such fees does not exceed 15% of the total amount of the claim, but shall not include expenses incurred in connection with the preparation of the insured's claim.

(b) Clearance costs

Costs necessarily and reasonably incurred by the insured in respect of demolition or dismantling of property and/ or removal of debris and in providing, erecting and maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss of or damage to such property, provided that the total amount recoverable does not exceed 15% of the total amount of the claim.

(c) Express delivery and overtime

Extra charges for express delivery, airfreight, overtime, Sunday and holiday rates of wages payable in respect of the necessary and reasonable additional costs incurred by the insured for effecting repairs or replacement approved by the company, limited to 50% of the amount which the repair or replacement would have cost had these additional costs not been incurred.

CLAUSES AND EXTENSIONS

Power surge or lightning strikes

All loss or damage to the property insured by power surges or lightning strikes will be subject to an additional first amount payable of 10% of the net amount payable for the items so damaged subject to a minimum of R1000 per occurrence. However, should the property insured be appropriately and adequately protected by suitable SABS approved safeguards against electrical supply fluctuations, then this additional first amount payable will be waived.

Fire brigade charges

If any public authority empowered to do so shall charge the insured with any costs arising from their activities in dealing with the consequences of an insured peril having operated, such costs will be deemed to be damage to the property insured and will be payable in addition to any other payment for which the company may be liable in terms of this insurance.

Tenants

This insurance will not be invalidated by any act or neglect on the part of a tenant of the insured (where the insured owns the building) or another tenant or the owner of the building (where the insured is a tenant) provided that the insured notifies the company as soon as such act or neglect comes to their knowledge and pays on demand the appropriate additional premium.

Hire purchase/finance agreements

Where the company has knowledge of the property insured or any individual item thereof being the subject of a suspensive sale or similar agreement, payment hereunder shall be made to the owner described therein whose receipt shall be a full and final discharge to the company in respect of loss or damage indemnifiable by this subsection of the section.

SUB-SECTION B: CONSEQUENTIAL LOSS

DEFINED EVENTS

The insurance provided by this sub-section (if stated in the schedule) shall be subject to the limits of indemnity stated in the schedule and shall include

(i) Increased cost of working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the insured during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the insured less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the accident.

The indemnity by this item shall not apply directly or indirectly to:

- (a) the cover provided for in item (ii) of this sub-section;
- (b) the intrinsic value (including reinstatement value) of the property insured by sub-section A of this section.

(ii) Reinstatement of data/programs

Costs and expenses necessarily and reasonably incurred by the insured for the reconstitution or recompilation of data and/or programs recorded on or stored in data-carrying media which are lost as a result of accidental erasure (which shall include the events defined in the indemnity clause to sub-section A of this section) or by theft or by the deliberate, wilful or wanton intention of causing the cancellation or corruption of data or programs as provided for in sub-section A of this section provided that:

- a) the indemnity shall not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs;
- b) in respect of each and every event or series of events arising out of or in connection with one original cause or source indemnifiable by this item, the insured shall bear the amount stated in the schedule as the first amount payable;
- c) where the insured elects to insure programs (software), a schedule of such programs shall be lodged with the company at the commencement of each period of insurance.

Definition of "Indemnity period"

The period during which the results of the business shall be affected in consequence of the accident beginning with the number of hours/days detailed in the schedule as the time excess after the occurrence of the accident and ending not later than the expiry of the period detailed in the schedule as the indemnity period after such occurrence.

The time excess shall not apply to loss or damage directly caused by fire, storm (excluding lightning), subsidence, wind or the collapse of buildings.

Definition of "Accident"

1. (Applicable to increased cost of working only) Physical loss of or damage to the property insured described in the schedule from any cause as provided for under sub-section A of this section, liability under which sub-section shall, except for the provisions relating to the first amount payable or the maintenance/lease agreements, be a condition precedent to liability hereunder.
2. Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than:
 - a) the deliberate act of the insured or any supply authority;
 - b) drought or shortage of fuel at any electricity utility.

Special conditions applicable to failure of the public supply of electricity:

- a) The liability of the company shall not exceed the sum insured by this sub-section;
- b) The indemnity period shall commence 12 hours after the failure and end not later than 30 days after such failure.

The limit of liability

The liability of the company shall not exceed the amounts specified in the schedule (relating to sub-section B) in respect of any one accident or series of accidents arising out of or in connection with any one event. In the event of the payment by the company of any sum or sums in discharge of the company's liability in terms of this sub-section, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance.

The insured shall pay to the company the additional premium required by the company calculated pro rata from the day of the accident to the end of the period of insurance.

Specific exceptions to sub-section B

Unless specifically provided for;

1. **Fines and penalties:** the company shall not be liable to indemnify the insured in respect of fines or penalties for breach of contract for late or non-completion of orders or any penalties of whatsoever nature
2. **Loss of profit:** the company shall not be liable to indemnify the insured in respect of loss of profit or consequential loss of whatsoever nature unless specifically provided for herein.

CLAUSES AND EXTENSIONS

Reinstatement

Notwithstanding anything to the contrary contained in this sub-section, it is hereby declared and agreed that, in the event of any interruption, following loss or damage, being aggravated by:

- a) the insured being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement within a reasonable time, or
- b) additions, alterations or improvements being effected to the property insured on the occasion of its repair,

the company's liability under this section shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

Telkom access lines (if stated in the schedule to be included)

Subject to the limits specified in the schedule, consequential loss as provided for under defined events (i) and (ii) of sub-section B arising from accidental failure of the Telkom access lines is included, provided always that the insurance under this extension shall be subject to the special conditions below.

Special conditions applicable to Telkom access lines

- a) The liability of the company shall not exceed the sum insured by this sub-section.
- b) The indemnity period shall commence 12 hours after the failure and end not later than 30 days after such failure.
- c) The insurance provided does not cover loss occasioned by the deliberate act of any Telkom authority or by the exercise of such Telkom authority of its power to withhold or restrict access to its lines.

GENERAL MEMORANDA

Memo 1 - Capital additions and currency fluctuations

The indemnity by this section shall include:

- a) additional equipment or programs purchased by the insured of a similar nature to that specified in the schedule, provided that, in respect of loss or damage due to electrical, mechanical or electronic breakdown or explosion, the insurance shall only commence after satisfactory completion of installation or commissioning/testing and put into use at the insured's premises;
- b) provision for devaluation or revaluation of the currency of the Republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the property insured;

provided that the increase shall not exceed, by more than 25%, the total sum insured for sub-section A specified in the schedule, it being agreed that the insured will advise the company of such alterations after the expiry of each period of insurance and pay the appropriate premium thereon but not exceeding 50% of the difference.

Memo 2 - Prevention of access (If stated in the schedule to be included)

If, during the indemnity period, the business at the premises is interrupted or interfered with in consequence of the insured being prevented from having access to the property insured situated at the premises caused by damage to property within a 10km radius of the insured premises as described in the schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, the company shall indemnify the insured for loss resulting from such interruption or interference in accordance with the provisions contained herein

provided that:

- i. the insured is not entitled to indemnity as provided for in this extension under any other policy or section of this policy;
- ii. this section shall not be brought into contribution with any other policy or section of this policy bearing a like extension.

SPECIAL EXCEPTION (SUB-SECTIONS A AND B)

Viruses, Trojans and worms

The company shall not indemnify the insured for loss or damage of whatsoever nature arising directly or indirectly out of or in connection with the action of any computer virus, Trojan or worm(s) or other similar destructive media.

GENERAL EXTENSION

Incompatibility cover (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in the policy, the indemnity by sub-sections A and B of this section shall indemnify the insured for costs incurred in respect of:

- a) modifications or alterations to the property insured directly consequent upon indemnifiable loss or damage to ensure the operating integrity of the electronic system;
- b) replacement or upgrading of legal programs to achieve compatibility with the modified or altered electronic system;
- c) the restoration of previously captured data which has become inaccessible due to the modifications to or alterations of the electronic system or in consequence of the replacement or upgrading of legal programs;

provided always that:

- i. the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions;
- ii. such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of sub-sections A or B (item ii) of this section;
- iii. the cover afforded hereunder shall be restricted to:
 - a. parts or components of the electronic system which are not indemnifiable under sub-section A hereof;
 - b. programs or data reinstated not indemnifiable under item (ii) of sub-section B hereof;
- iv. the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to twenty per cent (20%) of the applicable total sum insured under sub-section A (the limit of indemnity) and sub-section B (item (ii)) or R 25 000, whichever is the lesser.

22. TRUSTEES' INDEMNITY

DEFINED EVENTS

The defined events include damages which the Body Corporate and/or any Trustee(s) shall become legally liable to pay arising out of any wrongful act of a Trustee(s), provided that our limit of liability, including all costs and expenses, shall not exceed the amount stated in the schedule in respect of any one event and in any one (annual) period of insurance. The limit of indemnity which applied when you first became aware of the event will apply to all claims arising out of such event.

We will only indemnify you against loss or damage sustained arising out of claims first made in writing against you during the period of insurance which is also reported to us in writing during the same period of insurance or within 31 days thereafter for which no other cover for the same claim is in place. If any wrongful act results in more than one claim, all such claims will jointly constitute one loss and be deemed to have originated when the first claim was reported to the insurer.

The cover is subject to the exclusions noted in this section and the general conditions and exclusions of this policy.

SPECIFIC CONDITIONS:

1. Where indemnity has not been confirmed by us, we may at our discretion decide whether or not to manage the settlement of the claim and pay the costs of defending the claim as they are incurred.
2. If a claim is denied or repudiated, we reserve the right to recover any payments already made in respect of such claim from the body corporate or company for which you were not rightfully entitled.
3. Following a claim, we have the right, but is not obligated to conduct your defence and or to represent you.
4. If you refuse to consent to any settlement recommended by us and choose to continue with any legal proceedings in connection with the event, our liability will be limited to the amount for which the claim could have been settled, including the costs and expenses incurred up to date of such refusal, provided that the limit of indemnity as stated in the schedule is not exceeded.
5. You must inform us in writing of any actual, potential or intended claim against you as soon as you become aware of such claim or potential claim or any circumstance or event that may result in a claim being made against you.
6. You must not make any promise or offer to pay or admit any responsibility for any loss damage or liability.

SPECIFIC EXCLUSIONS

We will not indemnify you for any loss, damage, or liability in respect of:

1. any liability for the payment of VAT, duty, levy or other impost;
2. fines, penalties, taxes, or any investment or trading loss;
3. any loss or damage resulting or related to any conflict of interest of any trustee, officer or director;
4. the rendering of any professional service or giving any advice;
5. the breach of any contract for the provision of professional services or advise;
6. liability assumed by you in terms of any agreement or contract;
7. any legal proceedings initiated by you;
8. any judgement, award or settlement made outside the Republic of South Africa or any order made outside the Republic of South Africa to enforce same;
9. any obligation under any warranty or guarantee;
10. punitive, exemplary, vindictive or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;
11. any remuneration or other monies to which the Body Corporate or Trustee(s) is/are legally entitled to or liable for;
12. any indemnity claimed or claimable in terms of any other insurance or otherwise more specifically insured or excluded by any other section of this policy;
13. any Trustee(s) committing any wrongful act(s), knowing such action(s) or acts to be illegal, fraudulent, criminal, dishonest or of malicious intent;
14. any incident that may result in a claim of which you were aware, or could reasonably have been expected to be aware of, prior to the inception date of this policy;
15. any loss or damage which you are entitled to claim for under any other policy that ended before this policy incepted;
16. claims for any death, bodily injury, disease or sickness;
17. any damage to property, including consequential loss or loss of use of such property;
18. or arising from any form of injuria or injurious falsehoods;
19. a trustee, director or officer of the body corporate or company gaining any personal profit or reward or advantage to which they were not legally entitled or which they may be held accountable to the body corporate;
20. any money given to any trustee or director without authorisation where such authorisation is necessary pursuant to the management rules of the body corporate or any other prescribed law;
21. the amount of any first amount payable stated in the schedule.

23. UMBRELLA LIABILITY SECTION

DEFINED EVENTS

Damages which the Insured shall become legally liable to pay but restricted to those events that are insured and covered by the wording and Policy Schedules of the underlying insurance.

LIMITS OF INDEMNITY

The amount payable, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the Schedule.

DEFINITIONS

Underlying insurance shall mean cover in force under those Sections listed in the Schedule under the heading "underlying insurance Sections".

BASIS OF INDEMNIFICATION

This Section provides indemnity in excess of the limit of indemnity of the underlying insurance provided that:

- i. the cover provided by this Section is subject to the same terms, exceptions and conditions as the underlying insurance and where such insurance states that generally or in respect of specified claims the limit of indemnity is the aggregate of all indemnifiable claims occurring or made during the (annual) period of such underlying insurance, then the limit of indemnity under this Section is declared to be on an identical basis as such underlying insurance;
- ii. the claim is covered by the underlying insurance and is not met in full solely because of the inadequacy of the limit of indemnity of such underlying insurance;
- iii. where the limit of indemnity of the underlying insurance has been reduced by reason of previous claims, this Section shall provide indemnity in excess of such reduced limit of indemnity;
- iv. where the limit of indemnity of the underlying insurance has been exhausted by reason of previous claims, the Company will interpret this Section as if such underlying insurance is still in force and this Section shall provide indemnity in excess of the First Amount Payable (if any) of such underlying insurance. If the underlying insurance is voided for whatever reason, then this Section shall likewise be voided;
- v. unless specifically agreed to by the Company under this Section, any decision by the Company to accept a claim on an "ex gratia" or "without prejudice" basis in terms of the underlying insurance shall not be covered under this Section. Such a decision shall not be binding on the insurer.

SPECIFIC EXCEPTIONS

The Company will not indemnify the Insured in respect of:

1. fines, penalties, punitive, exemplary or vindictive damages
2. any liability arising out of the transportation of hazardous substances if such transportation was not in compliance with chapter VIII of the National Road Traffic Act 1996 (Act 93 of 1996) (as amended);
3. any judgement, award or settlement in respect of motor third party liability 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 in whole or in part);
4. liability provided for in terms of the following Extensions of the relevant underlying insurance Sections
 - a. Section 23 Public Liability (which for the purpose of this Section) includes Commercial Hunting and/or Game Viewing Activities:
 - i. Extension 24 Liability Consequent Upon the Bursting or Overflowing of Dam Walls
 - ii. Extension 26 Inefficacy (Excluding wine and related products)
 - iii. Extension 29 Products Recall
 - iv. Extension 30 Products Guarantee
 - v. Extension 31 Products Liability – North American Jurisdiction Extension clause
 - vi. Extension 32 Financial Loss
 - b. Section 9 Motor:
 - i. Extension 22 Passenger Liability – Employees
 - ii. Extension 26 Passenger Liability – Clients in respect of sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or commercial hunting and/or game viewing activities
5. any liability consequent upon injury or damage directly or indirectly caused by or in connection with or arising from or attributable to sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or hunting or game viewing activities.

SPECIFIC CONDITIONS

1. The indemnity granted by this Section is conditional upon the underlying insurance remaining in force throughout the period of insurance.
2. The limits of indemnity in terms of the underlying insurance shall not be less than those reflected under the heading "Minimum underlying insurance indemnity limits" contained in the Schedule. If, at the date of loss, the limit of indemnity in terms of the underlying insurance, is less than the said minimum limits, then the Insured shall be considered as being their own insurer for the difference unless such underlying limit of indemnity is less than the said minimum limits solely as a result of having been reduced by reason of previous claims.

24. MACHINERY BREAKDOWN SECTION

DEFINED EVENTS

Any unforeseen and sudden physical loss of or damage to the insured property (or any part thereof) whilst on the premises by causes such as: defects in casting, defects in material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, storm or from any other cause not specifically excluded in terms of any Exception which is applicable to this policy as a whole or to this Section in particular, that necessitates repair or replacement of the insured property.

Provided always that:

- a. the company will indemnify the Insured in respect of such loss or damage, as hereinafter provided by payment in cash, replacement or repair (at the option of the company) up to an amount not exceeding in any occurrence in respect of each of the items specified in the schedule of this Section, the sum insured set opposite thereto and not exceeding in all, the total sum insured expressed in the schedule of this Section;
- b. no sum insured under this Section shall be reduced by the amount of any claim paid or payable by the company subject to the Insured loss or damage for the remaining portion of the (annual) period of insurance;
- c. this insurance shall apply to the insured property after successful completion of their performance acceptance tests whether they are at work or at rest or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection.

BASIS OF INDEMNITY

- a. If damage to the insured property can be repaired - the company will pay the expenses necessarily incurred to restore the damaged insured property to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues if any, to the extent such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the insured, the company shall pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage shall be taken into account. If the cost of repairs as detailed above equals or exceeds the actual value of the insured property immediately before the occurrence of the damage, the property shall be regarded as destroyed and settlement shall be made on the basis provided for in (b) below.

- b. In cases where the insured property is destroyed - the company will pay the actual value of the insured property immediately before the occurrence of the loss, including charges for ordinary freight, cost of erection and customs duties, if any, provided such expenses have been included in the sum insured; such actual value to be calculated by deducting proper depreciation from the replacement value of the insured property. The company will also pay any normal charges for the dismantling of the insured property destroyed, but the value of any salvage shall be taken into account.

Provided always that:

- i. the cost of any alterations, additions, improvements or overhauls shall not be recoverable under this section;
- ii. the cost of any provisional repairs shall be borne by the company if such repairs constitute part of the final repairs and do not increase the total cost of repairs;
- iii. the company shall make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be.

Sum insured and average

It shall be a requirement of this section that the sum insured is equal to the cost of replacement of the insured property by new property of the same kind and capacity, which means its cost of replacement including for example freight dues, and customs duties, if any, and cost of erection. If the sum insured is less than the new replacement value including freight dues, custom duties and erection costs, the insured shall be considered to be their own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item (if more than one) shall be separately subject to the foregoing stipulations.

DEFINITIONS

For the purpose of this Section, the following expressions mean:

"Insured property" - the specified property described in the schedule of this section

"Premises" - the premises, the situation of which is stated in the schedule of this Section.

CLAUSES APPLICABLE TO THIS SECTION

1. **Overtime, night work, work on public holidays and express freight:**

The insurance under this Section is extended to cover extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight). Provided always that such extra charges are incurred in connection with any loss of or damage to the insured property, recoverable under this section, provided further that the amount payable in respect of this clause, shall not exceed the sum insured set opposite the applicable item and not exceeding in all, the total sum insured expressed in the schedule of this section.

2. **Capital additions:**

The insurance under this section is extended 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% of the sum insured under the application item, it being understood that the Insured undertakes to advise the company each quarter of such alterations, additions and improvements and pay or agree to pay the appropriate additional premium thereon.

SPECIFIC EXCEPTIONS APPLICABLE TO THIS SECTION

The company shall not be liable for:

1. the first amount payable to be borne by the insured in any one occurrence stated in the schedule. If more than one item is lost or damaged in one occurrence the insured shall not be called upon to bear more than the highest single first amount payable applicable to such items;
2. loss of or damage to exchangeable tools (for example but not restricted to dyes, moulds, engraved cylinders), parts that by their use and/or nature suffer a high rate of wear and depreciation (for example, but not restricted to, refractory linings, crushing hammers), objects made of glass, belts, ropes, wires, rubber tyres, and operating media (for example but not restricted to lubricants, fuels, catalysts);
3. loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, wind, storm, water, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
4. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
5. loss or damage as a direct consequence of the continual influence of operation (for example but not restricted to wear and tear, cavitation, erosion, corrosion, rust, boiler scale);
6. consequential loss or liability of any kind or description;
7. damage resulting from the misapplication of tools or from experiment, overhauls or tests requiring the imposition of abnormal conditions.

SPECIFIC CONDITIONS APPLICABLE TO THIS SECTION

1. The due observance and fulfillment of the terms of this section and of this policy in so far as they relate to anything to be done or complied with by the Insured, shall be a condition precedent to any liability of the company.
2. In the event of any material alteration in the risk undertaken by the company, the insured shall as soon as possible give notice in writing to the company. The premium, terms and conditions shall thereupon be subject to adjustment accordingly. Any claim in respect of loss or damage that may arise before such notice is given, shall be handled in accordance with the company's normal conditions, exceptions and first amount payable for risks of a similar nature, subject to the insured agreeing to pay any increased premium that may be required in respect of the altered risk.
3.
 - a. On the happening of any loss or damage, the insured shall in addition to complying with General Condition 7 of this policy;
 - i. take all reasonable steps to minimise the extent of such loss or damage;
 - ii. preserve any damaged or defective parts for inspection by the company.
 - b. Upon notification being given to the company in terms of General Condition 7 of this policy, the Insured may carry out the repairs or replacement of any minor damage, in all other cases a representative of the company shall have the opportunity of inspecting the loss or damage before any repairs or replacement or alterations are effected. If a representative of the company does not carry out the inspection within a period of time which could be considered adequate under the circumstances, the Insured is entitled to proceed with the repairs or replacement.
 - c. The liability of the company under this section in respect of the insured property shall cease if such insured property is kept in operation after a claim without being repaired to the satisfaction of the company, or if temporary repairs are carried out without the company's consent (other than in terms of 3 (b) above).
4. The Insured shall in addition to complying with General Condition 6 of this policy,
 - a. take all reasonable steps to maintain the insured property in efficient working order and to ensure that no part of the insured property is habitually or intentionally overloaded;
 - b. fully observe the manufacturer's/agent's instructions for the operation, inspection and maintenance of the insured property and fully observe government regulations, statutory regulations, municipal regulations and all other binding regulations in force concerning the operation and maintenance of the insured property

Maintenance and service contracts

It is hereby declared and agreed (as a condition of cover), that a maintenance or service contract must be in force for all equipment insured under the Machinery Breakdown section and all equipment wherein stock is stored which is covered under the Deterioration of Stock section of the policy.

This contract must be in place for each machine, plant or equipment described in the policy schedule.

The maintenance of all machines, plant or equipment described in the policy schedule shall incorporate the following:

- a. preventative maintenance of machines, plant or equipment;
- b. repairs or replacement of damaged components and any rectification of losses or damage or faults arising from the normal operation and ageing of all machines, plant or equipment;
- c. regular safety checks being performed (weekly or monthly as per manufacturers requirements).

All costs for maintenance related work are excluded and not recoverable or insurable under this policy.

25. MACHINERY BREAKDOWN LOSS OF PROFITS SECTION

DEFINED EVENTS

If during the period of insurance, any of the machinery and plant used by the insured at the premises for the purpose of the business be affected by an accident and the business carried on by the insured at the premises be in consequence thereof interrupted or interfered with, the company will (subject to the exceptions and conditions of this section and of this policy) pay to the insured as indemnity in respect of item 1 mentioned under the heading "Subject matter insured" in the schedule of this section, the amount of the loss resulting from the aforesaid interruption or interference in accordance with the provisions contained in Appendix 1 of this section, provided that:

- a) the machinery and plant shall during the currency of this section be insured against machinery breakdown;
- b) the liability of the company in respect of the aforementioned item 1, shall in no case exceed the sum insured stated in respect of such item 1 in the schedule of this section.

DEFINITIONS

For the purposes of this section the following mean:

"Premises": the premises, the situation of which is stated in the schedule of this section

"Business": the insured's business as stated in the schedule of this section

"Machinery and plant": machinery and plant described in the list under the heading "List of machinery and plant" in the schedule of this section.

"Accident": any unforeseen and sudden fortuitous physical damage to the machinery and plant necessitating its immediate repair or replacement due to causes such as but not restricted to defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, malice, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, storm, or any other cause not specifically excluded whilst such machinery and plant are:

- a) working or at rest;
- b) being dismantled, moved, or re-erected for the purpose of cleaning, inspection, repair or installation at another location within the premises, provided such machinery and plant have successfully completed its acceptance tests.

"Stock": The values of the opening and closing stocks shall be arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation.

"Specified working expenses": those variable expenses of the business that are specified under the heading "Specified working expenses": in the schedule of this section.

"Turnover": the money (less discounts allowed) paid or payable to the insured for goods sold and delivered and for services rendered in the course of the business at the premises.

"Indemnity period": the period, not exceeding the indemnity period stated in the column under the heading

"Indemnity period limit": of the list under the heading "List of machinery and plant" in the schedule of this section, commencing with the occurrence of the accident during which the results of the business shall be affected in consequence of such accident, provided always that the company shall not be liable for the amount of the loss arising during the time excess, such time excess to commence as from the beginning of the interruption of or interference with the business resulting in a claim under this section.

"Time excess": It is the number of days of the loss you have to bear for each and every claim.

"Rate of gross profit": the rate of gross profit earned on the turnover during the financial year immediately before the date of the accident, to which such adjustments shall be made as may be necessary to provide for the trend of the business and of variations in or special circumstances affecting the business either before or after the accident or that would have affected the business had the accident not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results that would but for the accident have been obtained during the relative period after the accident.

"Standard turnover": the turnover during that period in the twelve months immediately before the date of the accident that corresponds to the indemnity period to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the accident or that would have affected the business had the accident not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the result that but for the accident would have been obtained during the relative period after the accident.

"Annual turnover": the turnover that but for the accident the insured would have been able to obtain during the 12-month period immediately before either the date when the business is no longer affected or when the indemnity period ends, whichever occurs first.

SPECIFIC EXCEPTIONS

This section does not cover any loss or claim resulting from interruption of or interference with the business directly or indirectly attributable to any of the following causes:

1. Loss or damage to:
 - a. foundations and masonry, unless specifically included and described in the list under the heading "List of machinery and plant" in the schedule of this section;
 - b. exchangeable and replaceable parts such as, but not restricted to, bits, drills, knives, saw blades;
 - c. dies, moulds, patterns, blocks, stamps, punches coatings or engravings on cylinders and rolls;
 - d. parts which by their use and/or nature suffer a high rate of wear or depreciation such as, but not restricted to, crushing surfaces, balls, hammers, screens and sieves, engraved soft metal cylinders, wear plates, elevator and conveyor belts or bands, chains, flexible pipes, jointing and packing materials, filter cloths, parts made of glass, rubber, textile or synthetic, grinding wheels, ropes, belts, straps, cables other than electrical conductors, brushes, batteries, tyres, refractory materials, grate bars, burner jets;
 - e. operating media such as, but not restricted to, fuels, chemicals, catalysts, filter substances, heat transfer media, cleansing agents, lubricants.
2. Loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, burglary or theft or attempts thereat, collapse of buildings, wind, storm, water, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
3. Loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
4. Loss or damage due to any faults or defects within the knowledge of the insured or his representatives existing at the time of commencement of this section, whether such faults or defects were known to the company or not;
5. Repair or replacement necessitated by direct damage due to wear and tear, corrosion, erosion, deposits of scale sludge or other sediment, rust, or by scratching of painted or polished surfaces, or by any other direct consequences or progressive or continuous influences from working or atmospheric or chemical action; but the company shall be liable for any loss resulting from interruption or interference caused by damage arising from such causes and otherwise insured by this section;
6. Loss or damage due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
7. Shortage, destruction, deterioration of or damage to raw materials, semi-finished or finished products or other materials required for proper operation, even if the consequence of material damage to an item described in the list under the heading "List of machinery and plant" in the schedule of this section is involved;
8. Any restrictions on reconstruction or operation imposed by any public authority;
9. The insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery;
10. Loss of or damage to machinery, mechanical installations and their additional installations or other items which are not described in the list under the heading "List of machinery and plant" in the schedule of this section, even if the consequence of material damage to an item described in the aforesaid list is involved;
11. Loss of business due to causes such as suspension, lapse or cancellation of a lease, license or order et cetera that occurs after the date when the machinery and plant affected by an accident is again in operating condition and the business could have been resumed if the aforesaid lease, license or order et cetera had not been suspended, lapsed or cancelled;
12. The company shall not be liable under this section in respect of the prolongation of any period of interruption of or interference with the business resulting directly or indirectly from the operation of:
 - a. any gazetted law of the Republic of South Africa, including any exchange control regulation, directed against any other country;
 - b. any law of a foreign country or international law directed against the Republic of South Africa;
 - c. any economic sanctions, conventions, trade embargoes, boycotts, strikes or actions directed against the Republic of South Africa, other than occurring within the borders of the Republic of South Africa.If the company alleges that this clause is applicable by reason of any or all of stipulations 12(a), 12(b) or 12(c) above, the burden of proving the contrary shall rest on the insured. If the company alleges that by reason of any of the provisions of specific exceptions (3) and (4) above, any loss or claim is not covered by this section the burden of proving the contrary shall rest on the insured.
13. Machinery Breakdown and Consequential Loss of Profits for mobile agricultural implements and machines and for irrigation piping and ancillary equipment or household appliances;
14. Experimental machines and prototypes.

PROVISIONS

Gross Profit

The insurance under items of this section is limited to loss of gross profit due to:

- a) reduction in turnover; and
- b) Increase in cost of working

and the amount payable as indemnity thereunder shall be;

1. in respect of reduction in turnover: The sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover;

2. in respect of increase in cost of working: The additional expenditure necessarily and reasonable incurred for the sole purpose of avoiding or diminishing the reduction in turnover that but for that expenditure would have taken place during the indemnity period in consequence of the accident, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided, less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the accident, provided that the amount payable shall be proportionately reduced if the sum insured in respect of item 1 of this section be less than the sum produced by applying the rate of gross profit to the annual turnover. For the purposes of the insurance under item 1 of this section the expression "gross profit" used in this section shall mean: the amount by which:
 - i. the sum of the value of the turnover and the value of the closing stock shall exceed;
 - ii. the sum of the value of the opening stock and the amount of the specified working expenses.

SPECIFIC CONDITIONS

1. The due observance and fulfilment of the terms of this section and of this policy insofar as they relate to anything to be done or complied with by the insured shall be a condition precedent to any liability of the company.
2.
 - a. Representatives of the company shall at any reasonable time have the right to inspect and examine the risk and the insured shall provide the representatives of the company with all details and information necessary for the assessment of the risk;
 - b. The insured shall as soon as possible notify the company in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly;
3. Should at any time after the commencement of this section:
 - a. the business be wound up or carried on by a liquidator, receiver, trustee or judicial manager or be permanently discontinued;
 - b. the insured's interest ceases other than by death,
 - c. any alteration be made or admitted by the insured whereby the risk of accident is increased;
 - d. the retention of standby or spare machinery or any other loss-minimising factors in existence when the insurance under this section was effected, be reduced or discontinued or such stand-by or spare machinery be not maintained in an efficient working condition and available for immediate use, then the insurance under this section shall, notwithstanding anything contained to the contrary in general condition 1 of this policy, cease unless and until the continuance of the insurance under this section is confirmed in writing by the company.
4. The insured shall exercise all reasonable care in the selection of employment and supervision of all employees and in the prevention of any loss or damage and in compliance with any statutory regulations and manufacturer's recommendations. The stipulations of this specific condition 4 are applicable in addition to the stipulations of general condition 5 of this policy;
5. The insured shall be obliged to keep complete records. All records (for example, but not limited to, inventories, production and balance sheets) for the three preceding years shall be held in safe-keeping or (as a precaution against their being simultaneously destroyed) the insured shall keep separate sets of such records;
6. On the happening of any occurrence that may result in a claim under this section the insured shall, notwithstanding general condition 6:
 - a. Immediately notify the company by telephone or telegram of the aforesaid occurrence and send the company written confirmation thereof within 48 hours after the aforesaid occurrence;
 - b. do and concur in doing and permit to be done all such things as may be reasonably practicable to minimize or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting therefrom;
 - c. as far as may be reasonably practicable without causing any increase in the period of interruption or interference with the business take precautions to preserve any things that might prove necessary or useful by way of evidence in connection with any claim;
 - d. discontinue the use of any damaged machinery and plant unless the company authorised otherwise, and the company shall not be liable in respect of any further interruption or interference with the business arising out of the continued use of any damaged machinery and plant without the company having given its consent in writing to such use until the aforesaid machinery and plant have been repaired to the satisfaction of the company;
7. In the event of a claim being made under this section the insured shall, notwithstanding general condition 6, at the insured's own expense within 30 days after the expiry of the indemnity period (or within such further time as the company may in writing allow) submit to the company a written statement setting forth full particulars of the insured's claim together with details of all other insurances covering the accident or any part of it or consequential loss (of any kind whatsoever) resulting therefrom. The insured shall at his own expense also produce and furnish to the company such books of account and other business books, documents, proofs, information, explanation and other evidence as may be reasonably required by the company for the purpose of investigating or verifying the claim, together with (if required) a statutory declaration regarding the truth of the claim and of any matters connected with the claim;
8. If at the time of any accident resulting in a loss insured against under this section there be any other insurance effected by or on behalf of the insured covering the same loss or any part thereof the company shall not be liable to pay or contribute more than its rateable proportion of any sum payable in respect of the whole of such loss. Provided that the company shall not be liable to pay for or contribute to any loss that is insured by or would but for the existence of this section be insured by any business interruption or loss of profits or consequential loss policy or policies covering marine risks or fire and/or explosion risks;

9. The total amount of the indemnity that is provided under this section shall be payable two weeks after the final determination of such amount. If after the expiry of one month since the beginning of an interruption of or interference with the business and after the expiry of each further month it is possible to determine the minimum amount that the company is liable to pay in respect of the then elapsed period of the aforesaid interruption or interference the insured shall be entitled to demand that the aforesaid minimum amount be paid to the insured as an instalment in respect of the total amount of the indemnity that is provided under this section;

Provided that:

- a. the company shall be entitled to postpone any payment:
 - i. if there is any doubt as to the insured's right to receive payment until the necessary proof is furnished;
 - ii. if, as a result of any physical damage or any interruption of or interference with the business any police or penal investigation have been initiated against the insured, until the completion of such investigations.
 - b. the company shall not be liable to pay interest other than interest for default;
10. In the event of an accident to any machinery and plant that may result in a claim under this section the company shall have the right to take over and control all necessary repairs or replacements;
11. On the happening of any occurrence in respect of which a claim is or may be made under this section the company and every person authorised by the company (without thereby incurring any liability and without diminishing the right of the company to rely upon any other conditions of this policy) enter any building where the loss has happened and may take possession of or require that any of the machinery and plant be surrendered to them and may keep possession of and deal with such machinery and plant for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and license of the insured to the company so to do. If the insured or anyone acting on his behalf does not comply with the requirements of the company or hinders or obstructs the company during the aforementioned acts, then all benefit under this section shall be forfeited.

CLAUSES

It is expressly declared and agreed that the following clauses (each individually) shall otherwise be subject 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, as if they had been incorporated in such clauses.

1. Clause regarding overhauls

In determining the amount payable as indemnity under this section due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption of or interference with the business.

2. Clause regarding benefits after recommissioning

If during a period of 6 months immediately following the recommissioning of the machinery and plant after an accident the insured derives benefit from deferred sales or from increased production and/or profits as a consequence of an interruption of or interference with the business, such benefits shall be taken into account in determining the amount payable as indemnity under this section.

3. Clause regarding reinstatement of sum insured

For the period following the occurrence of an accident up to the last day of any (annual) period of insurance the sum insured under this section shall be reinstated by payment of an additional premium on a pro rata basis, such additional premium to be calculated on that part of the aforesaid sum insured that corresponds to the amount paid as indemnity under this section. The sum insured shall, however, remain unaltered.

4. Clause regarding return of premium

If the insured declares at the latest six months after the expiry of any (annual) period of insurance that the gross profit earned during the accounting period of 12 months most nearly concurrent with the aforesaid (annual) period of insurance, as certified by the insured's auditors, was less than the sum insured thereon, a pro rata return of premium, not exceeding one third of the premium paid on such sum insured for such (annual) period of insurance, shall be made in respect of the difference. If any accident has occurred giving rise to a claim under this section the aforesaid return shall be made in respect only of so much of the aforesaid difference as is not due to such accident.

5. Clause regarding return of premium

The company shall not be liable under this section in respect of the prolongation of any period of interruption of or interference with the business resulting directly or indirectly from the operation of:

- a. any gazetted law of the Republic of South Africa, including any exchange control regulation, directed against any other country;
- b. any law of a foreign country or international law directed against the Republic of South Africa;
- c. any economic sanctions, conventions, trade embargoes, boycotts, strikes or actions directed against the Republic of South Africa, other than occurring within the borders of the Republic of South Africa.

If the company alleges that this clause is applicable by reason of any or all of stipulations (a), (b) and (c) above, the burden of proving the contrary shall rest on the Insured.

5. Time excess

Unless stated otherwise in the schedule a time excess of 48 hours will apply to each and every claim.

26. DETERIORATION OF STOCK FOLLOWING MACHINERY BREAKDOWN

DEFINED EVENTS

Loss of or damage to the insured property (stock) specified in the schedule caused by deterioration due to unforeseen and sudden physical loss of or damage to the machinery specified in the machinery breakdown section and indemnifiable under the machinery breakdown section in force. Provided that the liability of the company shall not exceed the limit of indemnity stated in the schedule in respect of the premises specified.

DEFINITIONS

The following definitions apply to the words or terms listed below wherever they appear in this section unless specifically otherwise indicated:

“Cold room”: shall include refrigeration chamber

“Value”: shall mean, in respect of the insured products the actual purchase price paid by the insured to his supplier for the insured products or that part thereof affected by damage.

“Damage” in respect of the Insured Products shall mean: Destruction of the insured products by deterioration, contamination, putrefaction or spoilage;

SPECIFIC EXCEPTIONS

1. Loss arising within the no-claim period stated in the schedule of goods stored in the refrigeration chambers due to deviation from the prescribed refrigeration temperature, unless deterioration is caused by contamination due to leakage of refrigerant, or by accidental freezing of goods, or unless fresh goods that have not yet reached the prescribed refrigeration temperatures, are affected thereby (provided this cover is stated in the schedule)
 - a. No-claim period is defined as the time period immediately following cessation of refrigeration or cooling equipment, during which, with the storage room left sealed, no deterioration would have taken place.
 - b. The no claim period shall have a time excess of 24 hours or as stated in the schedule which shall apply from the start of the cessation of the refrigeration or cooling equipment.
2. Loss of or damage to the goods stored arising as a result of shrinkage, inherent defects or diseases, natural deterioration, natural putrefaction, bruising, rodents, pests or vice
3. Loss arising from improper storage, damage to packing material, insufficient circulation of air, non-uniformity of temperature
4. Loss caused by temporary repairs carried out without the company’s consent of the refrigeration machinery specified in the insured’s list of machinery
5. Penalties for delay, consequential loss or damage, or liability of any nature whatsoever.
6. Loss or damage directly or indirectly caused by, or arising out of, or aggravated by:
 - a. The willful, wanton, or deliberate act, or negligence of any principal partner or employee of the insured or his representatives
 - b. fire lightning, chemical explosion, extinguishing of a fire, or subsequent demolition
 - c. aircraft or other aerial devices or articles dropped therefrom
 - d. theft or an attempt thereat
 - e. collapse of buildings
 - f. flood, inundation, earthquake, subsidence landslip, avalanche, hurricane, cyclone, volcanic eruption or other natural catastrophes
7. All losses resulting from the failure to maintain the refrigeration plant or equipment.
8. All losses that arise from “load shedding” or the deliberate withholding of electricity supply, or power by any municipal or recognised authority.
9. Losses resulting from drought or shortage of fuel at any power station;
10. All losses that arise from theft or attempted theft.
11. All losses resulting from the destruction of or damage or loss of the refrigeration plant or equipment (or part thereof) due to theft or attempted theft.
12. Damage to insured products not contained in insured cold rooms or refrigeration units at the time of such damage
13. consequential loss, damage or liability arising out of the damage to the insured products and/or Cold room(s);
14. The excess stated in the schedule.

CLAUSES, EXTENSIONS, AND LIMITATIONS

1. Accidental escape of refrigerant extension (if stated in the schedule to be included)

The definition of accident is extended to include damage to the insured products (contained in the cold room) and/or the insured cold room(s) caused as a direct result of the accidental escape of refrigerant following unforeseen and sudden physical damage to the refrigeration machinery described in the schedule of this section.

2. Automatic restart clause

The controlling switchgear of the refrigeration machinery described in the schedule of this section shall incorporate apparatus for automatic restarting following a failure of the public supply of electricity.

3. Declaration clause

On the expiry of each (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date) the insured shall make the following declaration to the company:

- a. the average monthly value of the insured products contained in coldroom(s). The provisional premium shall be adjusted at the rates agreed between the insured and the company and an additional or refund premium charged or allowed to the insured.

4. Maintenance processes clause

It is hereby declared and agreed that a maintenance or service contract must be in force for all equipment insured under the Machinery Breakdown and all equipment wherein stock is stored which is covered under the Deterioration of Stock section of the policy. This contract must be in place for each machine, plant or equipment described in the policy schedule.

The maintenance of all machines, plant or equipment described in the policy schedule shall incorporate the following:

- a. preventative maintenance of machines, plant or equipment
- b. Repairs or replacement of damaged components and any rectification of losses or damage or faults arising from the normal operation and ageing of all machines, plant, or equipment
- c. Regular safety checks being performed (weekly or monthly as per manufacturers requirements)

All costs for maintenance related work are excluded and not recoverable or insurable under this policy

5. Provisional premium clause

The premium charged under this section shall be provisional and adjusted on the expiry of each period of insurance in accordance with the provisions of Clause (3) above.

6. Required certificate and proofs clause

In the event of damage to the insured products:

- a. where such damage necessitates the destroying of the insured products a certificate of condemnation must be obtained by the insured from the appropriate local authority for such goods to be destroyed.
- b. in cases where damage is alleged to have impaired the value of the insured products, reasonable proof of impairment of value must be submitted by the insured in respect of such insured products.

7. Average clause

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition

8. Constant Supervision (only if stated in the schedule to be included)

It is a condition of cover that the insured refrigeration machinery is under constant supervision by qualified personnel in an attended location

27. MOTOR TRADERS' EXTERNAL RISKS

DEFINED EVENTS

The company will in accordance with the terms, exceptions and conditions of Article 1 and Article 2 indemnify the Insured in respect of any accident, loss or damage occurring whilst any insured vehicle is elsewhere than in or on any business premises owned by or in the occupation of the Insured and such insured vehicle is being used in accordance with the terms of the basis of insurance which is mentioned under the cover details section in the schedule.

ARTICLE 1 – LOSS OF OR DAMAGE TO THE INSURED VEHICLE

The company will indemnify the Insured against loss of or damage to any insured vehicle including the spare wheels and standard issued tools, accessories and spare parts of such insured vehicle whilst thereon as well as other accessories and spare parts of such insured vehicle whilst attached thereto.

Provided always that:

- a) the company may at its own option repair, reinstate or replace such insured vehicle or any part thereof and/ or the spare wheels, tools, accessories and spare parts as mentioned above thereof or may pay in cash the amount of the loss or damage;
- b) the liability of the company is limited to the reasonable market value of the insured vehicle (including the spare wheels, tools, accessories and spare parts) at the time of loss, but not in any case exceeding the limit of indemnity as stated in respect of Article 1 in the schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence;
- c) in the event of any part of the insured vehicle (which shall include any spare wheel, tool, accessory and spare part) that needs to be repaired or replaced and is unobtainable in the Republic of South Africa as a standard (ready manufactured) part, the liability of the company shall be discharged by the payment of a sum equal to the value of such part (including the reasonable cost of freight other than by air) at the time of the accident but not in any case exceeding such part's price as stated in the manufacturer's last issued catalogue or price list;
- d) if such insured vehicle is disabled by reason of any loss or damage insured under Article 1 of this Section the company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the previous consent of the company to the extent of but not exceeding R2 000 on the understanding 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 the aforesaid loss or damage but not exceeding the reasonable cost of transport to the address of the Insured anywhere in the Republic of South Africa, Namibia, Lesotho, Botswana and Swaziland on condition, however, that the company's liability for the aforesaid cost in respect of protection, removal and delivery shall in any case be limited to R2 500 in total.

Specific exceptions

The company shall not be liable under Article 1 of this Section to pay for:

- a) consequential loss arising in any way whatever, depreciation, wear and tear, mechanical, electrical or electronic breakdowns, failures or breakages;
- b) damage to tyres by application of brakes or by road punctures, cuts or bursts;
- c) damage to springs or shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;
- d) loss or damage to accessories or spare parts by theft unless the vehicle is stolen at the same time
- e) loss, damage, cost or expense directly or indirectly arising from permanent or temporary dispossession resulting from detention, confiscation, forfeiture, impounding or requisition;
- f) loss or damage to accessories or spare parts by theft, unless the vehicle is stolen at the same time;
- g) defective workmanship or consequential loss as a result thereof to any vehicle in or on the premises;
- h) loss of or damage that is covered under any other policy or section providing cover for fire, explosion, lightning, theft, any weather condition, earthquake or earth tremor;
- i) detention, confiscation, forfeiture, nationalisation or requisition;
- j) loss or damage or injury occurring by or through the use of any vehicle hoist or vehicle ramp unless otherwise stated in the schedule;
- k) theft of any vehicle from the premises unless accompanied by visible signs of forcible and violent entry to the premises or exit therefrom or any threat thereof.
- l) Theft by fraudulent means, false pretences or scams are excluded.
- m) Loss or damage caused by vermin, pests or rodents.

ARTICLE 2 - LIABILITY TO THIRD PARTIES

The company will:

1. indemnify the Insured in the event of an accident caused by or through or in connection with any insured vehicle, including the loading and/or unloading of such insured vehicle, against all sums, including claimant's costs and expenses, which the Insured shall become legally liable to pay in respect of:
 - a. 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, if the insured is an individual, being a member of the same household as the insured;
 - b. damage to property other than property belonging to 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;

2. pay all costs and expenses incurred (which relate to the indemnity provided under Article 2 of this Section) 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 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 section, provided that the total of the company's liability under both this extension and Article 2 shall not exceed the limit of indemnity stated to apply to Article 2;
3. indemnify, in terms of and subject to the limitations of and for the purposes of Article 2 of this Section, any person who is driving any insured vehicle on the Insured's order or with the Insured's permission, on the understanding that:
 - a. such person is not entitled to indemnity under any other policy or any other section of this policy;
 - b. such person shall as though he were the Insured observe, fulfil and be subject to the terms, limitations, exceptions and conditions of this Section and of this policy in so far as they can apply;
 - c. such person has not been refused any motor vehicle insurance or continuance thereof by any insurance company or underwriter.

Provided always that the liability of the company under Article 2 of this Section in respect of death, injury, damage, costs and/or expenses shall be limited to the sum insured that is specified in respect of Article 2 under the cover details section of the schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence.

Specific exceptions

The company shall not be liable under Article 2 of this Section in respect of:

- a) death, injury or damage caused by or arising out of the operation, demonstration or use for purposes other than maintenance or repair of any insured vehicle (unless it be a fork lift truck) of any tool or plant forming part of or attached to or used in connection with any insured vehicle or anything manufactured by or contained in any such tool or plant;
- b) death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of a load to any insured vehicle for loading thereon or the taking away of a load from any insured vehicle after unloading therefrom;
- c) death of or injury to any person in the employment of the Insured arising out of and in the course of such employment
- d) death of or injury to any person being carried in or upon or entering or getting on to or alighting from any motor scooter, motor cycle or side-car attached thereto at the time of the occurrence of the event out of which any claim arises;
- e) death of or injury to any person being a member of the same household as the Insured;
- f) damage to property belonging to, held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from any insured vehicle;
- g) damage to any viaduct bridge or weighbridge or to any road and/or anything beneath by vibration or by the weight of any insured vehicle or load carried by such insured vehicle.

DEFINITIONS

For the purposes of this Section the expression:

"Schedule" used in this Section shall mean – the schedule of this Section.

"insured vehicle" or **"vehicle"** used in this Section shall mean – any motor vehicle or trailer the property of or in the custody or control of the Insured (excluding any vehicle the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such vehicle is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises) and any vehicle (mechanically-propelled or otherwise) attached to any aforementioned vehicle for the purposes of being towed or salvaged.

"wage basis" shall mean: Motor traders is rated on the annual wages, salaries, commissions and any other consideration of all employees.

"Occurrence" shall mean: an occurrence or series of occurrences arising from one case in connection with any one vehicle in respect of which indemnity is provided by this insurance.

CLAUSES

Application of limits of indemnity

In the event of any accident involving indemnity to more than one person, any limitation by the terms of this section and/or of any endorsement thereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the Insured.

First portion for which the insured is responsible

In respect of each and every occurrence regarding this Section and notwithstanding anything to the contrary contained in Article 1 or Article 2, the Insured shall be responsible for the first amount payable (excess) in the schedule, of any expenditure (or any less expenditure which may be incurred) for which provision is made under the aforesaid Articles (including any payment in respect of costs, expenses and fees) and of any expenditure by the company in the exercise of the company's discretion under Article 1 of this Section and General Condition 7(a)(ii) of this policy. If the expenditure incurred by the company shall include the amount for which the Insured is responsible in terms of this Clause, such amount shall be paid by the Insured to the company forthwith.

For the purpose of this Clause the expression "occurrence" used in this Clause shall mean an occurrence or series of occurrences due to or arising out of one cause in connection with any one vehicle in respect of which indemnity is provided by this Section.

Description of use

Use for the Insured's business or occupation as stated in the schedule. EXCLUDING: Hiring; carriage of passengers for hire or carriage of fare paying passengers; driving instruction, for reward; racing; speed or other contests, obstacle courses, off-road courses, rallies or trials; carriage of explosives; carriage of passengers in excess of the number for which the vehicle is licensed or authorised by law to carry; or carriage of any load in excess of that for which the vehicle is licensed to carry; or carrying of trade goods.

SPECIFIC EXCEPTIONS

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

1. 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 the aforementioned enactment is in force or has been effected;
2. any accident, injury, loss, damage, liability, costs and/or expenses caused, sustained or incurred outside the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi provided, however, that the company will indemnify the Insured in terms of Article 1 of this Section against loss of or damage to any insured vehicle whilst in transit by sea between any ports in the aforementioned area including loading and unloading incidental to such transit;
3. any accident, injury, loss, damage, liability, costs and/or expenses caused, sustained or incurred while any insured vehicle in respect of or in connection with which insurance is granted under this Section:
 - a. is being used otherwise than in accordance with the terms of the description of use clause of this Section and the basis of insurance which is mentioned in the schedule;
 - b. is being driven by the Insured or by any other person with the general knowledge and consent of the Insured unless duly and fully licensed to drive such vehicle in terms of the legislation applying to the area referred to in Specific Exception (2) of the Specific Exceptions applicable to this Section provided, however, that if such a license be subject to renewal he has held and is not disqualified from holding or obtaining such a license and provided further that this Exception shall not apply whilst the Insured or any such other person is driving such vehicle whilst leaning to drive it at such time he is complying with the laws and regulations in force relating to learners;
 - c. is driven by the insured, a member or a director of the insured whilst under the influence of any intoxicating liquor, alcohol or drugs (unless administered or prescribed by and taken in accordance with the instruction of a member of the medical profession other than himself or herself that does not affect their normal ability to drive);
 - d. is being driven with the general consent of the insured or of his representative, by any person who to the knowledge of the insured or of such representative, is under the influence of any drug or intoxicating liquor;
 - e. is being used for any unauthorised purpose by an employee of the insured or by any other person with whom such employee is or was in collusion;
4. any claim arising out of any contractual liability.

SPECIFIC CONDITIONS

1. If during the currency of this Section any driver's license in favour of the Insured or in favour of any authorised driver of the Insured be endorsed, suspended or cancelled or if he 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.
2. In addition to complying with General Condition 5 of this policy:
 - a. The insured must take all reasonable steps to safeguard and protect the vehicle and maintain it in accordance with the roadworthy requirements of any legislation applying within the territorial limits. Failure to maintain a vehicle in a proper roadworthy condition will result in a claim being repudiated.
 - b. All reasonable steps shall in the event of any accident or breakdown be taken to prevent further damage or loss. If the insured vehicle which is involved be driven or used before the necessary repairs are effected, any extension of the damage or any further damage to such insured vehicle shall be entirely at the Insured's own risk.
3. Only people with valid driver's licenses are allowed to operate the vehicles.

PROVISIONS

It is hereby declared and agreed that only the basis which is mentioned under the insurance cover details of the schedule is applicable. Such basis is subject to all the terms, exceptions and conditions of this section and this policy (as far as they can apply).

Wages basis

1. The cover under this Section shall only be operative whilst the insured vehicle is being used:
 - a. for business purposes of the Insured by the Insured or a member, director or employee of the Insured excluding transit, delivery or conveying for or on behalf of the Insured by casual drivers or persons not wholly and regularly engaged in the employ of the Insured;
 - b. for purposes of tuition provided that the person being taught to drive is complying with the law in force relating to learner-drivers and is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
 - c. for purposes of demonstration which shall include driving by the person to whom the insured vehicle is being demonstrated provided that such person is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;

- d. for social, domestic and pleasure purposes (whether such use is incidental to the business of the Insured or not) by any person other than the Insured or a member, director or employee of the Insured.
2. It is a condition precedent to any liability of the company under this Section that the Insured shall regularly record in a proper wage register the name of every employee together with the wages, salary, commission and other consideration paid or allowed to such employee and shall immediately record in such wage register the date of engagement and of discharge of each employee.

Named driver basis

The cover under this Section shall only be operative whilst the insured vehicle is being driven by or is for the purpose of being driven by him/her in the charge of any person whose name is mentioned in the schedule under insurance cover details provided that such person is the Insured, or a member, director or employee of the Insured and the insured vehicle is being used:

- a) for business purposes of the Insured;
- b) for purposes of tuition provided that the person being taught to drive is complying with the law in force relating to learner-drivers and is accompanied by any person whose name is mentioned in the schedule;
- c) for purposes of demonstration which shall include driving by the person to whom the insured vehicle is being demonstrated provided that such person is accompanied by any person whose name is mentioned under the heading "Named drivers" in the schedule;
- d) for social, domestic and pleasure purposes (whether such use is incidental to the business of the Insured or not) by any person whose name is mentioned under the insurance cover details in the schedule.

Trade plate basis

The cover under this Section shall only be operative whilst the insured vehicle carrying in the manner and for purposes prescribed by law a trade plate bearing any trade registration number which is mentioned under the heading "Trade registration numbers" in the schedule and is being used:

- a) for business purposes of the Insured by the Insured or a member, director or employee of the Insured, excluding transit, delivery or conveying for or on behalf of the Insured by casual drivers or persons not wholly and regularly engaged in the employ of the Insured;
- b) for purposes of tuition, provided that the person being taught to drive is complying with the law in force relating to learner-drivers and is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
- c) for purposes of demonstration which shall include driving by the person to whom the insured vehicle is being demonstrated provided that such person is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
- d) for social, domestic and pleasure purposes (whether such use is incidental to the business of the Insured or not) by any person other than the Insured or a member, director or employee of the Insured.

EXTENSIONS

It is declared and agreed that:

- a. only those Extensions which are specifically stated in the schedule as being included, shall apply to this section;
- b. the following Extensions (each individually) shall otherwise be subject 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, as if they had been incorporated in such Extensions.

(1) Use for social, domestic and pleasure purposes (if stated in the schedule to be included)

In consideration of the payment of an additional premium which is included in the premium on this Section and notwithstanding anything contained to the contrary in this Section, the indemnity provided by this Section applies whilst any insured vehicle is being used for social, domestic and pleasure purposes by any person whose name is mentioned in respect of this Extension in the schedule.

(2) Loss of use of customers' vehicles (if stated in the schedule to be included)

In consideration of the payment of an additional premium, which is included in the premium on this section. In the event of the company being liable to indemnify the Insured under Article 1 of this Section in respect of loss of or damage to any insured vehicle, which is the property of a customer whilst in the custody or control of the Insured, the company will also indemnify the Insured notwithstanding anything contained to the contrary in the Specific Exceptions applicable to Article 1 of this Section, against all sums which the Insured shall become legally liable to pay as compensation for loss of use of such vehicle, but only in respect of the cost incurred by the customer in obtaining a rental vehicle during the time of loss or damage for a maximum period of 30 days. Provided that the liability of the company in respect of any one occurrence, shall not exceed the amount stated in the schedule in respect of this Extension.

(3) Unauthorised use of vehicles by employees (if stated in the schedule to be included)

In consideration of the payment of an additional premium, which is included in the premium on this Section Specific Exception (3) (e) of the Specific Exceptions to this Section is cancelled.

(4) Legal liability of passengers for acts of negligence (if stated in the schedule to be included)

In consideration of the payment of an additional premium which is included in the premium on this Section the company will at the request of the Insured indemnify in terms of Article 2 of this Section any person using the insured vehicle.

Provided always that such person:

- a) is not personally driving or in control of the insured vehicle;
- b) is not entitled to indemnity under any other policy;
- c) is not under the influence of intoxicating liquor or drugs;

- d) shall as though he 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.

(5) Legal liability in respect of passengers (applicable to motorcycles and motor scooters only) (if stated in the schedule to be included)

In consideration of the payment of an additional premium which is included in the premium on this Section Specific Exception (d) of the Specific Exceptions applicable to Article 2 of this Section is cancelled. Provided always that the liability of the company in respect of any one occurrence shall not exceed the amount stated in the schedule in respect of this Extension.

(6) Driving of motorcycles (if stated in the schedule to be included)

In consideration of the payment of an additional premium which is included in the premium on this Section and notwithstanding anything to the contrary contained in this Section the indemnity provided by this Section is extended to apply whilst any insured motor cycle or insured motor scooter is being driven by a person for the purpose of tuition or demonstration without being accompanied by the Insured or a member, director or employee of the Insured.

MODIFICATIONS

It is declared and agreed that:

- a) only those Modifications which are specifically stated in the schedule as being included, shall apply to this Section;
- b) the Modifications (each individually) shall otherwise be subject 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, as if they had been incorporated in such Modifications.

1. Cover for motorcycles and motor scooters only

The expression "insured vehicle" used in this Section shall bear the following meaning and not as stated in the Definitions of this Section:

any two-wheeled motor cycle or motor scooter (including any side car attached thereto) the property of or in the custody or control of the Insured, excluding any motor cycle or motor scooter the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such motor cycle or motor scooter is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises.

2. Cover for special type vehicles only

The expression "insured vehicle" used in this Section shall bear the following meaning and not as stated in the Definitions of this Section: Any tractor, agricultural, horticultural or forestry vehicle of load and earth moving equipment, lift truck or mobile crane (hereafter termed "Special Type Vehicle") the property of or in the custody or control of the Insured (excluding any "Special Type Vehicle", the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such "Special Type Vehicle" is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises) and any vehicle (mechanically-propelled or otherwise) attached to any aforementioned "Special Type Vehicle" for the purpose of being towed or salvaged.

3. Exclusion of own vehicles

The expression "insured vehicle" used in this Section is deemed not to include any vehicle that is the property of the Insured.

4. Exclusion of demonstration risk

The company shall be under no liability whilst any insured vehicle is being used for the purpose of demonstration.

5. Exclusion of legal liability in respect of passengers

The company shall not be liable under Sub-section II of this Section in respect of death of or injury to any person being carried in or upon or getting onto or entering or alighting from any insured vehicle at the time of the occurrence of the event out of which any claim arises.

6. Restricted cover (third party, fire and theft)

The policy is amended:

- a) the liability of the company under Sub-Section A of this Section shall be restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion and to loss or damage by theft or any attempt thereat;
- b) the Clause regarding No Claim Rebate is cancelled.

7. Third party only cover

Article 1 and the Clause regarding No Claim Rebate of this Section are cancelled.

28. MOTOR TRADERS' INTERNAL RISKS

DEFINED EVENTS

ARTICLE 1 - DAMAGE TO THE INSURED VEHICLE

The company will indemnify the insured against damage to any insured vehicle the property of the insured occurring in or on the premises. Provided always that:

- a) the company may at its own option repair, reinstate or replace such insured vehicle or any part thereof or may pay in cash the amount of the damage;
- b) the liability of the company under Article 1 of this Section is limited to the reasonable market value of such insured vehicle but not in any case exceeding the amount stated in respect of Article 1 under the heading "LIMITS OF LIABILITY" in the schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence;
- c) in the event of any part (which shall include any spare wheel, tool, accessory and spare part) needed to repair or replace damage (insured against under Article 1 of this Section) to such insured vehicle being unobtainable in the Republic of South Africa as a standard (ready manufactured) article the liability of the company shall be discharged by the payment of a sum equal to the value of such part (including the reasonable cost of freight other than by air) at the time of the accident but not in any case exceeding such part's price as stated in the manufacturer's last issued catalogue or price list.

Specific Exceptions

The company shall not be liable under Article 1 of this Section to pay for:

- a) loss of use, depreciation, wear and tear, mechanical or electrical breakdowns, failures or breakages;
- b) damage to tyres unless caused by an accident involving damage to the insured vehicle itself for which indemnity is provided under Article 1 of this Section.
- c) consequential loss arising in any way whatever, depreciation, wear and tear, mechanical, electrical or electronic breakdowns, failures or breakages;
- d) damage to springs or shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;
- e) loss, damage, cost or expense directly or indirectly arising from permanent or temporary dispossession resulting from detention, confiscation, forfeiture, impounding or requisition;
- f) loss or damage to accessories or spare parts by theft, unless the vehicle is stolen at the same time;
- g) defective workmanship or consequential loss as a result thereof to any vehicle in or on the premises;
- h) loss of or damage that is covered under any other policy or section providing cover for fire, explosion, lightning, theft, any weather condition, earthquake or earth tremor;
- i) detention, confiscation, forfeiture, nationalisation or requisition;
- j) loss or damage or injury occurring by or through the use of any vehicle hoist or vehicle ramp unless otherwise stated in the schedule;
- k) theft of any vehicle from the premises unless accompanied by visible signs of forcible and violent entry to the premises or exit therefrom or any threat thereof.
- l) theft by fraudulent means, false pretences or scams are excluded.

ARTICLE II – LIABILITY TO THIRD PARTIES

The company will indemnify the insured against all sums, including claimant's costs and expenses, which the Insured shall become legally liable to pay in respect of:

- a. Accidental death of or bodily injury to any person;
- b. Accidental damage to any insured vehicle held in trust by or in the custody or control of the Insured;
- c. Accidental damage to any other property (that is, any property other than a vehicle) arising in or on the premises, the situation of which is stated in the schedule, out of the activities of the Insured's business.

Provided always that:

- a) the company will indemnify the Insured against all costs and expenses (which be connected with the indemnity provided under Article II of this Section) incurred with the company's written consent;
- b) the liability of the company under Article II of this Section in respect of death, injury, damage, costs and/ or expenses shall be limited to the sum specified in respect of Article II under the insurance cover details in the schedule of this Section, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance; except that in respect of death, injury, damage, costs and/or expenses directly or indirectly due to or in consequence of fire or explosion, the liability of the company under Article II of this Section shall be limited to the sum specified in respect of Article II under the insurance cover details in the schedule, or the sum of R300 000 (Three hundred thousand Rand), whichever is the lesser, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance.

Specific Exceptions applicable to Article II

The company shall not be liable under Article II of this Section in respect of:

- a) death of or injury to any person in the employment of the Insured arising out of and in the course of such employment;
- b) death of or injury to any person being a member of the same household as the Insured;
- c) damage to property belonging to, held in trust by or in the custody or control of the Insured or belonging to a member of the same household as the Insured or belonging to an employee of the Insured;

- d) damage to any insured vehicle the property of the Insured or a member of the same household as the Insured or an employee of the Insured.

PROVISIONS

Only the basis which is mentioned under the heading “basis of insurance” in the schedule is applicable. Such basis is subject to all the terms, exceptions and conditions of this section and this policy (as far as they can apply).

DEFINITIONS

For the purposes of this Section the expression:

“**Schedule**” used in this Section shall mean – the schedule of this Section.

“**Premises**” used in this Section shall mean – the premises, the situation of which is stated in the schedule.

“**Insured’s business**” used in this Section shall mean – the Insured’s business as stated in the schedule.

“**insured vehicle**” used in this Section shall mean – any motor vehicle and/or trailer including the spare wheel(s) and standard issued tools, accessories and spare parts of such motor vehicle and/or trailer whilst thereon as well as other accessories and spare parts of such motor vehicle and/or trailer whilst attached thereto.

CLAUSES

Clause regarding application of limits of indemnity

In the event of any accident involving indemnity to more than one person any limitation by the terms of this Section and/or of any endorsement thereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the Insured.

Clause regarding first amount payable for which the Insured is responsible

In respect of each and every occurrence regarding Articles I and II of this Section and notwithstanding anything to the contrary contained in such Articles the Insured shall be responsible for the first portion, as stated under the heading “First Portion Payable” in the schedule, of any expenditure (or any less expenditure which may be insured) for which provision is made under the aforesaid Articles (including any payment in respect of costs, expenses and fees) and of any expenditure by the company in the exercise of the company’s discretion under Article I of this Section and General Condition 7(a)(ii) of this policy. If the expenditure incurred by the company shall include the amount for which the Insured is responsible in terms of this Clause, such amount shall be paid by the Insured to the company forthwith.

For the purpose of this Clause the expression “occurrence” used in this Clause shall mean an occurrence or series of occurrences due to or arising out of one cause in connection with any one vehicle in respect of which indemnity is provided by this Section.

SPECIFIC EXCEPTIONS APPLICABLE TO ALL ARTICLES OF THIS SECTION

The company shall not be liable under this Section in respect of:

1. 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 the said enactments is in force or has been effected;
2. death, injury or damage directly or indirectly caused by fire or explosion or lightning, provided that this Exception shall not apply to any claim under Article II (a) and II (b) of this Section arising from death, injury or damage caused by fire or explosion resulting directly from the possession of any motor vehicle;
3. any consequence of theft or housebreaking or any attempt thereat;
4. damage to any vehicle or any other property sustained while it is being worked upon and directly resulting from such work;
5. any defective workmanship or any consequence thereof;
6. death, injury or damage caused by or through any demolition of or structural alteration or addition to the premises or by or through the installation of any equipment;
7. death, injury or damage caused by or through or in connection with the use by or on behalf of the Insured or animals, power-driven cranes, elevators, lifts or hoists other than cranes or elevators forming part of any insured vehicle;
8. death, injury or damage resulting from the driving of the insured vehicle elsewhere than in or on the premises;
9. damage caused by weather conditions to the insured vehicle; (10) any claim arising out of any contractual liability;
10. any claim arising out of any contractual liability.

APPENDIX 1 –EXTENSIONS AND MODIFICATIONS

It is expressly declared and agreed that the following Extensions/Modifications (each individually) shall otherwise be subject 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, as if they had been incorporated in such Extensions/Modifications.

(1) Extension regarding work away from premises (Only applicable if stated in the schedule as being included)

In consideration of the payment of an additional premium which is included in the premium of this Section it is hereby declared and agreed that the expression “premises” as defined in the Definitions of this Section shall be deemed to include any premises at which the Insured is performing work provided that such premises are not under the control of the Insured.

(2) Extension regarding car hoists (Only applicable if stated in the schedule as being included)

In consideration of the payment of an additional premium which is included in the premium on this Section it is hereby declared and agreed that the words “and car hoists having a lift not exceeding two metres” are added at the end of Specific Exception (7) of the Specific Exceptions applicable to all Articles of this Section.

(3) Modification regarding third party only cover (Only applicable if stated in the schedule as being included)

It is hereby declared and agreed that Article I and Article II (b) and the Clause regarding No Claim Rebate, are cancelled.

29. DISCLOSURE NOTICE

DISCLOSURE NOTICE FOR SHORT-TERM (NON-LIFE) INSURANCE POLICY HOLDERS

DISCLOSURE REQUIRED IN TERMS OF SECTION 4 TO 7 OF THE GENERAL CODE OF CONDUCT OF THE FINANCIAL ADVISERS AND INTERMEDIARY SERVICES (FAIS) ACT, NO 37 OF 2002

The purpose of this document is to provide you with key information that you should know. Hybrid Risk Management (Pty) Limited, hereinafter referred to as Hybrid, is an authorized Financial Services Provider and administers all aspects of your policy. This information is given to assist Policyholders and is in line with our Regulatory Obligations. As a policy holder you have the right to the following information:

STATUTORY NOTICE

1. About the Insurer

Company Name	New National Assurance Company Limited
Registration Number:	1971/010190/06
Physical Address:	33 Oxford Road, Forest Town, Johannesburg 2193 / Field House, 25 Joe Slovo Street, Durban, 4001
VAT Registration Number:	4380101289
Postal Address:	P.O. Box 1610, Durban, 4000
Telephone Number:	+27 11 646 7456/ +27 31 334 2000
Facsimile Number:	+27 11 646 7698/ +27 31 301 1166
FSP Number:	2603
Email:	compliance@nnac.co.za (Compliance officer – Vicky Lakhraj)
Conflicts of Interest Policy:	www.nnac.co.za

2. About the Underwriting Manager

Company Name	Hybrid Risk Management (Pty) Ltd
Registration Number:	2016/443396/07
Physical Address:	Clearwater Office Park, Building No 2, Corner Christian De Wet & Millennium Blvd, Strubensvalley, Roodepoort, 1735
VAT Registration Number:	4620243982
Postal Address:	Postnet Suite 99, Private Bag X5, Strubensvalley, 1735
Telephone Number:	087 80 80 807
Facsimile Number:	086 566 5252
FSP Number:	40615
Email:	info@hybridrisk.co.za
Conflicts of Interest Policy:	www.hybridrisk.co.za
Professional Indemnity:	Hybrid Risk Management (Pty) Ltd has Professional Indemnity Cover in place

3. About the intermediary (broker)

The following information must be provided to you by your insurance advisor/broker. If your advisor does not provide this Information when requested for please contact us directly.

- a) Name, Physical address, postal address & telephone number.
- b) Legal status and interest in the insurer.
- c) Whether or not in possession of professional indemnity insurance.
- d) Details of how to institute a claim.
- e) Rand amount of fees and commission payable.
- f) Written mandate to act on behalf of the insurer.

4. Disclosures and other legal requirements

You must be informed of any material changes to the information referred to in paragraph 1,2 and 3. If the information in paragraphs 1, 2 and 3 was given orally, it must be confirmed in writing within 30 days. If any complaint to the intermediary or insurer is not resolved to your satisfaction, you may address your queries to the relevant Ombudsman depending on the nature of your claim. Our complaints resolution policy is available on our website at www.hybridrisk.co.za. The insurer and not the intermediary must give reasons for repudiating your claim. Your insurer may not cancel your insurance merely by informing your intermediary. There is an obligation to make sure the notice has been sent to you.

Please take note of the importance of the following:

- a) You will be informed of any material changes to the information referred to above.
- b) Please read through all the documents sent to you so you understand the contents thereof. Please ensure that all the information you supply has been recorded correctly. Any misrepresentation or incorrect information can prejudice you in the event of a claim.
- c) Review your cover periodically to ensure that it is appropriate for your needs.
- d) Please ensure that you understand the benefits and exclusions applicable to your contract of insurance and that you are aware of what is not covered, what is restricted and if there are any special requirements (warranties) as imposed by the insurer.
- e) The policy wording and policy schedule must be read as one document, for any clarification around these documents, your first amounts payable (excesses) or procedures, please contact your broker or Hybrid directly.
- f) Hybrid accepts responsibility for the financial advice of its representatives, acting in the scope and course of their employment.
- g) Some of our representatives work under supervision as defined in the Determination of Fit and Proper Requirements.
- h) You are entitled to a copy of the policy documents free of charge.
- i) No person may request or induce you to waive your rights as set out in this disclosure notice or any other rights confirmed by the Short-term Insurance Act and/or the Financial Advisory and Intermediary Services Act.
- j) Your personal information will be processed in a lawful manner.
- k) With regards to your personal information, you have the right to access any of your personal information and lodge complaints in this regard with the Insurer or the South African Information Regulator in terms of the Protection of Personal Information Act (POPI).
- l) You are not obligated to buy any product and should not be pressurized into such a purchase decision
- m) Do not sign any blank or partially completed forms. Complete all forms in ink or electronically compliant.
- n) Keep all documents relevant to your policy and cover
- o) If any information was given to you verbally, it must be confirmed with you in writing within 30 days.
- p) If the insurer wishes to cancel your policy, notification will be provided in writing to the address details provided by you in your policy documents. The notification will be provided to you with a 31-day notice period.
- q) If a claim is repudiated, you will receive a reason for the repudiation in writing.
- r) If any information given to us regarding your policy, the risk and cover therein changes, you must advise us immediately to reassess the risk.
- s) If you would like to cancel your policy, please contact us within 14 days of receiving your policy documents. It is important to note that this is subject to the condition that no benefits or claims have been paid under any insured risks regarding your policy.

5. Compliance Officer

National Compliance (Pty) Ltd
3 Brabham House, Crowthorne Corner Garlicke Crescent
Ballito Business Park, Dolphin Coast, 4420
Compliance Officer: Daniel Opperman

P.O. Box 6869
Zimbali
4422
Telephone No: (086) 010 4194
Facsimile No: (032) 946 2921
Email: danielo@nationalcompliance.co.za

6. Legal Status and any Interest in the Insurers

- a) Hybrid Risk Management (Pty) Ltd is an authorized financial services provider in terms of the FAIS Act
- b) Some representatives may act under supervision and are qualified according to the FAIS Act (Fit and Proper Requirements).
- c) Hybrid Risk Management (Pty) Ltd is an underwriting manager for Guardrisk Insurance company Limited & New National Assurance Company Limited providing financial services on their behalf and receives a binder fee & profit commission in terms of a binder agreement.
- d) Hybrid Risk Management (Pty) Ltd does not hold any direct financial interest in any insurance company.

Hybrid Risk Management (Pty) Ltd accepts responsibility for the actions of the above-mentioned representatives acting within the mandates listed below. The representatives are authorized to give advice and render the following intermediary services; Category 1:

- Long term insurance subcategory A
- Short term insurance (personal lines)
- Long term insurance subcategory B1
- Long term insurance subcategory C
- Retail pension benefits
- Short term insurance (commercial lines)
- Pension fund benefits
- Participatory interests in a collective investment scheme
- Deposits as defined in the Banks Act – exceeding 12 months
- Deposits as defined in the Banks Act – 12 months or less
- Long term insurance subcategory B2

7. Claims Procedure

Claims can be submitted to the offices of Hybrid Risk Management by email or telephone. The procedure for submitting a claim is described in more detail in the policy wording. The claims department will assist you with your claim. In the event of a claim or loss event you must notify Hybrid Risk Management within 30 days of the loss or claim event. You will be required to provide all reasonable proof, documentation and information relating to the claim or loss event to our claims department.

Claims will not be accepted under circumstances whereby:

1. Premium payable for the policy has not been paid.
2. Any part of the claim is fraudulent in nature.
3. There has been a material misrepresentation, misdescription or non-disclosure by the claimant (or policyholder).
4. The claimant was acting unlawfully when the claim or loss event occurred.

You must make no admission or statement of liability or make any offer to any third party. Claims resulting from loss, theft or malicious damage must be reported to the police. You must notify Hybrid immediately if you become aware of any impending prosecution. In the event of a claim, you may become responsible for the first amount payable, which is reflected in your policy schedule.

In the event of repudiation or rejection of your claim, the insurer must give written reasons. Polygraph or any lie detector test is not obligatory in the event of a claim and the failure thereof may not be the sole reason for repudiating a claim

Telephone Number: 087 80 80 807

Email: claims@hybridrisk.co.za

8. Premiums and your monetary obligations

You agreed to pay the premium. The amount of premium due, the frequency of payment and the date on which payment is due are contained in the schedule. Cover will be provided for those periods of insurance for which premiums have been paid to us within the valid receipt period.

For monthly policies, if payment has not been made on the payment date, a 15-day grace period will be extended from commencement of the second month of the policy; and failing further premiums, your policy will lapse and cover will automatically be cancelled, effective from and including the day that premium had become due. Therefore, non-payment of premiums may lead to rejection of your claim.

For annual policies, payment is due at inception of cover, and on or before renewal of the policy. Failing payment of the premium, your policy will lapse, and cover will automatically be cancelled. Therefore, non-payment of premiums may lead to rejection of claims.

If a premium is paid by debit order, it may only be in favour of the insurer and may not be transferred without your approval.

9. Complaints Resolution

Complaints can be submitted to the offices of Hybrid Risk Management by email, website or telephone. The complaints manager will assist you in addressing your complaint. If you are dissatisfied with the outcome of your complaint you can escalate the complaint to the New National Assurance Company Limited. In the event you are dissatisfied with the outcome of the complaint escalated to New National Assurance Company Limited, you may submit your complaint to the relevant Ombudsman's office. All decisions made with regard to complaints will be communicated to you in writing, advising you as to the decision as well as the reason(s) for the decision made. You are entitled to request a copy of our complaints policy and procedures from any of our or our representatives at any time, and the information is also available on our website.

Complaints Manager: Hendre Smit

Email: complaints@hybridrisk.co.za

10. Ombudsman for Short-Term Insurance details

The Ombudsman for Short-Term Insurance
Sunnyside Office Park, 5th Floor, Building D
32 Princes of Wales Terrace, Parktown 2193

P.O. Box 32334
Braamfontein
2017
Telephone No: (011) 726-8900
Facsimile No: (011) 726-5501
Email: info@osti.co.za
Web: www.osti.co.za

11. FAIS Ombud Details

FAIS Ombud
The Customer Contact Division
Sussex Office Park, Ground Floor, Block B
473 Lynnwood Road, Lynnwood, Pretoria, 0081

P.O. Box 74571
Lynnwood Ridge
0040
Telephone No: (012) 470-9080
Email: info@faisombud.co.za

12. SASRIA SOC Limited details

SASRIA SOC Limited
36 Fricker Road
Illovo
Sandton
2196

P.O. Box 653367
Benmore
2010
Telephone No: (011) 214-0800
Facsimile No: (011) 447 8630
Email: contactus@sasria.co.za

13. South African Information Regulator details

Physical address:
JD House, 27 Stiemens Street
Braamfontein, Johannesburg
2001

P O Box 31533
Braamfontein
2017
Email: complaints.IR@justice.gov.za