



**ONE**

**AVANT** POLICY WORDING

## AVANT-GARDE FOR PROFESSIONALS

### Index of available sections

General Exceptions, Conditions and Provisions		1
Section 1	Contents of Offices/Consulting Rooms	13
Section 2	Business Interruption	25
Section 3	Accounts Receivable	33
Section 4	Money	35
Section 5	Public Liability	43
Section 6	Employers' Liability	49
Section 7	Glass	51
Section 8	Business All Risk	53
Section 9	Buildings Combined	55
Section 10	Motor-Business & Professional	67
Section 11	Group Personal Accident	77
Section 12	Employee Dishonesty	79
Section 13	Goods in Transit	83
Section 14	Electronic and Medical Equipment	85
Section 15	Domestic Buildings	93
Section 16	Household Contents	101
Section 17	All Risk and Specified Items	109
Section 18	Personal Accident	113
Section 19	Personal and Property Owners' Liability	117
Section 20	Motor-Personal	121

---

---

## General Exceptions, Conditions and Provisions

### Introduction and Information

This policy is the contract between the Insurer mentioned in the policy schedule, hereafter referred to as the Insurer, and the Insured named in the policy schedule, and it covers the events specified in the respective sections that can occur during the period of insurance. Any application and statement made by or on behalf of the Insured, is the basis of this policy and forms a part of this policy.

#### 1. About Your Policy

Insurance can cover you against certain risks that may cause you a loss or result in you incurring a liability, but it is important to realise that no insurance can cover everything. You may suffer a loss or incur a liability that is not covered by this policy. Therefore, you should read this policy document carefully to ensure that you understand what it covers and what it does not cover, and that it meets your insurance needs.

This policy consists of different sections, each with a different type of cover available. The details of the types of cover available are set out in each section of this policy document. All of the covers provided in this policy are subject to the General Conditions, Exceptions and Provisions included in this policy document. In order to understand the policy cover you need the following documents:

- (a) your current policy schedule;
- (b) the Insurer's correspondence to you;
- (c) this policy document;
- (d) any other document from the Insurer indicating a change to your cover.

Please check that all details of these documents are correct and that they meet your insurance needs. If anything should be changed, please inform your insurance advisor immediately.

#### 2. Acceptance of the Application

This insurance shall not be in force until the completed application or closing instruction has been received, and the risk accepted by the Insurer. The Insurer reserves the right to decline any application.

#### 3. Insured

The Insured named in the policy schedule is the owner of the policy and is responsible for the payment of the premium.

#### 4. Insured's Duty of Disclosure

Before you enter into a contract of general insurance with an Insurer, you have a duty to disclose to the Insurer every matter that you know, or could reasonably be expected to know, is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms. You have the same duty to disclose those matters to the Insurer before you renew, extend, vary or reinstate a contract of general insurance. Your duty however does not require disclosure of a matter:

- (a) that diminishes the risk to be undertaken by the Insurer;
- (b) that is common knowledge;
- (c) that your Insurer knows or, in the ordinary course of its business, ought to already know;
- (d) as to which compliance with your duty is waived by the Insurer.

#### 5. Insured's Responsibilities When Policy is in Force

In addition to your duty of disclosure, there are other responsibilities that you must meet when insured. To ensure continued cover under this policy, it is important that you advise the Insurer immediately of any changes to your circumstances that may result in an increased chance of destruction, loss or damage to property insured or liability to third parties. Some examples of changes about which you should inform the Insurer are:

- (a) if your building shall be unoccupied for a continuous period of 30 days or more;
- (b) if you are moving to a new address;
- (c) if the use of your buildings changes;
- (d) any alterations, renovations and extensions to construction of the premises;
- (e) if the sum insured changes;
- (f) if any persons insured under this policy have:
  - (i) been convicted of any criminal offence;
  - (ii) made a claim that is not true under this policy or another insurance policy;
- (g) if any person insured under this policy is in possession of a license which is endorsed or cancelled.

**The Insurer, on receipt of notification of a change, may decide too either:**

- (a) adjust the premium or terms of the policy; or

- (b) cancel the policy.

Any change you make will be effective from the time and date agreed with the Insurer. In addition, you must also:

- (i) be truthful and frank in any statement you make in connection with your policy;
- (ii) pay your premium;
- (iii) take reasonable precautions to avoid a claim being made;
- (iv) obey all laws and make sure anyone acting on your behalf obeys the laws;
- (v) follow the conditions of this policy;
- (vi) not make a fraudulent claim under this policy or any other policy.

## 6. Policy Document

Any alteration to this document must be supported by issuing of an amendment signed by the Insurer.

## 7. Policy Limits

The Insurer's liability shall not exceed the sums insured or limits of indemnity stated in the policy schedule(s) and other parts of this policy document, less any specified deductible(s).

## 8. Policy Schedule

The policy schedule, which must be signed by the Insurer, indicates the sections and sub-sections under which the Insured is covered. If the policy schedule does not correctly record the insurances applied for or any agreed amendment has not been issued or has been issued incorrectly, the Insurer must be notified as soon as possible.

The policy schedule and this policy document, as well as any endorsement added to it, is a part of this contract and these documents must be read as one 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.

## 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 Insurer, the Insurer specified in the policy schedule agrees to indemnify or compensate the Insured by payment or, at its option, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the sections of the policy up to the sums insured, limits of indemnity, compensation and other amounts specified.

Where more than one Insurer participates in this insurance, the percentage share of each Insurer shall be as stated in the policy schedule and the liability of each such Insurer individually shall be limited to the percentage share set against its name.

Only the policy sections chosen by the Insured, and for which a premium is indicated in the policy schedule are operative. Specific Exceptions, Conditions and Provisions shall override General Exceptions, Conditions and Provisions.

## General Exceptions

The following General Exceptions apply to the entire policy. The Insurer and the Insured agree that any terms of this policy which may be in conflict with any statute are amended to conform to such statute.

### The following are not covered:

#### 1. Asbestos

- A. Applicable to the Public Liability section, Employers Liability section and Sub-section D (Liability) of the Buildings Combined section.

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 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.

- B. Applicable to the Fire, Business Interruption and Buildings Combined sections

This policy only insures asbestos physically incorporated in an insured building or structure, and then only that part of the asbestos which has been physically damaged during the period of insurance by one of these Listed Perils: fire; explosion; lightning; windstorm; hail; direct impact of vehicle; aircraft or vessel; riot or civil commotion, vandalism or malicious mischief; or accidental discharge of fire protective equipment.

This coverage is subject to each of the following specific limitations:

1. The said building or structure must be insured under this Policy for damage by that Listed Peril.

- 
2. The listed Peril must be the immediate, sole cause of the damage of the asbestos.
  3. Insurance under this Policy in respect of asbestos shall not include any sum relating to:
    - 3.1 Any faults in the design, manufacture, or installation of the asbestos;
    - 3.2 Asbestos not physically damaged by the Listed Peril including any governmental or regulatory authority direction or request of whatsoever nature relating to undamaged asbestos.

## 2. Consequential Loss

Consequential loss or damage except loss of rent or other losses otherwise and specifically provided for in this policy.

## 3. Contractual Liability

The Insurer shall not be liable for any claim resulting from contractual liability. However, if the Insured would have been liable without the agreement or contract, the Insurer shall pay for the liability.

## 4. Dispossession, Confiscation and Forfeiture

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

## 5. Loss or Damage Caused Directly or Indirectly by:

- (a) wear and tear, electrical or mechanical breakdown, erosion, rising damp, rust, rot, corrosion, mildew, a rise in the underground water table or pressure caused thereby;
- (b) your own domestic pets, termites, moths, insects, vermin, micro-organisms such as but not restricted to bacteria, viruses, protozoan and other pathological or parasitic organisms;
- (c) inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic condition, the action or effect of light, any gradually operating cause, the process of dyeing or reparation or depreciation.

## 6. Nuclear Weapons and Radiation

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:

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- (b) nuclear material, nuclear fission or fusion, nuclear radiation;
- (c) nuclear explosives or any nuclear weapon;

- (d) 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.

## 7. Theft by False Pretences and Fraud

Any loss or damage resulting directly or indirectly from or in connection with any actual or purported exchange, cash or credit sale agreement, including theft by false pretences and/or fraud.

## 8. War, Riot and Terrorism

- (a) This policy does not cover loss of or damage to property 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) (1) 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 or  
(2) insurrection, rebellion or revolution;
  - (iv) any act (whether on behalf of any organization, 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 policy, the burden of proving the contrary shall rest on the Insured.

**(b) War Damage Insurance and Compensation Act**

This policy 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 No. 85 of 1976 or any similar Act operative in any of the territories to which this policy applies.

**(c) Terrorism**

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 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 8 (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 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 Insurer alleges that, by any reason of clause 9 (c) of this exception, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

**9. Infectious Epidemic/Pandemics**

Notwithstanding any provision to the contrary, this policy wording excludes 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 a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- 9.1 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
- 9.2 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
- 9.3 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.

**10. Sanction Limitation**

This policy shall not cover 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 Us or our Reinsurers to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom, United States of America, African Union or South Africa.

**11. Transmission and Distribution Lines** (applies to Property and Engineering sections only)

This policy does not cover any death, injury, sickness, loss, damage or liability for damages, or any consequential loss directly or indirectly caused by, arising out of, contributed by, or resulting from or in connection with overhead transmission and distribution lines and their supporting structures other than those on or within 50 meters of the insured premises. It is understood and agreed that public utilities extension and/or suppliers' 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.

**12. Biological or Chemical Material**

This policy does not cover any death, injury, sickness, loss, damage or liability for damages, or any consequential loss directly or indirectly caused by, arising out of, contributed by, or resulting from or in connection with actual or threatened malicious use of pathogenic or poisonous biological or chemical materials regardless of any other cause or event contributing concurrently or in any other sequence thereto.

**13. Pollution and Contamination**

This policy does not cover any death, injury, sickness, loss, damage or liability for damages, or any consequential loss directly or indirectly caused by, arising out of, contributed by, or resulting from or in connection with contamination, pollution,

soot, deposition, seepage, 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.

This exclusion in 13 does not apply if such loss or damage arises as a direct consequence of

a) the perils

- fire, lightning, explosion, impact of aircraft
- vehicle impact, sonic boom
- accidental escape of water from any tank apparatus or pipe
- malicious damage
- storm, hail
- flood, inundation
- earthquake
- landslide, subsidence
- snow pressure, avalanche
- volcanic eruption

or

b) physical damage that is covered in this policy.

If a peril not excluded in this policy arises directly from pollution and/or contamination any loss or damage arising directly from that peril shall be covered.

or

c) an accidental spill or discharge resulting in an environmental event that necessitates clean-up and remediation or liability arising out of such discharge or spill (where this cover is selected)

#### 14. **Electronic Smoking Devices, E-cigarettes, and E-liquids Exclusion (applies to liability sections only)**

This Policy excludes any 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:

14.1 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.

14.2 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.

#### 15. **Cyber and Data Exclusion**

15.1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:

15.1.1 Cyber Loss or the fear or threat of Cyber Loss;

15.1.2. loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with 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;

15.2. In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

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

#### **Definitions**

15.4. 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.

15.5. 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.

15.6. Cyber Incident means:

15.6.1 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

15.6.2 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.

15.7. Computer System means:

15.7.1 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, owned or operated by the Insured or any other party.

15.8. 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.

## 16. Electricity Grid Interruption Exclusion

Notwithstanding any provision of any section of this Policy including any Exclusion, Condition, Exception, Insured Peril, Extension or other provision not mentioned herein, this Policy does not cover any loss, damage, legal liability, claim, cost, exposure, expense or other sum of any nature, including any consequential losses, that is directly or indirectly, regardless of any other cause or event contributing concurrently or in any other sequence, caused by, related to, resulting from, or arising out of Electricity Grid Interruption (as defined below).

Electricity Grid Interruption is an interruption to or suspension of electricity supply, in any manner, from whatsoever source, and for any reason whether due to damage, any inability and/or failure (whether partial or total) on the part of the supplier which affects an entire municipality (including local, district, regional or any other level that is created by law) or province or the country at substantially the same time, including any interruption, power surge or suspension at the reconnection or reinstatement of electricity supply.

This exclusion also applies to consequential losses in respect of any public utilities that are affected by Electricity Grid Interruption including, but not limited to, the disruption of water, telecommunications and sewage systems as well as the deterioration of stock, food or other items.

This exclusion does not apply to Loadshedding (defined below) which remains covered subject to the remaining terms and conditions set out in the policy.

If We allege that, by reason of this Electricity Grid Interruption Exclusion, any claim, loss, damage, legal liability, exposure, cost or expense is not covered, the burden of proving the contrary shall rest on You.

**Loadshedding** is the intentional, total or partial, withholding of electricity supply (from any source) by any party other than the insured implemented in phases which does not affect a municipality (including local, district, regional or any other level that is created by law) or province or the country at substantially the same time.

## General Conditions

Subject to the provisions of Section 55 of the Short-Term Insurance Act No 53 of 1998 (as amended) the following General Conditions apply to the entire policy.

### 1. Accuracy of Material Information

This policy or any part of it may be declared void by the Insurer if any details that affect the risk are not disclosed, or are misrepresented or misdescribed by the Insured, on or on his behalf, or if the Insurer is not informed of an alteration in the risk.

### 2. Amendments to Conform to Law

The Insured and the Insurer agree that any terms or conditions of this policy which may be in conflict with any law will be amended to conform to such law.

### 3. Amendment of Cover

The Insurer may change the terms and conditions of this policy by giving the Insured 30 days written notice thereof by post to the Insured's postal address shown in the policy schedule, whereafter the Insured shall have the option to cancel the cover. Any change made by the Insured will be effective from the time and date agreed to with the Insurer.

### 4. Average (Underinsurance) *(Not applicable to Accidental Damage Cover Extension(s), Public and*



*Property Owners' Liability, Personal Accident and Motor Sections and if specifically indicated)*

It is important that insured property be insured for the correct value, which is the total, current replacement cost of such insured property. This value is stated as the sum insured in the policy schedule of the section, or any sub-section. If at the time of a loss or damage, the amount which is needed to replace all the insured property with similar new property is more than the amount for which it is insured, the Insured shall be considered to be his own insurer for the difference and shall bear the proportional share of the loss or damage accordingly. This General Condition applies separately to each item in the policy schedule.

## **5. 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.

## **6. Cancellation, Variation and Continuation of Cover**

### **A. Cancellation & Variation**

This policy, any section, premiums, terms and conditions may be cancelled or varied at any time by Us giving 31 days' notice in writing (or such other period as may be mutually agreed) or by You giving immediate notice. On cancellation by You, We 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 Us, You 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 Us 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 You 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 the month of inception or the month of last payment
- where premium is payable quarterly, half-yearly or annually.

## **7. Claims – All Sections**

### **A. General**

The Insured must meet the following responsibilities:

1. be truthful and frank in any statement in connection with a claim;
2. take safe and reasonable steps to prevent any further loss, damage or liability occurring;
3. retain all damaged property for inspection by the Insurer if required;
4. not pay or promise to pay for a claim, or admit responsibility for a claim;
5. not accept liability, make statements to or negotiate a claim with any person claiming something, without the written consent of the Insurer;
6. not repair or replace, with due regard for safety, any damaged items without the Insurer's consent.

If the Insured does not meet his responsibilities, the Insurer may refuse a claim or cancel the policy or do both. The Insured shall be advised in writing if the Insurer cancels the policy.

### **B. Preparation Costs**

The Insurer shall compensate the Insured for costs reasonably incurred in producing and certifying any details that may be required by the Insurer in terms of General Condition D below to enable them to process any claim the Insured may have. The compensation in respect of any one claim in respect of a particular section, shall not exceed 10 per cent of the sum insured or limit of indemnity on the item affected, with a maximum amount of R 50 000.

### **C. Settlement Basis**

1. The Insurer, at their discretion, may select one or a number of the following options to compensate the Insured:
  - (a) repair the damage;
  - (b) replace the damaged item;
  - (c) pay for damage (cash-in-lieu settlement).

2. The Insurer's compensation is always subject to the limits of indemnity, compensation and other amounts stated in the policy schedule and/or policy document, less the deduction of any first amount payable.
3. The Insurer reserves the right to require any repairs and/or replacement to be carried out by a repairer and/or supplier of their choice.
4. If requested by the Insurer, the Insured must provide the Insurer with reasonable proof of value and ownership [purchase receipts, proof of payment, valuation certificates, etc.] of any item for which the Insured claims.
5. Before the Insurer finalizes or settles any claim, the Insured may be required to sign an agreement of loss.
6. In the event of a payment by the Insurer for a total loss, the salvage and/or any proceeds subsequently recovered from the sale of the insured property or its salvage shall be solely the property of the Insurer.

#### **D. Procedure and Conditions**

1. The Insured must:
  - (a) notify the Insurer as soon as possible of any event that may result in a claim, and advise them of any other policy which may cover the same event;
  - (b) give the Insurer full details of the event within 30 days after it has occurred, as well as all documents which may be reasonably required by the Insurer;
  - (c) provide the Insurer with any document or details of any communication received in connection with a claim;
  - (d) immediately inform the Insurer in writing if he becomes aware of any possible prosecution, legal proceedings, or claim against him following an event;
  - (e) immediately report to the police any event if it involves malicious damage, damage to a vehicle, theft or any other criminal act or suspected criminal act or loss of property and take all reasonably practical steps to discover the guilty party and recover the stolen or lost property.
2. The Insured may not without the Insurer's written consent admit liability, offer, promise, or pay in respect of any event that may result in a claim.

#### **E. Insurer's Rights after an Event Which May Lead to a Claim**

On the happening of any event in respect of which a claim is or may be made under this policy, the Insurer or its nominee may without thereby incurring any liability and without diminishing its rights to rely upon any conditions of this policy:

1. take, enter or keep possession of any damaged property, its parts and accessories and deal with it in any reasonable manner, but this condition does not grant the Insured rights to abandon any property to the Insurer whether already in its possession or not;
2. take over and conduct in the name of the Insured the defence or settlement of any claim;
3. take legal action and prosecute in the name of the Insured for their own benefit in respect of any recovery of or contribution of a claim 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 Insurer;
4. discharge its obligation at any time under any liability portion of the policy, by paying the Insured, or a third-party claimant, the limit of liability or any lesser sum for which the claim or claims may be settled inclusive of legal fees and other expenses agreed and incurred prior to the date of payment.

The Insured must submit all necessary information and assistance as required to the Insurer for the purpose of enforcing any rights to which the Insurer shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification. If the Insured refrains from doing so, it can result in the immediate forfeiture of all benefits under this policy and any liability paid to the Insured based on these rights must be reimbursed to the Insurer.

#### **F. Deliberate Fraudulent Acts in Making a Claim**

If any claim submitted under this policy:

1. is in any respect fraudulent or any fraudulent means are used by the Insured, or on his behalf, to obtain any benefit under this policy;
2. has been inflated or information has been provided in connection with the claim which is not true;  
the Insurer shall be relieved of all liability in respect of the whole claim and all amounts previously paid by the Insurer in respect of the claim must be paid back to the Insurer without prejudice to the Insurer's rights to recover any damages that they may have suffered as a result of the Insured's fraudulent conduct. The Insurer may cancel this policy from the date of the fraudulent act without giving notice as required in 6 (b) above.  
The Insurer shall not compensate the Insured when a member of the Insured's household, or anybody who acts on the Insured's behalf, deliberately causes the loss, damage, or injury.

## **G. Rejection of Claims and Time Bar**

1. If the Insurer denies liability or rejects any claim in writing in terms of this policy, or voids this insurance, or the Insured disputes the amount of any claim under this policy, written representation may be made to the Insurer within 90 days of the date of such communications.
2. If the Insured's dispute is not satisfactorily resolved in this manner, the Insured may institute legal action against the Insurer for the enforcement of the claim by way of the service of summons against the Insurer. Summons must be served on the Insurer within 180 days of the Insurer's original communications of rejection or avoidance. If this is not done all benefit afforded under this policy in respect of any such claim shall be forfeited and the Insurer shall no longer be liable for the claim.
3. The Insurer is not liable for any claim after 12 months have expired from the date of the event that gives rise to the claim, unless the claim is:
  - (a) the subject of a pending court action between the Insured and the Insurer; or
  - (b) for amounts the Insured may become legally liable to a third party.
4. No claim (*other than a claim under the Personal Accident section*) shall be payable after the expiry of 24 months or such further time as the Insurer may allow from the happening of any event unless the claim is the subject of a pending legal action or is the subject of arbitration or is a claim in respect of the Insured's legal liability to a third party.

## **H. Indemnity – Liability to Third Parties**

In respect of any section of this policy under which an indemnity is provided for liability to third parties, the Insurer 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. The Insurer shall thereafter not be under further liability in respect of such event.

## **8. Consent to Disclosure of Private Information**

- (a) The Insured accepts and 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) The Insured renounces the right to privacy concerning any underwriting and claims information supplied by the Insured or on behalf of the Insured, concerning any insurance policy or claims submitted by the Insured or on behalf of the Insured, and herewith gives the Insurer permission that such information can be verified against other legitimate sources or databases, be stored in the shared database and supplied to any other Insurer or agent of such Insurers.
- (c) The Insured agrees that this consent clause will survive the termination for whatever reason of the policy, including its cancellation or lapsing.

## **9. Communication of Material Information during the Time the Insurance is in Force**

The Insurer relies on being informed by the Insured of any material change that increases the risk to the Insurer and takes place during the time the insurance is in force.

The Insured must therefore communicate any changes in his circumstances to the Insurer in writing before such changes occur to ensure continuous cover. If the changes are acceptable to the Insurer, they will be effective from the date agreed upon, subject to the Insurer's terms and conditions being complied with. The Insurer shall confirm these changes by sending an updated policy schedule to the Insured.

If the Insured refrains from notifying the Insurer of such changes, the Insurer shall be entitled to:

- (a) refuse any claim arising from such change in risk;
- (b) cancel the policy from the time that the material change occurred; or
- (c) cancel the policy forthwith; or
- (d) increase the premiums; or
- (e) change the policy to take into account the change of risk.

## **10. Duration of Contract**

The duration of the contract is the period reflected in the policy schedule.

---

## 11. Fire Extinguishing Appliances

It is a condition, precedent to the Insurer's liability, that all firefighting equipment or fire protection at the premises shall be installed, maintained and serviced in accordance with the Regulations contained in the National Building Regulations or any other regulations as may be contained in the respective Emergency Service Bylaws, or as required by the local authorities, either by the supplier/installer or any approved supplier of firefighting equipment. Any defective or missing reel nozzles must be replaced immediately the Insured becomes aware of the disappearance or damage.

## 12. First Amount Payable(Excess)

The Insured shall be liable for the first amount payable as stated in this policy document or any endorsement thereof, or as amended and stated in the policy schedule, in respect of each and every occurrence which results in a claim. If any expenditure incurred by the Insurer shall include the first amount payable or any part thereof, such amount shall be repaid to the Insurer.

Where a claim or series of claims that results from one original source or cause is made in respect of all Sections, except Motor, the excess applicable shall not be aggregated and the highest single excess only shall apply.

## 13. Interest on Damage

The Insurer shall not be liable for interest on any claim, unless a South African Court of Law orders otherwise.

## 14. Interpretation

- (a) A reference to:
  - (i) any particular gender shall include the other genders;
  - (ii) the singular shall include the plural and *vice versa*;
  - (iii) a natural person shall include corporate or unincorporated created entities and *vice versa*.
- (b) Headings have been inserted for the purpose of convenience and reference only and shall not be used in the interpretation of, nor modify nor amplify any of the provisions of this policy.
- (c) The policy and wording must be read as one document. Words and/or expressions defined in this policy document shall bear the same meanings in any schedules and/or annexes hereto which do not contain their own defined words and/or expressions.
- (d) If figures are referred to in numerals and words, the words shall prevail in the event of any conflict between the two.
- (e) Whenever a provision is followed by the word "including" and specific examples, such examples shall not be construed so as to limit the ambit of the provision concerned.

## 15. Inspections

The Insurer or agent appointed by them has the right to inspect and examine, by mutual appointment, any property insured.

## 16. Insurable Interest

- (a) The Insured must have an insurable interest in any item insured under this policy. "Insurable interest" means that the Insured is the owner of or alternatively the good faith possessor in terms of a credit agreement of the insured item and bears the risk of loss.
- (b) If the insured interest in the item differs from those interests as defined by the Insurer, the Insured must advise the Insurer of the nature and extent of such interest before the commencement of cover. The cover of such item shall only commence in terms of this policy after the Insurer has agreed to insure the property and confirmed it in writing.
- (c) If the Insured's insurable interest concerning any insured items changes, the Insured must notify the Insurer in writing of any such changes, and if the Insured refrains from doing so, the Insurer may at its discretion turn down a claim made by the Insured relating to the item.

## 17. Jurisdiction

This policy shall be subject to the laws and statutes of the Republic of South Africa and the Insurer shall only abide by judgements delivered or obtained in the first instance by a court of competent jurisdiction within the Republic of South Africa.

This policy will not indemnify the Insured in respect of costs and expenses of litigation recoverable by any claimant from the Insured which are not incurred and recoverable within the Republic of South Africa.

## 18. Joint Insurance

A claim made by any of the people or entities named as the Insured in the policy schedule is a claim made by all of the people or entities named as the Insured. Similarly, any statement, act, omission made by any person or entity named as the Insured in the policy schedule is assumed to be made by all people or entities named as the Insured.

## 19. Misrepresentation, Misdescription or Non-Disclosure

Misrepresentation, misdescription or non-disclosure of information concerning material aspects shall render voidable the particular item, section or sub-section of the policy, as the case may be, affected by such misrepresentation, misdescription or non-disclosure.

If the Insured fails to comply with his duty of disclosure, the Insurer shall be entitled to cancel the contract. If the Insured's non-disclosure is fraudulent, the Insurer shall be entitled to void the contract from inception.

## 20. More Than One Policy/Other Insurance

If, at the time of any event giving rise to a claim under this policy, another policy exists which is active through the Insured, or on behalf of the Insured, and it covers the same loss or damage, the Insurer shall only be liable to pay a rateable proportion of the claim. The Insured shall with the submission of the claim's documentation, simultaneously provide the Insurer with full details of such insurance. If such other insurance is subject to the condition of average, this policy, if not already subject to the condition of average, shall be subject to average in like manner.

## 21. Notification of Steps to Reduce or Control the Risk

The Insurer has the right to give the Insured a 30 day unilateral written notification to take and set in action precautions to either reduce or control the risk. If such precautionary measures are not set-in action within the required period, the cover concerning the specific section of the policy shall be cancelled automatically.

## 22. Observance of Policy Terms and Conditions

The Insurer's liability is conditional on the observance of the policy terms by any person claiming indemnity or benefit.

## 23. Premium Payments

The premium is payable in advance and must be paid on the due date, which is the first day of every month, or as otherwise agreed.

If the premium is not paid to the Insurer on due date (other than the first premium) for any other reason, the Insured's account shall be re-debited within 15 days and should the outstanding premium not be paid when it is re-debited, the policy shall be cancelled from the date the first unpaid premium was due to be paid.

If the Insured places a stop payment on the premium, this policy will automatically be cancelled from the date the premium was due to be paid.

Should the Insured have a claim during the contract in respect of which the debit order has been unpaid, the Insured must first settle the outstanding premium before any claim can be processed.

## 24. Prevention of Loss

The Insured must take all reasonable precautions to prevent loss or damage, bodily injury and accidents and should take reasonable steps to prevent further loss or damage to his property following an insured event.

## 25. Rights to Other Persons

Unless otherwise provided, this policy gives right to the Insured only. Any extension of the Insurer's liability for the losses of any other person gives no right to that person to claim from the Insurer.

## 26. Reinstatement of Insured Amount

In the event of payment by the Insurer of any sum or sums in discharge of the Insurer's liability in respect of a claim, the sums insured shall not be reduced by the amount of the claim and shall be automatically reinstated from the date the insured damage occurred, unless specifically stated otherwise.

## 27. Repatriation

Unless specifically provided for, or unless the Insurer agrees to do so specifically in writing, the Insurer shall not compensate the Insured for the costs of repatriating any insured property that is damaged outside the Republic of South Africa.

## 28. Riot and Strike(other than RSA and Namibia)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this policy is extended to cover loss or damage directly occasioned by, 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 loss of or damage to property or bodily injury:

- (a) occurring either within the territorial limits of the Republics of South Africa and Namibia or beyond the territorial limits specified in the policy;
  - (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
  - (c) resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
  - (d) occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
  - (e) related to or caused by any occurrence referred to in General Exception 8 (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.
- (iii) Notwithstanding any provision of this policy, including any exclusion, exception or extension or other provision not included herein, which would otherwise override a general exclusion, this policy 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 purposes of this exclusion (iii) 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 purpose of inspiring fear in the public or any section thereof.

If the Insurer alleges that by reason of proviso (a), (b), (c), (d), or (e) and because of exclusion (iii) loss of or damage to property is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

#### **29. Territorial Limits – Does not apply to All Risk Cover**

Cover under this policy only operates within the territorial limits of the Republics of South Africa and, Namibia, Malawi, Botswana, Kingdoms of Lesotho and Eswatini, Zambia, Zimbabwe, Angola and Mozambique, unless the Insurer agrees to extend the territorial limits in return for any additional premium they may require.

#### **General Provisions**

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

##### **1. Holding Covered**

If the Insurer is holding cover on a risk, they shall not reject a claim on the basis that the premium has not been paid.

##### **2. Liability under More Than One Section**

The Insurer shall not be liable under more than one section of this policy in respect of legal liability, liability, loss or damage arising from the same happening in respect of the same property, liability, loss or damage. If on the happening of an occurrence there is overlapping or duplicate cover under different sections of the policy covering the same loss, damage or liability, the Insured must elect under which section the claim is to be submitted. The Insured may not submit separate claims under different sections of the policy, the intention being that overlapping or duplicated cover provided under different sections does not accumulate.

##### **3. Meaning of Words**

The policy schedules and any endorsements thereto and the policy document 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.

##### **4. Members**

Wherever the word "director" is used, it is deemed to include "member" if the Insured is a Close Corporation.

##### **5. Payments on Account**

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

##### **6. Policy Schedule Sums Insured Blank**

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

- 
- (a) left blank or has no monetary amount stipulated against it;
  - (b) reflected as nil or not applicable or not covered or no indemnity extended;
- this means the defined event or circumstance shown in the policy schedule is not insured by the policy.

## 7. Security Firms

If an employee of a security firm employed by the Insured under a contract causes loss or damage, the Insurer agrees, if 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 Insurer shall not raise as a defence to any valid claim submitted under any section or sub-section of this policy that the Insurer'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.

## 8. Value Added Tax

### Definition

VAT shall mean the amount of value added tax payable by the Insured or the Insurer to the Revenue authorities in the Republic of South Africa at the ruling rate.

### VAT Inclusive Condition

It is understood and agreed that the monetary amounts as reflected in the sums and/or limits of indemnity shall be applied to:

- (i) the indemnity or amounts payable in terms of this policy and to which sums the terms, provisions, conditions, and limitations of this policy shall apply; and
- (ii) value added tax at the current rate as promulgated in legislation relating thereto.

Subject to such sums insured/limits of indemnity being adequate to embrace the amounts reflected under (i) and (ii) above, the Insurer shall, to the extent that the Insured is accountable to the tax authorities for value added tax in respect of any payment in terms of this insurance, include the amount of such tax in the final settlement of any claims in terms of the insurance, provided that the total amount payable for any defined event and value added tax related thereto shall not exceed the sum insured/limit of indemnity set against such defined event.

In circumstances referred to herein under which the Insured is required to bear the first amount of any loss (the first amount payable), such amount shall also be inclusive of value added tax in like manner to the sum insured/limit of indemnity referred to above.

Further, in the event of a change in the rate of VAT during the period of insurance, sums insured, and if appropriate, premiums, shall be adjusted accordingly.

## Contents of Offices/Consulting Rooms

### Cover

The Insurer shall indemnify the Insured for loss of or damage to the contents, not otherwise insured, contained in the offices and/or consulting rooms (*hereinafter called the office premises*) at the risk address stated in the policy schedule, according to:

- (a) the cover provided by the sub-sections chosen by the Insured; and
- (b) stated in the policy schedule to be operative; and
- (c) for which a premium has been paid.

The available cover provided by this section consists of the following sub-sections:

- Sub-section 1: Insured Events ----- **Compulsory**
- Sub-section 2: Theft ----- *Optional*
- Sub-section 3: Accidental Damage ----- **Compulsory**
- Sub-section 4: Documents ----- *Included*
- Sub-section 5: Legal Liability Documents ----- *Included*
- Sub-section 6: Consequential Loss ----- *Included*

### Definitions

#### Breakdown

Breakdown means the sudden and unforeseen physical damage resulting from mechanical, electrical or electronic failure of the insured property arising from internal causes which requires immediate repair or replacement before the property can resume normal operation. Breakdown does not mean loss or damage resulting from fluctuation in the electricity supply voltage.

#### Computer Equipment

Computer equipment means any electronic device that is used to store or process data or control machinery, peripheral equipment, licensed software programmes, but does not include equipment used for gaming, gambling, amusement or vending.

### Contents

Contents (*other than documents as defined in Sub-section 4 herein*) means any tangible property and items belonging to the Insured or for which they are legally responsible or have assumed a responsibility to insure, hold in trust or on commission, contained in the office premises at the risk address stated in the policy schedule, **including**, but not limited to:

- (a) electronic business equipment, data carrying media, computer equipment;
- (b) medical, dental, opticians and veterinarian equipment, their instruments and utensils of trade;
- (c) office machinery, printers, non-fixed or portable equipment, fire extinguishing equipment;
- (d) furniture, furnishings, curtains, internal blinds;
- (e) advertising material and display equipment;
- (f) stationery, files, unused books, books of reference;
- (g) stock;
- (h) moveable property designed to exist or operate outside;
- (i) paintings, curios, works of art, tapestries, Persian and similar rugs or carpets;
- (j) plants, shrubs and trees whilst in the building to an amount not exceeding R 1 500 any one item;
- (k) where the Insured is a tenant of leased or rented premises:
  - (i) landlord's fixtures and fittings;
  - (ii) fixtures and fittings, or materials and supplies intended for use in the construction of fixtures and fittings, installed or to be installed for the Insured's own use, **unless** otherwise stated in the policy schedule, to the extent that the same is not otherwise insured.

#### Data Carrying Media

Data carrying media means data carrying material such as disks, tapes, cards or other materials used for storing data in a form directly useable to the system. It does not include or cover the actual stored data.

#### Debris

Debris means the residue of damaged insured property excluding any material which is itself a pollutant or contaminant and which is deposited beyond the boundaries of the premises.



---

## Documents

Documents shall mean designs, X-rays, patterns, films, tapes, addressograph plates, business books of account, records, maps, plans, drawings, deeds, wills, mortgages, agreements, manuscripts, letters, certificates, written records, written or printed or inscribed papers in the Insured's legal possession, or used by him or for which he is responsible.

**Documents do not include** money, current postage or revenue stamps, cancelled and uncanceled coupons, securities, bearer bonds, drafts and any written order to pay a certain sum in money and any written evidence of indebtedness or obligation and all property carried or held as samples or for sale or delivery after sale and computer software and computer data carrying media unless otherwise stated in the policy schedule.

## Electronic Business Equipment

Electronic business equipment means all parts of electronic equipment, including computer equipment, scanners, printers, photocopiers, fax machines, projectors, audio-visual equipment, medical, technical and industrial equipment, but does not include equipment used for gaming, gambling and amusement.

## Expendable/Exchangeable/Consumable Item

Expendable item means an item or part that is normally not re-used and requires frequent or periodic replacement.

## First Amount Payable (Excess)

First amount payable is the sum of money the Insurer shall not pay in respect of a claim. The policy and/or policy schedule details the first amount which may be applicable.

## Maintenance Agreement

Maintenance agreement means the agreement by which the Insured receives maintenance service for the insured equipment from the owner's suppliers and/or company/service provider approved by the suppliers.

## Peripheral Equipment

Peripheral equipment means all other equipment connected to and operating from the computer, excluding underground lines.

## Replacement Cost/Value

Replacement cost/value means the cost necessary to replace the insured property with similar new property, of equivalent make and model, including freight, importation and custom duties/dues, installation costs and value added tax.

## Stock

Stock means the items belonging to the Insured, or for which he is legally liable, or has assumed a responsibility to insure, described below:

- (a) stock-in-trade;
- (b) merchandise or materials of trade manufactured, unmanufactured or in the course of manufacture;
- (c) material used in manufacturing and packaging;
- (d) consignment stock;
- (e) goods held in trust or on commission;
- (f) pallets or containers;
- (g) consumable materials used in the operation of machinery;
- (h) stock normally carried by dentists, doctors, opticians, pharmacists and veterinarians.

## Theft

Theft means damage or disappearance of the insured property caused by theft from the office premises.

## Theft by Forcible Entry

Theft by forcible entry means damage or disappearance of the insured property by theft from the office premises following:

- (a) visible, forcible and violent entry into or exit from the office premises;
- (b) a person hiding on the premises during normal business hours until the office premises are closed and locked up;
- (c) an actual, attempted or threatened armed hold up; or
- (d) an actual, attempted or threatened assault or violent act.

## Basis of Indemnity

In the event of a claim:

- (a) Where the insured property **can be repaired**, the Insurer shall pay:

- (i) all expenses needed to replace, restore or repair the damaged part of the property to working order so that the serviceability and function is similar to that part of the property when it was new;
- (ii) the cost of dismantling the item(s) so that repairs can be carried out, and the cost of reassembling the item(s);
- (iii) the cost of ordinary freight to and from a repair shop.

The Insurer shall not deduct any amount for the depreciation of any parts replaced, **except** for the parts referred to in exclusion 6: "Exclusions Applicable to the Entire Section".

- (b) Where the insured property is **damaged beyond repair or is a total loss**, the Insurer shall pay:
  - (i) to replace the item with an equivalent item. If such is not possible, the Insurer shall replace the item with a new item having the nearest equivalent performance and/or capacity to the lost or damaged item and which is compatible with the Insured's existing systems and programmes;
  - (ii) normal charges to remove items which are damaged beyond repair. Such items then become the property of the Insurer.
- (c) Where an item of **stock is destroyed or stolen**, the Insurer shall pay the wholesale cost to replace the stock at the time it was destroyed or stolen.

The amount payable shall include costs of transport and labour, the onsite costs of parts, including importation and custom duties and dues and value added tax, if incurred.

### Maximum Indemnity

The maximum the Insurer shall pay for any claim that would be payable under this section arising during any one period of insurance out of one event or series of events arising direct or indirectly from one source or original cause, is the sum insured stated in the policy schedule for that sub-section. The Insurer shall also pay other amounts as provided for under Additional benefits.

### Sub-section 1: Insured Events

Loss or damage caused by:

- (a) fire, explosion, meteorite, underground fire;
- (b) acts of nature: storm, wind, thunder, water, lightning, flood, hail or snow. The Insurer does not cover:
  - (i) loss of or damage to property in the open, unless it is designed to exist or operate in the open, or loss or damage in any structure that is not completely roofed;
  - (ii) loss or damage caused by any process which uses or applies water, unless the water damage is caused by local authorities in the process of extinguishing a fire;
- (c) earthquake but excluding loss of or damage to property in the underground workings of any mine.
- (d) power surges and dips, **limited** to 25 per cent of the sum insured of the premises affected.  
*[The Insurer shall not pay for loss or damage following an intentional power cut because of non-payment and/or arrears of utility bills.]*
- (e) impact by vehicle, animal, aircraft or any object falling from the sky, falling trees and trees cut down by a professional tree feller, excluding damage to such animal, vehicle or property in or on such vehicles;
- (f) malicious or intentional damage, **excluding**:
  - (i) damage where the premises containing the insured contents becomes unoccupied for 30 consecutive days, unless the Insured obtains the written agreement of the Insurer to continue this cover. During the period of the initial unoccupancy of 30 consecutive days, the Insured shall become a co-insurer with the Insurer and shall bear a proportion of any damage equal to 20 per cent of the claim before deduction of any first amount payable;
  - (ii) damage to property outside the building;
  - (iii) damage caused intentionally by the Insured, or any of his family members, partners, directors, principals, employees or any resident at the premises;
  - (iv) damage caused intentionally with the Insured's knowledge or consent, or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured;
  - (v) damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
  - (vi) damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
  - (vii) loss or damage related to or caused by any occurrence referred to in General Exception 8 (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;
- (g) collapse or breakage of aerial systems and satellite dishes, including damage to such aerial systems and satellite dishes if the Insured's property; and
- (h) accidental breakage of mirror glass, plate glass tops or fixed glass forming part of any article of furniture.

---

## Sum Insured

The sum insured for this sub-section must be equal to the replacement cost/value of the insured contents.

## Underinsurance – *Not applicable to peril (e) above*

If at the time of indemnifiable loss of or damage to property at the office premises covered by this sub-section, the sum insured stated in the policy schedule is less than the replacement value of the insured property, then the amount payable shall be proportionately reduced. The Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss or damage accordingly.

However, this clause shall not apply if the claim does not exceed 10 per cent of the sum insured shown in the policy schedule of the premises affected.

## Sub-section 2: Theft

If a sum insured is stated in the policy schedule for this sub-section, the cover in Sub-section 1 is extended to include theft or any attempt thereat, or theft by forcible entry, of contents from the office premises, including:

- (a) loss of or damage to the insured contents caused by a thief or thieves being concealed on the office premises before close of business;
- (b) entry to and/or exit from the office 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 Insurer that a skeleton key or device was used.

## First Loss Basis Clause

In the event of a claim, the Insurer shall pay up to the sum insured stated in the policy schedule for this sub-section at the date of occurrence of loss or damage without applying the underinsurance clause.

Where the claim amount is more than the sum insured for the sub-section, the Insured shall be considered his own insurer for the difference, that is the amount of the loss or damage which is more than the sum insured stated in the policy schedule.

## Additional Benefits

### 1. Damage to Premises

In addition, the Insurer shall pay for the repairs of damage to the premises, including breakage of glass, in the course of theft, or theft by forcible entry, limited to R 7 500 in total, any one event.

### 2. Death Following Assault

If the Insured, or any of his employees, is injured while protecting or attempting to protect the property from theft and death results from this injury within 12 months, the Insurer shall pay R 5 000 to the estate of that person.

## Exclusions Applicable to Theft

The Insurer shall not pay for:

1. theft of stock, **unless** theft by forcible entry;
2. the dishonest manipulation of any database or computer system;
3. theft, attempted theft or theft by forcible entry or attempt thereat by:
  - (a) the Insured; or
  - (b) any person with the Insured's knowledge or his consent; or
  - (c) any principal, partner, director or employee of the Insured; or
  - (d) any member of their household or family;
4. theft, attempted theft or theft by forcible entry of money or negotiable instruments such as but not limited to cheques, stamps, money orders and vouchers.

## Sub-section 3: Accidental Damage

Cover is extended to include accidental physical loss of or damage to insured content, not otherwise excluded by this cover section, at or about the premises.

Notwithstanding General Condition 20, this sub-section shall not be called into contribution for any defined event for which more specific insurance has been arranged.

## First Loss Basis Clause

In the event of a claim, the Insurer shall pay up to the sum insured stated in the policy schedule for this sub-section at the date of occurrence of loss or damage without applying the underinsurance clause.

Where the claim amount is more than the sum insured for the sub-section, the Insured shall be considered his own insurer for the difference, that is the amount of the loss or damage which is more than the sum insured stated in the policy schedule.

## Exclusions

Unless otherwise stated the Insurer shall not pay for:

1. 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;
2. loss or damage arising from faults or defects known to the Insured or his responsible employees at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Insurer, or any consequences thereof;
3. loss of or damage to insured property caused by or arising from:
  - (a) any fraudulent scheme, trick, device or false pretence practised on the Insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the Insured;
  - (b) breakdown;
  - (c) derangement not accompanied by damage otherwise covered by this section;
  - (d) the cleaning, testing, restoring, altering or repairing of insured property;
  - (e) atmospheric conditions including, but not limited to, dryness, dampness and temperature, unless directly resulting from damage to an air-conditioning system used to control the atmosphere in which the insured property operates;
4. repair or replacement of:
  - (a) fuses or other devices designed for safety or protection that are damaged through their normal operation;
  - (b) the chipping or scratching of painted or polished surfaces or other aesthetic defects that do not affect the function of the insured property;
  - (c) the wearing or wasting away of material caused by normal wear and tear of any part of the insured property or other gradual deterioration or development of poor contacts;
5. 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;
6. failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, fuel or refrigerant.

## Sub-section 4: Documents – R 50 000

Loss of or damage to documents normally kept at the office premises by any peril not specifically excluded. The sub-section does not cover:

1. loss or damage caused by:
  - (a) electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning;
  - (b) vermin or inherent defect, or by processing, copying or other work upon the documents;
  - (c) 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;
2. costs involved in re-shooting films and videos and re-recording audio tapes and the like.

The Insurer's liability under this sub-section is limited to all costs, charges and expenses incurred by the Insured in replacing or restoring such documents.

The maximum the Insurer shall pay under this sub-section is R 50 000, any one claim, unless amended and stated in the policy schedule.

## Sub-section 5: Legal Liability Documents – R 1 000 000

Legal liability as a direct consequence of loss of or damage to documents as defined in Sub-section 4 and in respect of which payment, reinstatement or repair has been made or liability admitted by the Insurer under Sub-section 4 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.

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.

The maximum the Insurer shall pay under this sub-section is R 1 000 000, any one claim, unless amended and stated in the policy schedule.

## Sub-section 6: Consequential Loss

### (a) Increased Cost of Working

The Insurer shall pay for the additional and necessary expenses reasonably incurred (not otherwise provided for in this policy) by the Insured for the sole purpose of maintaining the normal business operations following interruption.

These costs and expenses:

- (i) must incur as an unavoidable consequence of indemnifiable loss or damage occurring during the period of insurance to insured property in terms of this section;
- (ii) must exceed the normal total operating costs carried by Insured;
- (iii) are limited to 25 per cent of the sum insured of Sub-section 1 of the office premises affected.

### **Exclusions**

The Insurer shall not pay for:

1. any expenditure incurred after a period of 90 days following the day of occurrence of the insured event;
2. any expenditure incurred during the first 24 hours immediately following the insured event;
3. the cover provided for in item (b) of this sub-section;
4. interruption of business due to alterations or improvements to the insured equipment solely due to the need for cleaning, adjustment, inspection or maintenance;
5. the intrinsic value or expansion or improvement of the property insured under this section;
6. any other consequential loss such as loss of market or interest.

### **Supplementary Condition – Obsolete Equipment**

If the manufacture of any item under this policy has been discontinued, the Insurer is not liable for an interruption period greater than the time needed to put into operation a current model of the same function, performance and capacity.

### **(b) Reinstatement of Electronic Data/Programs (Loss of Information)**

The Insurer shall pay the costs and expenses (includes additional expenses for the hire of personnel, premises or data preparation machines) actually incurred by the Insured to:

- (i) restore, reconstitute, recompile electronic data and/or programs recorded on or stored in data carrying media; and
- (ii) install and configure operating systems and/or software provided that:
  1. the loss of information must have occurred due to insured damage covered under this section, or by the deliberate wilful or wanton intention of causing the cancellation or corruption of data by a third party; and
  2. the most the Insurer shall pay is R 10 000, unless amended and stated in the policy schedule.

### **Exclusions**

The Insurer shall not pay for loss of or damage:

1. to data, software or media material caused by failure or defect in the media material;
2. caused by an error in processing data or error in the use of software;
3. caused by erasure, deletion or overwriting of any data or software;
4. caused by the operation or presence of a computer virus that alters or erases the data or software in a manner that is undesired to the Insured;
5. caused by rust, corrosion or oxidation;
6. caused by wear and tear.

The indemnity shall not extend to, nor include the purchase of any hardware, licences or physical media or such costs incurred due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes.

### **Supplementary Condition – Duplicate Copies**

The Insurer has no liability for any loss or damage to data, information or records where duplicate copies are not kept, or updated at intervals of not greater than 30 days.

### **Supplementary Claims Condition**

#### **1. Method of Settlement**

The Insurer shall pay any reasonable expenses for reproducing data or information needed to restore the insured data/media to the same condition it was in before the insured damage, so that the normal operation of the electronic data processing system can continue.

Lost data or information may be produced in an updated form if this is not more expensive than reinstating the lost data or information to its original form. The Insurer is only liable for expenses incurred within a period of 12 months after the insured damage occurred.

#### **2. Obsolete Equipment**

Where components or manufacturer's specifications are no longer available because they are obsolete, the Insurer shall pay the reasonable costs which would have been incurred if the components or specifications had still been available.

## (c) Rent

The Insurer shall indemnify the Insured for the payment of rent to the property owner should the Insured vacate his office in consequence of the office premises or part thereof being so damaged by an insured event as to be rendered uninhabitable, including partially uninhabitable, but only until the office is fit for reoccupation.

For the purpose of this extension, 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.

The most the Insurer shall pay for this additional benefit is 25 per cent of the sum insured of all contents of the office premises affected.

## Supplementary Benefits Applicable to Sub-section 6

### 1. Accountant's Fees

The Insurer shall pay the reasonable costs incurred for the professional fees of accountants or auditors in compiling details of a valid claim under this sub-section, limited to R 2 500 any one event.

### 2. Reinstatement of the Sum Insured

Following a claim, the Insurer shall automatically reinstate the sum insured at no additional premium. This reinstatement shall start from the date the insured damage occurred.

For this additional benefit to apply:

- (a) the period of insurance during which the insured damage occurred must not have ended;
- (b) the policy must not be cancelled.

## Exclusions Applicable to the Entire Section

The Insurer shall not pay for:

1. loss of or damage to any property or items otherwise or more specifically insured;
2. 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;
3. the value to the Insured of information contained in documents, manuscripts, business books, computer systems, records, patterns, models, moulds, plans and designs;
4. the cost of reproducing data whether recorded on cards, tapes, disks or the like or otherwise, unless specifically provided for herein;
5. any reduction in the amount payable for a claim due to the application of any first amount payable by the Insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;
6. exchangeable or expendable parts such as (but not limited to) bulbs, valves, contacts, X-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. However, if such parts are damaged as a result of physical loss or damage as provided for by this section to other parts of the insured property, the Insurer shall indemnify the Insured for the proportionally depreciated value on the basis of the expected service life by the manufacturer of the component;
7. loss or damage 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.

## Memorandum

General Exception 8 is replaced by the following:

"This Extension 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."

## Additional Cover, Clauses and Extensions

### 1. Alterations and Misdescription Clause

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

### 2. Automatic Reinstatement

---

At each premises, when the limit of liability is reduced following damage covered by this section, the Insurer shall automatically increase the reduced limit to its value immediately before the loss or damage.

### **3. Capital Additions – Temporary Cover**

Cover for insured property at any one office premises is extended to include any capital additions and alterations to contents during the period of insurance, provided that the increase shall not exceed 25 per cent of the sum insured of Sub-section 1 of the premises affected.

The Insured must supply details of such additions and alterations to the Insurer in writing within 90 days immediately after such additions and/or alterations and pay an additional premium thereon if required by the Insurer.

This extension in cover does not apply to any contents that can be categorised as stock.

### **4. Currency Fluctuations**

The indemnity shall include provision for devaluation or revaluation of the South African currency against the currency 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 insured property, provided that the increase shall not exceed 15 per cent of the sum insured of Sub-section 1 of the premises affected.

The Insured shall, at the annual anniversary date of this insurance, submit to the Insurer a revised sum insured that shall reflect the new replacement value of the insured property and pay a new premium calculated on the new sum insured.

### **5. Demolition and Removal of Debris Cost Extension**

The insurance under this section is extended to include costs reasonably incurred by the Insured following indemnifiable loss or damage under this section in:

- (a) removing the debris or wreck of the insured property; or
- (b) dismantling or demolishing any part of the insured contents; or
- (c) shoring up or protecting any part of the insured contents

provided that the Insurer shall not pay more than the sum insured stated in the policy schedule on the property affected.

The Insurer shall 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.

### **6. Disposal of Salvage**

The Insurer agrees not to sell or dispose of any salvage which is the subject of a claim without giving the Insured the opportunity to retain it at salvage value, but this extension does not allow the Insured to abandon property to the Insurer.

### **7. Equipment on Loan**

If the Insurer accepts a claim, they shall cover loss of or damage to items that the Insured has temporarily on loan to replace the damaged insured property, but the cover and the maximum liability on any item on loan shall be limited to the cover and maximum liability that would have applied to the item it replaced.

### **8. Fire Extinguishing Charges**

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 Insurer 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. It shall include the cost of restoring fire extinguishing equipment.

### **9. Hire Purchase/Finance Agreements**

Where the Insurer has knowledge of the insured property 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 Insurer in respect of loss or damage indemnifiable by this section.

### **10. Incompatibility Cover Extension**

Notwithstanding anything to the contrary contained in the policy, the indemnity to the Insured shall include costs incurred in respect of:

- (a) modifications or alterations to the insured property 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 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 an insured loss or damage in terms of this section and its sub-sections;
- (iii) the cover afforded hereunder shall be restricted to:
  - (a) parts or components of the electronic system which are not indemnifiable under Sub-section 1 hereof;
  - (b) programs or data reinstated not indemnifiable under item (b) Reinstatement of Electronic Data/Programs of Sub-section 6 of this section;
- (iv) the indemnity by this extension shall, in respect of any one event, be limited to 20 per cent of the sum insured of the premises affected or R 25 000, whichever is the lesser.

#### 11. Inflation Protection

During the period of insurance, the sum insured in respect of Sub-section 1 shall increase by 1 per cent the first day of every month. No monthly premium adjustment shall be made until the annual anniversary/renewal date of the policy, where the new premium shall be calculated on the adjusted sum insured.

#### 12. Locks, Keys and Access Devices

If locks, keys and access devices (including electronic access cards) used at the premises are accidentally lost or stolen, or there are reasonable grounds to believe that the keys have been stolen and duplicated, the Insurer shall pay

- (a) the cost to replace these keys; and
- (b) other costs that are necessarily incurred to restore the security of the premises to the same level of security that existed prior to the loss of these keys.

The most the Insurer shall pay for this additional benefit is R 5 000 in total, any one event.

#### 13. Minimisation of Damage

The Insurer shall pay for the reasonable cost of removing property from the premises, and any damage resulting from the removal, if the premises are threatened by fire or any other perils insured by this cover section and the purpose of the removal was to prevent or minimise damage insured under this cover section.

#### 14. New and Additional Premises – *Temporary Cover*

The Insurer shall extend cover provided under this section to property at any premises situated within the territorial limits of this policy that is used by the Insured for his business for the first time during the period of this insurance, provided that:

- (a) this temporary cover is limited to a period of 60 consecutive days from the day the Insured first use the new premises;
- (b) this temporary cover is only available to property that is of a similar type to that insured by this cover section;
- (c) the temporary cover is limited to 50 per cent of the cover amounts of the current insured premises stated in the policy schedule, or if more than one premises is shown in the schedule, then this 50 per cent limitation shall apply to the premises with the lowest cover amount;
- (d) the Insured shall, within 60 days of first taking occupation of the new premises provide the Insurer with full details of such new premises.

This clause shall not apply to any loss if and as far as the same is otherwise insured.

#### 15. Personal Effects – *All Risk Basis*

Wearing apparel and personal effects (excluding money), not otherwise insured, belonging to the owners, partner, proprietor, director or employee of the business are covered on an all risk basis if such damage arises whilst engaged on the business of the Insured. The most the Insurer shall pay for this additional benefit is R 5 000 for any one person, any one event.

#### 16. Professional Fees

The costs of architects, engineers and other professional consultants (excluding fees for preparing a claim) necessarily incurred with the Insurer's written consent, in the reinstatement or replacement of contents, subject always to the scale of rates/fees recommended by the appropriate professional body.

The most the Insurer shall pay for this additional benefit is 15 per cent of the total amount of the claim with a maximum of R 20 000, any one event.



## 17. Temporary Removal

The insurance is extended to cover loss or damage of the insured property while it is temporarily removed from any office premises shown in the policy schedule for any period of up to 90 days, and while:

- (a) at any premises where the principal, director, partner or employee of the Insured is temporarily employed or resident;
- (b) in any trade premises for cleaning, renovation, repair or other similar purposes;
- (c) in transit by air, road, rail or post between the office premises and any of (a) or (b) above;
- (d) provided that theft or any attempt thereat is limited to theft by forcible entry from the premises or conveyance. This limitation shall not apply to theft of the insured items where the transport vehicle has been:
  - (i) hijacked or stolen, unless left unlocked; or
  - (ii) involved in a road accident or sustained a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the insured property is of necessity left unprotected.

### Memorandum

1. The amount recoverable under this extension in respect of each item shall not exceed the amount which would have been recoverable had the loss or damage occurred in that part of the premises from which the insured property is temporarily removed.
2. This extension does not apply to property in so far as it is otherwise insured.
3. Personal property of any owner, partner, director or employee of the Insured will be excluded.

## 18. Temporary Protection, Repairs and Watchmen/Security Guard Costs

Reasonable costs incurred by the Insured to protect the property, including the cost of temporary repairs and the hiring of watchmen as may be necessary after loss or damage to the insured property resulting from any insured event. Cover shall include reasonable costs for the removal of insured property to a place of safe storage pending the repair or reinstatement of the insured premises and the additional cost of such storage if not otherwise insured. The most the Insurer shall pay for this additional benefit is R 5 000, any one event.

## 19. Tenant's Clause

The Insurer'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 Insurer 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 his knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall be assumed by the Insurer.

## 20. Electrical power surge extension

The Insurer shall indemnify the Insured for damage to the machinery, electronic or electrical property insured under the Contents of Offices/Consulting Rooms or Buildings Combined sections, caused by a power surge on the power line subject to the limits as set out in the Schedule. There will be no consequential loss cover such as but not limited to deterioration of stock or business interruption.

The insured shall be responsible for the following excess:

- (a) 10% of claim min R2 000 if the main electrical distribution board of the Property is protected with a surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations,
- (b) 35% of claim min R5 000 if the main electrical distribution board of the Property is not protected by a surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations.

## Security Measures

### 1. Burglar Bars

If the Insurer requires burglar bars and if so stated in the policy schedule, the Insurer shall compensate the Insured for theft by forcible entry only if:

- (a) the required burglar bars are fitted to protect all opening windows;
- (b) the required burglar bars have not been removed without the Insurer's permission.

### 2. Security Gates

If the Insurer requires security gates and if so stated in the policy schedule, the Insurer shall compensate the Insured for theft by forcible entry only if:

- (a) the required security gates are fitted to protect all external doors;

- 
- (b) the required security gates are locked by the Insured or any authorised person outside the normal business hours, or if left unattended during the normal business hours of the business;
  - (c) the required security gates have not been removed without the Insurer's permission.

### 3. Alarm System

If the Insurer requires an alarm system and if so stated in the policy schedule, the Insurer shall compensate the Insured for theft by forcible entry only if:

- (a) the required alarm system is installed at the premises and such alarm system has been armed/set and activated by the Insured or any authorised person outside the normal business hours of the 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 will be deemed to have discharged their liability if they have maintained their obligations under a maintenance contract with the installation, or approved service company, of the alarm system;
- (c) none of the "passive infrared motion detectors" of the required alarm system are obstructed or bypassed.

## Business Interruption

### Cover

Loss following interruption of or interference with the business as a result of damage occurring during the period of insurance to:

1. property insured under any one or more of the following sections of this policy:
  - (a) Contents of Offices/Consulting Rooms;
  - (b) Sub-section 1 of Buildings Combined;
  - (c) Electronic and Medical Equipmentfor which a claim has been paid or liability admitted, or such claim would have been paid or liability admitted but for the application of a first amount payable; or
2. property insured under another insurance policy, and
  - (a) the Insurer has paid or admitted liability under its policy or would have paid or admitted liability but for the application of a first amount payable; and
  - (b) the damage would have been covered under one of the sections of this policy shown in 1. above had the Insured elected to take such cover.

but only in respect of loss or damage to the insured property by one of the insured perils under the Content of Offices/Consulting Rooms and Buildings Combined sections hereof (hereinafter termed Damage).

- Fire;
- Lightning or thunderbolt;
- Explosion;
- Earthquake
- Weather and water;
- Impact;
- Leakage from any sprinkler, drencher system or fire extinguishing installation/appliance;
- Subsidence and landslip (limited cover);
- Malicious damage;
- Riot and strike (excluding loss or damage occurring in the Republics of South Africa and Namibia);

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 Insurer 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 Insurers written agreement.
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 Insurer may in writing allow, at the Insureds own expense deliver to the Insurer in writing a statement setting forth particulars of the Insurerd's claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting there from. 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 Insurer forthwith.

The Insurer shall, after taking into account any sum saved during the indemnity period in respect of such charges and expenses of the business as may cease or be reduced in consequence of the interruption or interference, indemnify the Insured in respect of:

#### Item 1: Gross Profit

Gross profit can be calculated in two different ways for insurance purposes, being Gross profit (difference basis) or Gross profit (additions basis). The way of calculation must be stated in the policy schedule.

#### 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.

#### **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.

#### **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, and
- (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.

#### **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, and
- (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.

#### **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 Insurer 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 shall 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 utilized 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 utilized by the Insured to the full.

## 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.

### Basis of Indemnity

The Insurer, after taking into account any sum saved during the indemnity period in respect of any charges and expenses of the business as may cease or be reduced in consequence of the interruption or interference, shall indemnify the Insured in accordance with the provisions of the specification hereinafter set out.

The insurance hereby includes costs and expenses incurred in producing and certifying any particulars or details required by the Insurer during the formulation of a claim under this insurance and is limited to:

- (a) additional fees to the Insured's usual Auditors;
- (b) additional wages or salaries to the Insured's own employees;
- (c) costs of material used;
- (d) other additional costs and expenses approved by the Insurer.

### Maximum Indemnification

The Insurer's total liability during any one period of insurance or for any claim arising out of the one event or series of events arising directly or indirectly from one source or original cause, in respect of each item specified in the policy schedule, shall not exceed the sum insured shown in the policy schedule for that item.

### Specific Clause – Underinsurance

Where at the date of the occurrence of the damage the sum insured stated in the policy schedule for:

- (a) **gross profit** is less than 80 per cent of the actual annual gross profit as defined (appropriately increased if the indemnity period exceeds 12 months);
- (b) **gross rentals** is less than 80 per cent of the actual annual gross rentals as defined (appropriately increased if the indemnity period exceeds 12 months);
- (c) **revenue** is less than 80 per cent of the actual annual revenue as defined (appropriately increased if the indemnity period exceeds 12 months);
- (d) **wages** 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 then the amount payable for those items will be proportionately reduced.

This clause shall not apply if the claim does not exceed ten per cent (10%) of the sum insured for the respective item.

### Specific Conditions

1. The Insured must keep and maintain proper business records. In the event of a claim, the Insured must give the Insurer:
  - (a) access to all business records;
  - (b) any information and assistance the Insurer may need in dealing with a claim. The Insurer shall only pay a claim if satisfied with the evidence provided to them.
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 Condition 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, the Insured shall, not later than 30 days after the expiry of the indemnity period, or within such further time as the Insurer may in writing allow, at their own expense deliver to the Insurer 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 Insurer forthwith.

### Definitions

#### Adjustment

Adjustment means adjustment as necessary to provide for the trend of the business and variations in, or other circumstances affecting, the business, either before or after the date of occurrence of the damage, or which would have affected the business had the damage not occurred, so that the figures thus adjusted represent, as nearly as may be reasonably practicable, the results that, but for the damage, would have been obtained during the relative period after the damage.

## **Annual Revenue/Turnover/Gross Rentals**

Annual revenue/turnover/gross rentals means the revenue/turnover/gross rentals earned during the 12 months immediately before the date of the damage, after adjustment.

## **Business**

Business means the Insured's business at the address stated in the policy schedule.

## **Damage**

Damage shall mean loss of or damage to any insured property or any part thereof used by the Insured at the office/consulting rooms for the purpose of the business by any insured event provided that:

- (a) at the time of the happening of the damage there shall be in force an insurance covering such property against such event;
- (b) the Insurer shall have made payment or admitted liability under the insurance referred to in (a); and
- (c) for the purpose of this section an insured peril/event shall have the same definition as in the insurance covering the damage.

## **Gross Profit (Additions Basis)**

Gross profit (additions basis) means 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.

## **Gross Profit (Difference Basis)**

Gross profit (difference basis) means the amount by which:

- (i) the sum of the turnover and the amount of the closing stock shall exceed
- (ii) the sum of the amount of the opening stock and the amount of the uninsured costs/expenses.

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.

## **Gross Rentals**

Gross rentals means the amount paid or payable to the Insured by tenants in accordance with a rental agreement existing at the time of damage to the building/premises and for services rendered.

## **Indemnity Period**

Indemnity period means the period beginning with the date of the occurrence of the damage and ending not later than the expiry of the number of months specified in the policy schedule during which the results of the business are affected as a consequence of the damage.

## **Insured Standing Charges**

Insured standing charges are the total amount of fixed expenses incurred monthly and which do not vary in relation to changes in gross profit, revenue and/or rentals. The words and expressions used shall have the meaning usually given to them in the books of account of the Insured.

## **Net Profit**

Net profit means 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.

## **Rate of Gross Profit**

Rate of profit means the rate of gross profit earned on the turnover during the financial year immediately before the date of the damage, after adjustment.

## **Revenue**

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

## **Standard Turnover/Revenue/Gross Rentals**

Standard turnover/revenue/gross rentals means turnover/revenue/gross rentals earned during that period in the 12 months immediately before the date of the damage that corresponds with the indemnity period, after adjustment.

---

## Turnover

Turnover means 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.

## Uninsured Working Expenses

Uninsured working expenses are those expenses that shall reduce in direct proportion to a reduction in gross profit, revenue and/or rentals.

## Wages

Wages means the wages of all employees other than those whose remuneration is treated as salaries in the Insured's books of accounts.

## Extensions and Clauses

### 1. Accountants/Auditors 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 Insurer for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the Insured's auditors or professional accountants. Their certificate shall be prima facie evidence of the particulars and details to which it relates.

### 2. Accumulated Stocks Clause

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in income due to the damage is postponed because of the gross income being temporarily maintained from accumulated stocks.

### 3. Departmental Clause

If the business is conducted in departments, divisions, locations or branches, the independent trading results of which are ascertainable, in the event of a claim under this section, the provisions of this insurance shall apply separately to each department, division, location or branch affected by the damage.

### 4. Extensions to Other Premises

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

If the Insurer alleges that any claim, loss, damage, legal liability, exposure, cost or expense is not covered by this Extension to other premises, the burden of proving the contrary shall rest on the Insured.

#### a) Premises of unspecified suppliers and/or customers

Any loss to property for which a claim would have been payable under this section of this policy if such property had been insured under this policy, resulting in interruption of or interference with the business, as a consequence of damage occurring within the Republic of South Africa to premises:

- (i) 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 and/or customers' premises; or
- (ii) preventing movement of goods to or from premises of suppliers or customers shall be deemed to be loss resulting from damage to property used by the Insured at the premises.

The most the Insurer shall pay under this additional benefit is 20 per cent of the sum insured stated in the policy schedule for this section.

The Insurer shall only pay a claim for this benefit if the Insurer would have paid a claim for the damage to the property if it had been insured under this policy and/or a fire and allied perils policy. For the purposes of this additional benefit, premises does not include domestic premises.

#### (b) 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 subject to the limit of Indemnity or R200 000 whichever is the lesser.

#### (c) Contract sites

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

**(d) Prevention of access – Extended cover**

Property within a 5 -kilometre 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.

**(e) 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 Insurer as soon as reasonably practicable and to adjustment of the premium if necessary.

**(f) 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 Insureds premises.

For the purposes of this cover, Damage excludes Damage arising from or contributed by malicious damage, sabotage or vandalism to the provider's property, plant, machinery, equipment, or the failure, for whatever reason, of the provider to maintain its property, plant, machinery, and equipment.

The Claim is Subject to a Time Excess of 48 hours.

Time Excess means that period beginning with the exact time of the occurrence of the Damage and not ending later than the period of 48 hours.

**(g) Public telecommunications – insured perils only (if stated in the schedule to be included)**

1. Property at the premises of any public authority which is empowered by law to supply telecommunications facility to the insured
2. the transmission facilities network of the public authority mentioned in 1 .

**The geographical limits of (a), (b), (c), (d), (f) and (g) of the extensions are confined to the Republics of South Africa and, Namibia, Botswana, Kingdoms of Lesotho and Eswatini, Zimbabwe and Malawi, and (e) of the extensions to other premises is confined to the Republic of South Africa and Namibia.**

**5. 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.

**6. 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.

**7. Physical Damage Provision**

Our obligation to indemnify shall be restricted to claims payments resulting from:

- a. property insurances, insofar as they cover financial losses arising from the physical loss of or physical damage to the tangible insured property caused by an insured peril, and
- b. property business interruption insurances, insofar as they cover interruption directly caused by physical loss of or physical damage to the tangible insured property caused by an insured peril



- 
- c. or directly caused by physical loss of or physical damage to tangible property at the premises of a customer or supplier of the insured.

Physical damage is understood to mean a sudden and unforeseen detrimental change in tangible property substance in a manner necessitating repair or replacement.-

For the avoidance of doubt, a pure loss of use, such as the inability to use or restrictions in the use of a building or an object, as well as the simple non-functioning of an object shall not constitute a physical loss or damage.

### **Special Clause – New Business**

In the event of damage occurring before the completion of the first year's trading of the business at the premises, the value of gross profit, gross rentals or revenue 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.

### **Exclusions**

The Insurer shall not be liable for any claim under this section if:

1. the damage occurs after the business has been dissolved or wound up or is being carried on by a liquidator or receiver or has ceased to operate; or
2. the Insured's interest in the business ceases, other than by death; or
3. the interruption to or interference with the business is due to underinsurance under any section of this policy, or any other policy of insurance.

### **Memoranda – Alternative Service Conducted**

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 his 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.

## Accounts Receivable

### Introduction

This section forms part of the policy only if shown in the policy schedule to be operative and is limited to the period of insurance indicated.

### Definition

#### Outstanding Debit Balances

The outstanding debit balance reflected in the books of the Insured at the date of loss or damage, 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;
- (c) any trading conditions which have or could have 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 insured event had it occurred.

### Cover

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 while at the premises or at the residence of any director, member, partner or employee of the Insured or the premises of any accountant or professional advisor of the Insured, in consequence whereof the Insured is unable to trace or establish the outstanding debit balances in whole or part due to them.

### Basis of Indemnity

The Insurer shall pay for the loss of book debts which are, or become, irrecoverable directly as a result of an insured event, but shall not exceed:

1. the difference between:
  - (a) the outstanding debit balances; and
  - (b) the total of the amounts received or traced in respect thereof; **plus**
2. the additional expenditure, with the Insurer's consent, necessarily and reasonably incurred in tracing and establishing client debit balances after the date of the occurrence of the damages.

The maximum liability to the Insurer shall be the lower of the sum insured stated in the policy schedule, and the amount calculated as set out under "Indemnity" in this section.

### Exclusions

The Insurer shall not pay for damage or loss:

1. to the books of account or other business books or records caused by
  - (a) wear and tear or gradual deterioration or moths or vermin;
  - (b) detention, seizure or confiscation by any lawfully constituted authority;
  - (c) electrical or electronic or magnetic injury, disturbances or erasure unless the Insured maintains the duplicate records referred to in the duplicate records condition of this section.
2. caused by fraud or dishonesty of any principal, director, partner or employee of the Insured.

### Clauses and Extensions

#### 1. Accountants 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 Insurer 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. Their certificate shall be prima facie evidence of the particulars and details to which it relates.

#### 2. Duplicate Records – *Applicable If stated in the policy schedule*

The Insured shall maintain duplicates of his 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.

#### 3. Precautionary Extension

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 that the Insured shall notify the Insurer in writing of such removal within 30 days thereafter. The Insurer shall 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.

**4. Protections – *Applicable if stated in the policy schedule***

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 strongroom outside business hours unless they are being worked on or are required for immediate reference.

**5. Transit Extension**

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.

**Special Clause**

**Average (Underinsurance)**

Where at the date of occurrence of the damage the sum insured as shown in the policy schedule is less than 80 per cent of the total amount of outstanding debit balance, the amount payable shall be proportionately reduced.

However, this clause shall not apply if the claim does not exceed 10 per cent of the sum insured shown in the policy schedule.

## Money

### Cover

Money (as defined) is insured against:

1. Theft; or
2. Loss, destruction or damage caused by any accident not otherwise excluded; occurring during the period of insurance in the Republics of South Africa and Namibia, Kingdoms of Lesotho and Eswatini, Botswana Zimbabwe and Malawi unless otherwise specified.

### Limitation

The most the Insurer shall pay for any claim arising directly or indirectly from one source or original cause is the sum insured shown in the policy and/or policy schedule.

### Definitions

#### Business Hours

Business hours means the normal business and office hours including overtime hours when the Insured, or any employee(s) authorised by the Insured, is on the premises for business purposes.

#### Clothing and Personal Effects

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.

#### Insured

Insured, for the purpose of this cover section only, is extended to include the Insured's Directors, officers, partners, employees and if the Insured is a registered club, the club members while acting for the club.

#### Money

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

Money, for

the purpose of this cover section, is extended to include money held in trust or for which you are responsible and which is not otherwise insured.

#### Premises

Premises shall mean the consulting rooms or office at the address stated in the policy schedule, including the outbuildings but excluding any garden, yard, open veranda, or other fixed attachments and fixed accessories thereof.

#### Receptacle

Receptacle shall mean any safe, strong room, strongbox, till, cash register, cash box or other receptacle for money or any franking machine.

#### Safe

Safe means a burglar-resistant container that has been designed to resist fire and attack by hand-held or power-operated tools and has been designed for the storage of money and valuables.

#### Strong room

Strong room means a burglar resistant structure constructed of masonry and steel that has been designed to resist fire and attack by hand-held or power-operated tools and has been designed for the storage of money and valuables.

#### Theft

Theft means the dishonest appropriation of property or money belonging to the Insured, with the intention of permanently depriving the Insured thereof.

#### Indemnity

The Insurer shall pay up to the sum insured shown in the policy schedule for loss of or damage to money (other than crossed cheques or postal orders) during the period of insurance for the following categories of money:

**(a) Money on the premises**

Money on the premises **during** business hours.

However, money not contained in a locked safe or locked strong room **outside** normal business hours is limited to the lesser of R 3 000 or the sum insured.

**(b) Money in the Insured's custody / private residence**

Money in the Insured's personal custody or the personal custody of an authorised person while in a private residence. However,

- (i) the liability to the Insurer shall not exceed R10 000 for any one annual period of insurance;
- (ii) theft must involve an act of violence, or threat thereof, and theft from an unoccupied residence must be accompanied by visible, forcible or violent entry or exit from the residence.

**(c) Money in transit**

- (i) Money in direct transit between the business premises or the Bank of the Insured, or the private residence of the Insured or authorised person.
- (ii) Money in a night safe or automatic teller machine removed by a bank employee.

However, the cover is only provided until the close of business the next bank trading day from the time the transit commenced.

**(d) Money in a locked safe or locked strong room**

Money in a locked safe or locked strongroom situated in a building at the insured premises **outside** business hours shall be according to the grading of such safe or strongroom as follows:

No SABS grading	R 5 000
SABS Cat 1 grading	R 10 000
SABS Cat 2 grading	R 20 000
SABS Cat 2 HD grading	R 40 000
SABS Cat 2 ADM grading	R 100 000
SABS Cat 2 ADM D3 grading	R 125 000
SABS Cat 3 grading	R 175 000
SABS Cat 4 grading	R 350 000
SABS Cat 5 grading	R 500 000

**Exclusions**

The Insurer shall not be liable for:

1. theft from a 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 meters 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*).
2. theft from a safe or strongroom when the locking device is opened by:
  - (a) a key, magnetic key or card, or similar device;
  - (b) a sequence of numbers or letters, or numbers and letters; or
  - (c) any combination of the security devices shown in 2(a) and 2(b) above, when the security devices are left unsecured on the premises;
3. theft from a safe or strongroom:
  - (a) that is not locked outside business hours; or
  - (b) whilst the portion of the premises containing such safe or strongroom is unattended;
 but this exception shall not apply if it can be shown to the satisfaction of the Insurer that the key holder to the safe or strongroom deliberately left it unlocked with the intention of allowing the money to be stolen;
4. theft of money not contained in a locked safe or strongroom whilst the portion of the premises containing such money is unattended but this exception shall not apply if it can be shown to the satisfaction of the Insurer that the person(s) responsible for the money deliberately left it outside the safe or strongroom with the intention of allowing it to be stolen;
5. arising from the use of keys to any safe or strongroom, **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 Insurer that the key holder or such other person had used the keys to open the safe or strongroom;
- 6. loss due to shortages resulting from clerical or accounting errors or loss due to errors in receiving or paying out;
- 7. loss of money arising from dishonesty by any principle, partner, director, or person or persons in employ of the insured not discovered within 30 days of its occurrence;
- 8. any consequential loss whatsoever;
- 9. loss arising out of the payment of money for, or in consideration of a cheque or negotiable instrument that is subsequently dishonoured;
- 10. theft, loss, destruction or damage due to or sustained by or through theft or attempted theft or any act of fraud or dishonesty committed by any member of the Insured's family;
- 11. loss, destruction or damage if the premises becomes unattended and remains so for any period of more than 60 consecutive days, unless the Insurer's written agreement to continue cover has been obtained prior to the loss;
- 12. loss, destruction or damage as a result of trickery;
- 13. loss of, destruction of or damage to money due to ransom or extortion, other than actual assault or the threat of immediate violence to any person or premises.

## Additional Benefits and Extensions

### 1. Additional Premises – Provisional Cover

If this section is operative, cover is extended to include all premises within the Republic of South Africa that become the Insured's after the commencement of the period of insurance, for 30 days from first being used by the Insured (unless the period of insurance ends sooner or the premises ceases to be the Insured's, whichever shall first occur), but the cover is limited to:

- (a) the business described in the policy schedule, and
- (b) money described in the policy schedule.

The most the Insurer shall pay under this additional benefit is R 2 500.

Full details of such additional premises are to be supplied to the Insurer within 30 days of commencement of use of the premises by the Insured. The Insurer may ask for an additional premium if the Insurer agrees to provide continuing cover for such additional premises.

### 2. Clothing and Personal Effects

If during theft or attempted theft of money, clothing and personal effects are damaged or lost, the Insurer shall pay to repair or replace. The most the Insurer shall pay, in addition to the sum insured, is R 5 000 any one person, and R20 000 in total, any one event.

### 3. Counterfeit Currency

The Insurer shall indemnify the Insured for losses sustained due to the acceptance in good faith, in exchange for merchandise, money or services, of counterfeit South African currency notes, up to R 1 500 in any one annual period of insurance.

### 4. Damage to Premises, Safe or Strongrooms

In respect of damage to the premises, safe or strongroom due to theft of money or attempted theft of money, the Insurer shall at their option pay for, repair or make good the damage that the Insured is legally responsible to repair or make good. The most the Insurer shall pay under this additional benefit is R 5 000 any one event.

### 5. Injury during Theft

If an injury is suffered by the Insured, or by any principal, partner, director or employee of the Insured (hereinafter in this extension referred to as such person) during a theft, or attempted theft of money for which the Insurer has agreed to pay a claim, and such injury is the sole cause of:

#### Item 1: Death

The Insurer shall pay R 25 000 to such person's estate.

#### Item 2: Permanent Disability

The percentage of the capital sum of R 25 000 as indicated in the table below:

		Percentage of R 25 000
A	loss by physical separation at, or above, the wrist or ankle of one or more	100

<b>B</b>	permanent and total loss of :	whole eye	100
		sight of eye	100
		sight of eye except perception of light	75
<b>C</b>	permanent and total loss of hearing:	both ears	100
		one ear	25
<b>D</b>	permanent and total loss of speech		100
<b>E</b>	injuries resulting in permanent total disability from following usual occupation or		100
<b>F</b>	loss of four fingers		70
<b>G</b>	loss of thumb	(one or both phalanges)	25
<b>H</b>	loss of index finger	(one, two or three phalanges)	6
<b>I</b>	loss of any other finger	(one, two or three phalanges)	6
<b>J</b>	loss of metacarpals	first, second, third, fourth or fifth (additional)	5
<b>K</b>	loss of toes:	all on one foot	30
		great one or both phalanges	5
		other than great, if more than one toe lost, each	5

### Item 3: Temporary or permanent total disablement from attending to usual business

The Insurer shall pay R 500 per week or 80 per cent of the average weekly earnings of such owner, director, partner, proprietor or employee, whichever is the lesser. The amount shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 24 weeks.

### Item 4: Emergency Expenses Shortfall

Shall mean the emergency expenses shortfall necessarily incurred for emergency medical, emergency surgical, emergency dental, or emergency hospital treatment (including the expenses shortfall incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) up to R25000 incurred within a 24 months of the defined event.

## 6. Receptacles

In addition to any payment in respect of a defined event, the Insurer will indemnify the Insured in respect of receptacles (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that the Insurers liability under this extension, shall not exceed the amount stated in the schedule.

### Memoranda

#### A. Applicable to "Injury during Theft"

1. The Insurer shall only be liable for payment with regard to Items 1 and 2 if death or permanent disability occurs within 12 months after sustaining the injury.
2. No amount shall be payable in respect of:
  - (a) death attributable to, or consequent upon, or accelerated by; or
  - (b) disablement aggravated by, attributable to, or consequent upon, any pre-existing physical defect, illness or disease or injury.

#### B. Applicable to Permanent Disablement Benefits

1. Where the injury is not specified the Insurer shall pay such sum as in its opinion is consistent with the above provisions.
2. Permanent total loss of use of part of the body shall be considered as loss of such part.
3. 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:

1. The Insurer shall not be liable to pay in respect of any one such person more than the capital sum of R 50 000 in respect of the cover provided for in Items 1, 2 and 4.
2. Compensation payable to any one person shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment or medical aid in respect of any treatment for which compensation is payable under any item.
3. This extension shall not apply to any such person under 15 or over 70 years of age.
4. 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 Insurer shall not be liable to make any payment unless this proviso is complied with to its satisfaction.

5. General Exception 6 and General Conditions 20 and 26 do not apply to this extension.
6. In respect of this extension only General Exception 8 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.”

### C. Applicable 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 Insurer 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 Insurer shall, for the purpose of the insurance afforded by this extension, presume his death provided that if, after the Insurer 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 Insurer.

### 6. Keys, Locks and Combinations

The Insurer shall pay:

- (a) for the keys, locks, magnetic keys or cards or similar devices to be replaced, or to change the sequence of numbers or letters, or numbers and letters to any safe or strongroom if:
  - (i) keys, magnetic keys or cards or similar devices are accidentally lost or stolen;
  - (ii) the sequence of numbers or letters, or numbers and letters becomes known by any unauthorised person or are accidentally lost or stolen;
  - (iii) circumstances have allowed the unauthorised duplication of keys, magnetic keys or cards or similar devices;and
- (b) the cost of opening safes and strongrooms following loss of keys, magnetic keys or cards or similar devices.

The most the Insurer shall pay under this additional benefit is R20 000 in total any one event.

### 7. Public Holiday Increase

The sum insured for money shown in the policy schedule shall automatically increase by 50 per cent on gazetted public holidays that fall on days adjacent to a weekend. If such weekend occurs during the period specified in this section for “Seasonal increase” or the period specified in the policy schedule for “Seasonal increase”, this increase shall not apply.

Cover under this additional benefit shall apply until the close of trading of the Insured's bank on the next business day following such gazetted public holiday. However this additional benefit shall not apply to:

- (i) damage to safes and strongrooms;
- (ii) money on premises outside business hours.

### 8. Reinstatement of Sum Insured

Following a claim under this section, the Insurer shall reinstate the sum insured from the date of loss to its value immediately before the loss.

However, such reinstatement shall be done **only once** during any annual period of insurance.

### 9. Seasonal or Festive Increase

The sum insured for money shown in the policy schedule shall automatically increase by 50 per cent during the following periods:

- (a) 30 days prior to and including Christmas day;
- (b) 16 days after and including 26 December;
- (c) 30 days prior to and including Good Friday;
- (d) ten days after but not including Good Friday; or as otherwise shown in the policy schedule. However this additional benefit shall not apply to:
  - (i) damage to safes and strongrooms;
  - (ii) money on premises outside business hours.

### 10. Skeleton Keys

The insurance under this section extends to cover loss of or damage to money 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 Insurer that a skeleton key or device was used.



## 11. Temporary Protection and Watchmen

The Insurer shall pay for costs necessarily incurred by the Insured to safeguard the premises following theft or attempted theft of money, including but not limited to temporary repairs or the employment of watchmen or guards.

The most the Insurer shall pay for this additional benefit is R 5 000 in total, any one event.

## 12. Traveller's Money

Cover is extended to include loss of money belonging to the Insured, occurring while such money is in the Insured's personal custody or in the custody of the Insured's employee while travelling in connection with the business anywhere in the world.

The most the Insurer shall pay for this extension is R 2 500 during any annual period of insurance.

## Specific Exclusions and Limitations

The Insurer shall not be liable:

- (a) for the loss of or damage to money and cheques in transit **unless** such transit is direct and uninterrupted between the insured premises and the Bank;
- (b) theft from any unattended vehicle;
- (c) where such cash money is in transit and the following precautions are not taken:
  - (i) cash money up to R 10 000 must be carried by one senior employee or principal;
  - (ii) cash money between R 10 000 and R 20 000 must be carried by two senior employees or principals in a vehicle;
  - (iii) cash money in excess of R 20 000 must be carried by a professional armed security service organisation.

---

## Public Liability (Claims Made Basis)

### Operative Clause

Damages which the Insured shall become legally liable to pay consequent upon injury or 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 that gave rise to the claim or claims, shall not exceed the limit of indemnity stated in the schedule.

### Territorial Limits

Anywhere in the world but not in connection with:

- (a) any business carried on by the Insured at or from premises outside of or
- (b) any contract for the performance of work outside of  
the Republics of South Africa and Namibia, Botswana, Kingdoms of Lesotho and Eswatini, Zimbabwe and Malawi.

### 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 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.

### Definitions

#### 1. Injury

Injury means bodily injury, illness inclusive of mental, disease or death to any person.

#### 2. Damage

Damage means the physical damage or loss of control to tangible property.

#### 3. Employee

Employee means any person currently (or who at the time of the claim event was) employed under a contract of service with the Insured including partners, executive and non executive directors, consultants and temporary employees employed by the Insured.

#### 4. Product

Product means any tangible property (inclusive of containers and labels) after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired inclusive of any gratuitous or technical advice given by the Insured in the promotion of such product. This shall exclude food and drink provided as a staff benefit to employees by the Insured.

#### 5. Pollution

Pollution means the emission, discharge, release, dispersal, disposal, seepage or escape of any liquid, solid, gaseous or thermal irritant, contaminant inclusive of the generation of smell, noises, vibrations, light, electricity, radiation, changes in temperature or any other sensory effects upon land, water or the atmosphere.

#### 6. Proposal

Proposal means the application for the insurance cover provided by this policy including the proposal form identified in the schedule together with any other documentation or information submitted to the company for consideration of the risk.

#### 7. Schedule

Schedule means the schedule attaching to this Policy, incorporating all Endorsements.

#### 8. North America

North America means The United States of America and Canada and or any other territory that may be operating under the laws of these two respective countries.

## 9. Policy

Policy means the contents of this document together with the schedule, incorporating all Extensions and Endorsements, issued from time to time by the company and the proposal which shall all be read together as evidencing the contract of insurance.

## 10. Insured

Insured means any person or persons, company, or other entity as listed as Insured in the schedule acting as a director, member, partner or principal of the business

- (a) including their predecessors in that specific business as director, member, partner or principal and
- (b) any person who becomes a director, member, partner or principal during the period of insurance, but limited to the extent that liability only attach to the Insured.

## 11. Takeover or merger

Takeover or merger means any transaction whereby another company acquires control over the assets or management of the named Insured or whereby the assets of the Insured become vested in or under the control of another company including a transfer of whole or any part of a business, trade or undertaking that is transferred as a going concern.

## 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 with the Insured;
2. damage to
  - (a) property
    - (i) belonging to the Insured;
    - (ii) property in the custody or control of the Insured or any employee of the Insured but this exception shall not be applicable to the premises (or contents thereof) temporarily occupied by the Insured for work therein;
  - (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 caused by or through or in connection with
  - (a) 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) 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 trailer or of any watercraft exceeding 5 meters in length or of any watercraft 5 meters and less but that is not used on inland waterways only, locomotive or rolling stock. 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 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)
    - (i) the refuelling of aircraft;
    - (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline;
    - (iii) the ownership, hiring or leasing of any airport, airstrip or helicopter pad;
  - (d) 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;
4. damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
5. assumed by the Insured by agreement unless such liability would have attached in the absence of such agreement.
6. fines, penalties, punitive, exemplary or vindictive damages;
7. damages in respect of judgements delivered awarded or settlement made within North America or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part;
8. damages which shall include costs and expenses of litigation recovered by any claimant from the Insured, in respect of any claim arising from an event known to the Insured which is not reported to the company in terms of General Condition 7 Claims;
9. the first amount payable as per schedule;
10. liability consequent upon injury or damage arising out of deliberate disregard by the Insured of the need to take reasonable precautions to prevent any event or circumstance which may give rise to a claim;

11. any claim or claims whether actual or alleged howsoever arising in connection with or based upon or arising from or in any way involving actual or alleged unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or relate to any breach of a provision of the Competition Act 89 of 1998 (as amended) or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the liability arose;
12. any liability arising from pollution inclusive of the cost of nullifying or cleaning up of the pollution provided that it will not apply for any claims arising from a sudden, unintended and unexpected occurrence.
13. any liability arising out of or in connection with sexual molestation in any form, be that rape; sexual harassment; sexual assault or any other form whatsoever; howsoever that molestation might occur and irrespective the identity or occupation of the perpetrator or perpetrators.

## Memorandum

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

“This section does not cover injury, damage to property 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 7 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.  
In the event of cancellation or non-renewal of the policy, the Insured may report an event in terms of General Condition 7 to the company for up to 30 days after cancellation or non-renewal, provided such event occurred during the period of insurance.
2. 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 7 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.

## Manifestation Clause

Where the facts do not speak for themselves and the Company and the Insured cannot mutually agree when the injury or damage occurred, then for the purpose of determining the indemnity granted:

- (a) Injury shall be deemed to have occurred when the claimant first consulted a qualified Medical Practitioner in respect of such injury, whether or not it was correctly diagnosed at the time. If no such consultation took place, then injury shall be deemed to have occurred when the Insured was first advised of the injury.
- (b) Damage shall be deemed to have occurred when it first became evident to the claimant, even if the cause was unknown.

## Claims Series Clause

A claims series clause aggregates several claims/insured events to one single claim/insured event, or several losses to one single loss. A claims series clause may stipulate that two actual separate claims (two infringements) under a liability insurance are to be regarded as a single claim.

Any series of claims made against You 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 You

- a. on the date that the event was reported by You in terms of General condition 7  
or
- b. if You were not aware of any event

## 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 7 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as the “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 for 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.

### **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.

### **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.

### **Unattached Trailers**

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

- (a) 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;
- (b) 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 Expenses Shortfall**

The company will indemnify the Insured for all reasonable Emergency expenses shortfall 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.

### **Dispensing Errors**

Notwithstanding anything to the contrary contained in Specific Exception 3 (a), the Insurer shall indemnify the Insured in respect of liability as herein defined arising out of any neglect, error or omission, in the course of the business at the business premises on the part of the Insured or of any qualified employee of the Insured in:

1. the compounding or dispensing of medicines or drugs;
2. the giving or explaining of instructions concerning the use or application of such medicines or drugs

provided always that the liability of the Insurer under this extension shall not exceed R 20 000 in respect of all claims arising out of any one event or occurrence, and R 40 000 in respect of all claims arising during any one annual period of insurance.

### **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.

### **Gratuitous Advice**

Notwithstanding anything to the contrary contained in Specific Exception 3(a) the Company will indemnify the Insured in respect of Defined Events caused by the unintentional failure of the Insured to perform the legal duty to exercise due care owed to another person or party in providing technical information or advice to such person or party provided that this section does not cover liability:

- (i) arising out of the insolvency of the Insured;
- (ii) arising out of financial services and/or cost estimates provided by or on behalf of the Insured;
- (iii) arising out of defamation;
- (iv) arising out of design, formula, supervision, treatment or advice given by or on behalf of the Insured in exchange for a fee or benefit of some kind;
- (v) arising out of technical information or advice given in connection with a product unless the extension for products Liability is included in the schedule.

If at the time of any event giving rise to a claim under this extension, indemnity is also provided under any other insurance, this extension shall not be drawn into contribution with such other insurance except in respect of any amount for which the Insured is liable over and above the cover provided by such other insurance subject at all times to the limit of indemnity.

### **Acquisitions and New Businesses**

The indemnity granted by this section of the policy extends to any company formed or acquired by the Insured during the period of insurance for a period of 90 days of such formation or acquisition, provided always that:

- (a) the retroactive date in respect of such new company shall be deemed to be the date when a newly formed or acquired company first purchased liability insurance of the type hereby insured on a "Claims Made" basis, subject to a declaration from the newly acquired company's previous management of no known or reported claims or circumstances likely to give rise to a claim at the date of acquisition. In the absence of such a declaration, the retroactive date shall be the date of such acquisition;
- (b) the Insured's business activities remain unchanged;
- (c) the annual turnover of all newly formed or acquired companies does not exceed 5 per cent of the estimated annual turnover of the Insured as advised to the insurance company at inception hereof;
- (d) the Insured shall advise the insurance company of such formations or acquisitions before the expiry of 90 days thereof and the insurance company may amend the terms of this section of the policy accordingly.

### **Wrongful Arrest and Defamation**

The defined events are extended to include damages:

- (a) resulting from wrongful arrest (including assault in connection with such wrongful arrest);
  - (b) in respect of defamation,
- provided always that the limits of indemnity as stated shall not exceed R 250 000 under each of (a) and (b) in anyone (annual) period of insurance.

### **Statutory Legal Defence Costs**

The Insurers will indemnify the Insured, up to the limit of R250 000, in respect of legal costs, fees and expenses incurred with the prior consent of the Underwriters in the defence of any criminal action brought against the Insured as a result of the alleged contravention during the Period of Insurance of any statute governing the conduct of the Business, other than statutes governing the ownership or use of motor vehicles or labour or the Companies Act No. 61 of 1973 (as amended), and all as read in conjunction with the Criminal Procedure Act No. 56 of 1955 (as amended)

Provided always that:

- (a) no indemnity shall be granted for fines or penalties
- (b) in the case of an Appeal, the Insurers shall not indemnify the Insured unless a Senior Counsel (to be agreed to by the Underwriters) shall advise that such Appeal should be likely to succeed.

### **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 any product sold or supplied (including wrongful delivery and delivery of incorrect goods) by the Insured in connection with the nature of 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 anyone 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

1. for the cost of repair, alteration, recall, reconditioning or replacement of the product or part thereof causing injury or damage. 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;
2. for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the products and any other property essential to such repair, alteration or replacement unless physically damaged by the product;
3. arising from the failure of any product or any part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed but this exception shall not apply to consequent injury or damage;
4. arising from products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft;
5. in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any products sold or supplied by or to the order of the Insured, if such products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured;
6. for any defect in any product or any part thereof of which the Insured was aware prior to the inception of this extension.

## **Employers' Liability**

### **Insured 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 policy schedule, and which results in a claim or claims first being made against the Insured in writing during the period of insurance.

### **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 Insurer'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 policy 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 Republics of South Africa and Namibia, Botswana, Kingdoms of Lesotho and Eswatini, 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 Republics of South Africa and Namibia, Botswana, Kingdoms of Lesotho and Eswatini,;
  - (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:
  - (i) which is not reported to the Insurer in terms of General Condition 7;
  - (ii) prior to inception of this section;
- (f) 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.
- (g) Amounts recoverable under The Compensation to Occupational Injuries and Diseases Act 130 of 1992 (as amended) or any other Workmen's Compensation Enactment and /or Occupational Diseases in Mines and Works Act 78 of 1973 (as amended)
- (h) any liability arising out of or in connection with sexual molestation in any form, be that rape; sexual harassment; sexual assault or any other form whatsoever; howsoever that molestation might occur and irrespective the identity or occupation of the perpetrator or perpetrators.
- (i) Claims arising from illness or disease, or contributed to by prolonged exposure to substances, factors or circumstances peculiar to any particular employment or occupation.
- (j) Claims arising out of silicosis, silicotuberculosis or any related disease of the respiratory system.

## 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 7 (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 Insurer.
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 shall 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 7 to the Insurer 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 7; 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

### 1. Extended reporting option – *Applicable if stated in the policy schedule*

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 Insurer agrees to extend the period during which the Insured may report an event in terms of General Condition 7 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 Insurer 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 Insurer;



- 
- (d) the Insured has not obtained insurance equal in scope and cover to this section as expiring;
  - (e) the Insurer 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 Insurer 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.

## 2. 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 Insurer shall, 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 Insurer;
- (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 Insurer is not hereby increased.

## Memorandum

In respect of this section only, General Exception 8 is 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.

---

## Glass

### Introduction

This section forms part of the policy only if shown in the policy schedule to be operative and is limited to the period of insurance indicated.

### Definitions

#### Advertising (or Identification) Signs

Advertising (or identification) signs means signs made from glass or electrical illuminated signs permanently fitted to the building or within the boundaries of the premises.

#### Breakage or Broken

Breakage or broken means a fracture extending through the entire thickness of the glass or in the case of laminated glass or plastic or perspex, the entire thickness of the laminate, plastic or perspex.

#### Glass

Glass means internal glass or external glass.

#### External Glass

External glass means glass or plastic material used as glass fixed in internal windows, doors, showcases, skylights forming part of the premises.

#### Internal Glass

Internal glass means glass or plastic material used as glass in internal partitions, windows and doors, glass in counters, glass forming shelves and or stock restraints, interior showcases, fixed mirrors and other fixed internal glass including ceramic vitreous china urinals and toilet pans and hand basins.

### Cover

If glass breakage occurs during the period of insurance the Insurer shall pay for the actual cost of replacing and fixing the glass in its frame or in its normal location with glass of a similar type and quality to the glass that is broken.

The Insurer shall pay any additional costs incurred by the Insured to comply with current building regulations, or similar legislation, that relate to the glass that is broken, when applicable.

### Maximum Indemnity

The liability of the Insurer shall not exceed the sum insured as stated in the policy schedule applicable to the premises at which loss or damage occurs. The Insured is liable for any first amount payable (as indicated in the policy schedule) for each claim for an event that results in a breakage.

### Underinsurance Clause – *Applicable if stated in the policy schedule*

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.

### Exclusions

The Insurer shall not pay 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. damage to:
  - (i) property during installation or removal of glass;
  - (ii) glass forming part of stock-in-trade or merchandise;
  - (iii) glass which, at inception of this cover, is cracked or broken; (iv) glass that is only scratched, chipped or discoloured.

### Extension of Cover

#### 1. Additional Benefits

---

If this section is shown in the policy schedule to be operative and glass is broken during the period of insurance, the Insurer shall pay the costs that are necessarily incurred by the Insured to:

- (a) effect temporary repairs, install shuttering and employ watchmen or guards;
- (b) repair or replace:
  - (i) frames, sign-writing, alarm tapes, coatings; or
  - (ii) fittings;that are damaged as a result of glass breakage;
- (c) remove and refit fixtures and tiles to allow the repair or replacement of broken glass; and
- (d) arrange after hours services, express delivery and labour overtime rate in relation to the repair and replacement of broken glass.

Unless amended and stated in the policy schedule, this extension of cover is limited to R 5 000 during any annual period of insurance.

## **2. Advertising (or Identification) Signs**

If not otherwise insured, the Insurer shall pay for breakage of advertising (or identification) signs occurring during the period of insurance.

The most the Insurer shall pay for this extension of cover is R 5 000 during any annual period of insurance, unless amended and stated in the policy schedule.

## **3. Damaged Stock or Contents**

The Insurer shall pay to repair or replace damaged stock or contents caused by such broken glass.

Unless amended and stated in the policy schedule, the most the Insurer shall pay for this extension of cover is R 10 000 during any annual period of insurance, less any amount realised from the sale of any salvage.

## **Specific Exclusion – Unattended Premises**

The Insurer shall not pay a claim where the premises becomes unoccupied and remains so for any period of more than 60 consecutive days, unless the Insured, before the occurrence of any damage, obtains the Insurer's written agreement to continue the cover.

## Business All Risk

### Introduction

This section forms part of the policy only if shown in the policy schedule to be operative and is limited to the period of insurance indicated.

### Cover

During the period of insurance, the Insurer shall pay up to the sum insured for the cost of repairing or replacing item(s) following accidental physical loss of or damage to the whole or part of such item described in the policy schedule by any accident or misfortune not otherwise herein excluded.

Cover is provided anywhere in the world, **unless** otherwise specified in the policy schedule.

### Maximum Indemnity

The Insurer's total liability for any claim arising out of one event, or series of events arising direct or indirectly from one source or original cause shall not exceed, in respect of each item specified in the policy schedule, the sum insured shown in the policy schedule for that item, less any first amount payable.

If more than one item of the insured items are damaged in the one event, the Insured shall only have to pay the highest single excess applicable to those items.

### Exclusions

The Insurer shall not be liable to pay for:

- (a) loss of or damage to property caused by or arising from:
  - (i) theft from an unattended motor vehicle unless the property was Concealed and there is evidence of violent and forcible entry into the Insureds Vehicle, or the Insureds Vehicle is garaged in a locked and secure building at the time of the loss and there is evidence of violent and forcible entry into the building and the vehicle,  
For property to be considered "Concealed" then:
    - a. it must stored in the cabin of the Insureds Vehicle in an enclosed storage area such as the cubby-hole or in the boot with a full covering in place .
    - b. if it is in loading area (bin) of a light delivery vehicle,
      - (i) then such bin must be under a locked and secure cover that is affixed to the Insureds Vehicle. A canvas does not qualify
      - (ii) that has a canopy then the canopy's windows must be protected by a tinted smash and grab protective film. There is no cover for the following items:  
cellphones  
jewellery  
computer, medical, photographic or video equipment  
any item that is valued at more than R100,000
  - (ii) its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration;
  - (iii) inherent vice or defect, vermin, insects, damp, mildew or rust;
  - (iv) the dishonesty of any principal, partner, director or employee of the Insured whether acting alone or in collusion with others;
  - (v) detention, confiscation or requisition by customs or other officials or authorities;
- (b) the actual breaking, seizing, deformation or melting of any part of any insured item that is caused by mechanical, electronic or electrical defect within the item that causes malfunction requiring repair or replacement before the item can resume normal operation;
- (c) corruption or loss of data;
- (d) scratching, denting, chipping or other aesthetic defects that do not affect the operation or function of the item;
- (e) gradually operating causes such as, but not limited to, wear and tear, atmospheric conditions, mildew, corrosion, disease, fading, rusting or other forms of oxidation;
- (f) faulty materials, faulty workmanship or latent defects; (g) consequential loss of any kind.

### Reinstatement of Sum Insured

---

After a claim or repairable loss of an insured item, the Insurer shall automatically reinstate the sum insured at no additional premium. However, if any item stated in the policy schedule is subject to a total loss, such item shall be deleted from the policy schedule.

The onus is upon the Insured to advise the Insurer to insure the replaced item and provide a new description of the item.

**Car Jamming (if stated in the schedule to be included):**

Notwithstanding (a) above, should the Insured suffer the theft of a Specified Business All Risk item that was Concealed as a result of the "jamming" of the Insureds Vehicle's locking system so that it is unable to engage the locking mechanism despite the Insured attempted activation thereof then the Insurer shall provide cover for the Specified Item up to a limit of 50% of the value but limited in the aggregate to R50,000 any one claim. If there is CCTV footage confirming that the Insured attempted to engaged the locking system, the Insurer will pay the claim up to the limit of the specified item as stated in the schedule. The Insured must report the incident to the Police and provide the Insurer with the Police reference.

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

The basis upon which the amount payable is to be calculated shall be either

- (a) 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
- (b) 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.

**Electrical Power surge or lightning strike extension**

All loss or damage to the Insureds machinery, electrical or electrical equipment, caused by power surges or lightning strikes will be subject to an additional first amount payable per occurrence.

- (a) The insured will be responsible for 10% of claim min R2 000 if the main electrical distribution board of the Property is protected with surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations,
- (b) The insured will be responsible for 35% of claim min R5 000 if the main electrical distribution board of the Property is not protected by surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations.

---

## Buildings Combined

### Introduction

The cover provided by this section consists of the following sub-sections:

- Sub-section 1: Insured Perils
- Sub-section 2: Public Supply Connections
- Sub-section 3: Rent
- Sub-section 4: Accidental Damage
- Sub-section 5: Legal Liability
- Sub-section 6: Glass

This section forms part of the policy only if a sum insured is stated in the policy schedule for this section and a premium has been paid for it.

### Definitions

#### Active Soil

Active soil means soil that changes in volume to varying degrees in response to changes in moisture content, i.e. the soil may increase in volume (heave or swell) upon wetting and decrease in volume (shrink) upon drying out.

#### Building

Building means 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 policy schedule) and sporting and recreational structures, carports, landlord's fixtures and fittings therein and thereon, boundary walls (excluding retaining walls unless the insurer has specifically agreed in writing to underwrite the retaining wall and it was erected in compliance with the relevant Regulations and engineering specifications which specifications must be provided by the insured in the event of a claim), gates, posts, fences (except hedges), tarred, concrete or paved roads, driveways, paths or parking areas (not gravel) and all the property of the Insured or for which the Insured is legally responsible and situated at the risk address stated in the policy schedule. If the building does not comply with the definition above, the Insurer must be notified thereof.

The Insurer can at its option:

- (a) accept the risk as if it is a standard construction;
- (b) accept the risk, subject to an additional premium payable by the Insured, or any other terms and conditions deemed fit by the Insurer for the risk to be accepted by them;
- (c) cancel the risk.

#### Damage

Damage means physical loss or destruction to the building during the period of insurance as a result of an insured event.

#### Geysers [electric storage water heater]

Geysers consist of the unit itself, its associated components, pipes and fittings, control valves, stopcock installed no more than 1.5 meters from the geysers unit for the purpose of controlling the water flow to the geysers unit only, the drain cock, safety valve, vacuum breakers, thermostat, drip tray, feeder tank valves, isolator switches and non-return valves.

#### Landslip

Landslip means the downward or sideways movement of sloping ground/soil resulting from the action of self-weight stresses and imposed loading exceeding the available strength of the soil.

#### Settlement

Settlement means the downward movement of soil due to the force of any weight imposed on it.

#### Solar Water Heating System (Solar System)

Solar water heating system consists of the unit itself and all its associated components, pipes, valves and collector etc.

#### Subsidence

Subsidence means the downward movement of soil supporting the building from causes unrelated /unconnected to the building.

#### Cover

1. Loss of or damage to the property (as defined) situated at the risk address stated in the policy schedule by the perils described in Sub-section 1.
2. Accidental damage to public supply connections as provided for in Sub-section 2.
3. Loss of rent as provided for in Sub-section 3.
4. Accidental damage as provided for in Sub-section 4.
5. Legal liability as provided for in Sub-section 5.
6. Glass as provided for in Sub-section 6.

## Sub-section 1: Insured Perils

Loss of or damage caused to buildings by:

1. fire, subterranean fire, explosion and meteorite;
2. acts of nature: storm, wind, thunder, water, lightning, flood, hail or snow other than:
  - (a) that arising from its undergoing any process necessarily involving the use or application of water, unless the water damage is caused by local authorities in the process of extinguishing of fire;
  - (b) wear and tear and gradual deterioration;
  - (c) loss, damage or destruction
    - (i) to retaining walls, unless the Insurer has specifically agreed in writing to underwrite the ~~such~~ retaining walls and they were erected in compliance with the relevant Regulations and engineering specifications which specifications must be provided by the Insured in the event of a claim;
    - (ii) caused by or aggravated by:
      - subsidence and landslip;
      - movement of the land supporting the Building even if such movement is caused by storm or flood. This exclusion will not apply to the removal of land supporting the Building by flowing surface water.
      - the Insured's failure to take all reasonable precautions for the maintenance and safety of the insured property and for the minimisation of any destruction or damage;
      - mildew, damp, a rise in the underground water table, rising damp, rust, corrosion or rot;
3. earthquake but excludes any loss or damage arising directly or indirectly from mining activities;
4. impact by aircraft or any object falling from the sky;
5. impact by animal, vehicle, falling trees or parts of trees and trees cut down by a professional tree feller or collapse, and damage, or breakage, by aerial systems, satellite dishes and masts, including damage to such aerial systems, satellite dishes and masts;
6. leakage by , sudden and unforeseen, bursting, overflowing or escape of water or oil from tanks, apparatus or pipes including any fixed water or oil-fired heating installation, or associated equipment, forming part of the building, including damage to such tanks, apparatus or pipes but excluding loss, damage, repair or replacement, to any property, defective geyser elements, thermostat or valves, caused by or aggravated by:
  - (a) wear and tear or gradual deterioration, rust, corrosion, mildew or damp;
  - (b) subsidence and landslip;
7. theft, or any attempt thereat, accompanied by forcible and violent entry into or exit from such building, but **excluding** theft or attempted theft:
  - (a) while the property is illegally occupied, abandoned and/or vacant;
  - (b) caused by the Insured, any members of his household or his tenant;
  - (c) which occurs with the Insured's knowledge or his consent; and**provided** that if the building or any part thereof becomes unoccupied for 30 consecutive days, this peril is suspended as regards the unoccupied building or part thereof, **unless** the Insured, before the occurrence of loss or damage, obtains the written agreement of the Insurer to continue this peril. During the period of the initial unoccupancy of 30 consecutive days the Insured shall become a co-insurer with the Insurer and shall bear a rateable proportion of any damage equal to 20 per cent of the claim before deduction of any first amount payable;
8. theft or attempted theft of the landlord's exterior fixtures and fittings removed by forcible and violent means from the building, but limited to a maximum amount of R 15 000 any one event, unless amended and stated in the policy schedule, **excluding**:
  - (a) while the property is illegally occupied, abandoned and/or vacant;
  - (b) caused by the Insured, any members of his household or his tenant;
  - (c) which occurs with the Insured's knowledge or his consent; and**provided** that if the building or any part thereof becomes unoccupied for 30 consecutive days, this peril is suspended as regards the unoccupied building or part thereof, **unless** the Insured, before the occurrence of loss or damage, obtains the written agreement of the Insurer to continue this peril. During the period of the initial unoccupancy of 30 consecutive days the Insured shall become a co-insurer with the Insurer and shall bear a rateable proportion of any damage equal to 20 per cent of the claim before deduction of any first amount payable;

## 9. Malicious damage

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
  - 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. loss or 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. 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 lawful constituted authority
  - e. loss or damage related to or caused by any occurrence referred to in General exception 1 A, B, 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 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 Our written agreement to continue this extension. During the period of the initial un-occupancy of 30 consecutive days the Insured shall become a co-insurer with Us and shall bear a proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before deduction of any first amount payable.

10. accidental damage to sanitary ware such as fixed washbasins, pedestals, sinks, lavatory pans, splash-backs and cisterns, but excluding denting, chipping, scratching or cracking not affecting the operation of the item.

## 11. Subsidence and landslip definitions

Definitions applying to both Limited and Extended Cover

- (a) **Subsidence:**  
the downward movement of a site on which Buildings may or may not stand, from causes unconnected with the Building
- (b) **Landslip:**  
the downward or sideways movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground, including liquefaction
- (c) **Heave:**  
movement of the Building upwards and outwards as a result of an excess of water causing the ground to expand
- (d) **Settlement:**  
the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and it is unpredictable

### Subsidence and landslip (if stated in the schedule to be included)

Cover is extended to include loss of or damage to the Building caused by subsidence, landslip or heave of the land supporting the Building provided such loss or damage is not caused by or does not arise from:

- (a) excavations other than mining excavations
- (b) alterations, additions, or repairs to the Building
- (c) the compaction of infill
- (d) defective design, materials, or workmanship
- (e) settlement, shrinkage, creeping, heaving or expansion of the Building
- (f) or is aggravated as a result of dolomite or limestone
- (g) any gradual movement of the site upon which the property is constructed
- (h) damage to drains, water courses, boundary walls, retaining walls (unless specifically agreed in writing), gates, posts, and fences
- (i) faulty design or construction of, or the removal or weakening of support to any Building situated at the Insured Property
- (j) workmen engaged in making any structural alterations, additions or repairs to any Building situated at the Insured Property



- (k) active soils
- (l) solid floor slabs or any other part of the Building resulting from the movement of such slabs, unless the foundations supporting the external walls of the Building are damaged at the same cause at the same time
- (m) interference, removal or weakening of support to any Building
- (n) the rise in the water table or pressure caused by it, including acid mine
- (o) leaking taps, leaking pipes or leaking swimming pools
- (p) coastal or river erosion

The Insurer will not be liable for:

- (a) work necessary to prevent further loss or damage due to subsidence, heave or landslip
- (b) consequential loss of any kind whatsoever
- (c) damage existing at commencement of cover

In the event of loss or damage to the Buildings The Insured will be responsible for any first amount payable in the Schedule calculated at 1% of the sum insured for the Building as stated in the schedule

## Exclusions

The Insurer shall not pay for any loss or damage, costs or expenses related to or caused by or attributed to in respect of:

1. defective design, formula specification, drawing plan, workmanship or professional advice, construction or defective material when the buildings were constructed;
2. lack of maintenance by the Insured, and the cost of maintenance of the insured property;
3. soil, vinyl or plastic pools, automatic pool cleaners and pool covers;
4. roots from trees, plants, shrubs or grass;
5. dampness over a period of time and/or which originates from contraction defects;
6. normal settlement, shrinkage or expansion of the building;
7. replacement of floor coverings other than in the room or rooms in which the damage occurred;
8. existing damage to the buildings before this insurance was effected;
9. loss or liability if the building does not conform to the requirements of the National Buildings Regulators or similar legislation applying at the time of erection;
10. total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
11. any first amount payable by the Insured, or for any reduction of amount payable under any claim due to the application of the average condition.

If the Insurer alleges that by reason of any of these exclusions loss or damage is not covered by this policy, the Insured must prove the contrary.

## Specific Clause

### **Underinsurance** – *Not applicable to insured peril 10 above*

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, 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.

## Extensions

### **1. Damage to Landscaped Gardens**

The Insurer shall indemnify the Insured for the replacement of landscaped trees, shrubs, plants and sprinkle irrigation systems following loss or damage caused by malicious people, fire, explosion, firefighting operations, including damage caused by the vehicles used in the process of firefighting, impact by vehicles, aircraft or other aerial devices or articles dropped therefrom, excluding theft or attempted theft, limited to R10 000 per event.

### **2. Inflation Protection**

During the period of insurance, the sums insured in respect of the insured property shall increase by 1 per cent the first day of every month. No monthly premium adjustment shall be made until the annual anniversary date of the policy, where the new premium shall be calculated on the adjusted sum insured. This clause does not relieve the Insured of his responsibility to ensure that the sum insured is adequate.

### **3. Leakage**

Damage caused by discharge or leakage from fire extinguishing installations/appliances.

---

#### 4. Locks and Keys

The Insurer shall indemnify the Insured for the cost of replacing locks, keys and electronic access devices of the insured premises following a loss for which the Insurer has admitted liability under insured peril 7, limited to R20 000 any one event.

#### 5. Maintenance and Cleaning Equipment

This insurance is extended to include cover as defined in insured perils 1 to 5 and 7, in respect of equipment owned by the Insured for maintaining and cleaning the premises, limited to a maximum amount of R 30 000 for any one event.

#### 6. Removal of Fallen Trees

The Insurer shall indemnify the Insured for the reasonably and necessarily incurred costs of removing trees when they have fallen upon and caused damage to the insured property, limited to R 5 000 per event.

#### 7. Repairs and Precautionary Measures

After the occurrence of an insured event the Insurer shall pay up to R 5 000 for the temporary repairs and any reasonable and necessary measures the Insured may undertake to minimise further loss.

#### 8. Security Guard(s) Costs to temporarily safeguard the premises

The Insurer shall pay the reasonably and necessarily incurred costs by the Insured employing security guards to protect his property following loss and or damage caused by an insured event that leaves the insured exposed to a criminal risk subject to the limited of R10 000 per event.

#### 9. Swimming Pool, Water Features, Ponds and Ancillary Equipment

If swimming pool and jacuzzi machinery (other than automatic pool cleaners), water pumping machinery and borehole pumps (excluding windmills) are damaged by any cause, the Insurer shall, at its option, repair or replace the damaged equipment or pay to the Insured the value thereof up to an amount of R 5 000 for any one claim.

Damage because of wear and tear or gradual deterioration, or damage for which the manufacturer/supplier or lessor is responsible, is excluded.

#### 10. Electrical Power surge extension

The Insurer shall indemnify the Insured for loss or damage to the Insureds machinery, electrical or electrical equipment, caused directly by a power surge on the power line and will be subject to the limits as set out in the schedule.

There will be no consequential loss cover such as but not limited to deterioration of stock or business interruption.

The Insured shall be responsible for the following excess:

- (a) 10% of claim min R2 000 if the main electrical distribution board of the Property is protected with surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations,
- (b) 35% of claim min R5 000 if the main electrical distribution board of the Property is not protected by surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations.

#### 11. External signs, blinds and canopies extension

The insurance granted by this Section includes loss of or damage to fixed external signs, blinds and canopies of the Insured or for which the Insured is responsible up to an amount not exceeding the amount stated in the schedule, for any one item and in total in respect of any one event unless more specifically insured in the schedule.

#### 12. Theft of external fixtures and fittings (if stated in the schedule to be included)

Theft (or any attempt thereat) of Landlord's fixtures and fittings. For the purposes of this extension only Landlord's fixtures and fittings are deemed to include external and / or remote fixtures and fittings on the premises of the Insured, provided that:

- (a) the maximum amount payable by the Company shall not exceed the amount as stated in the schedule for any one event and any one period of insurance.
  - (b) the Insured shall be responsible for the first amount payable as stated in the schedule for each event giving rise to a claim
  - (c) if any premises 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 extension. During the period of the initial un-occupancy 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.
-

## Clauses

### 1. Architects' and Other Professional Fees

The insurance under Sub-section 1 includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the insured property following damage by a defined event. The amount payable in respect of such fees is limited to 20 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.

### 2. Capital Additions

The sum insured shall increase proportionally with the amount of the appreciation in value (but not appreciation in market or reinstatement value) of the building after alterations, additions and improvements to the property for an amount not exceeding 20 per cent of the sum insured thereon, it being understood that the Insured undertakes to advise the Insurer each quarter after completion of such alterations, additions and improvements, and to pay the appropriate additional premium thereon.

### 3. Cost of Demolition and Clearing and Erection of Hoardings/Boarding up

The insurance under this section includes costs necessarily incurred by the Insured in respect of the demolition of insured property 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 insured property by a defined event, provided that the total amount recoverable shall not exceed the sum insured on the property affected.

The Insurer shall not pay for any costs or expenses:

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

### 4. Fire Extinguishing Charges

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 Insurer 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.

### 5. Mortgagee

The interest of the mortgagee:

- (a) ranks prior to the interest of the Insured;
- (b) is limited to the amount owing to the mortgagee by the Insured on the home loan account in respect of the insured building(s);
- (c) shall not be invalidated by any act or omission of the Insured if such act or omission occurs without the mortgagee's knowledge.

### 6. Municipal Plans Scrutiny Fee

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 insured property so affected.

### 7. Public Authorities' Requirements

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:

- (a) the amount recoverable under this clause shall not include:
  - (i) the cost incurred in complying with any of the aforesaid regulations;
    - (1) in respect of damage occurring prior to granting of this insurance;
    - (2) in respect of damage not insured by this policy;
    - (3) under which notice has been served upon the Insured prior to the happening of the damage;
    - (4) in respect of undamaged property or undamaged portions of property other than foundations of that portion damaged;

- (ii) the additional cost that would have been required to make good the damaged property to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
- (iii) 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;
- (b) 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 Insurer under this clause not being thereby increased;
- (c) if the liability of the Insurer under any item of this policy 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 Insurer under this clause in respect of any such item shall be reduced in like proportion;
- (d) the Insurer shall not pay for these additional costs to comply with standards that were in place at the time of initial building if such standards were not met.

## 8. Railway and Other Subrogation

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.

## 9. 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:

- (a) 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 Insurer 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;
- (b) until expenditure has been incurred by the Insured in replacing or reinstating the property, the Insurer 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;
- (c) 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 peril, 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;
- (d) these conditions shall be without force or effect if:
  - (i) the Insured fails to intimate to the Insurer within 6 months of the date of damage, or such further time as the Insurer may in writing allow, their intention to replace or reinstate the property;
  - (ii) the Insured is unable or unwilling to replace or reinstate the property on the same or another site.

## 10. Temporary Removal

Except in so far as otherwise insured, this insurance extends to cover property owner's fixtures and fittings while temporarily removed to any other premises, including transit by road, rail or inland waterway anywhere within the territorial limits for the purpose of overhaul, upkeep and/or repair. 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.

## 11. Tenants

If a tenant of the Insured's buildings (other than the Insured) does something or omits to do something without the Insured's knowledge, which is a contravention of a condition, term or exclusion of this policy, the cover shall not be invalidated, provided that the Insured notifies the Insurer as soon as he becomes aware of such act or omission and shall be responsible for any additional premium payable from the date any increased hazard shall be assumed by the Insurer.

### Sub-section 2: 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 3: Rent

Loss of rent because the tenant had to vacate the insured building or any part of it due to damage caused by an insured peril, or if the tenant is unable to access the building as a result of an insured peril, but only until the building or the part that was

damaged is fit for re-occupation. The maximum the Insurer shall pay for a claim under this cover section is 25 per cent of the sum insured on the affected property.

The basis of calculation shall be the actual rent receivable immediately preceding the damage or its equivalent in rental value.

### Specific Conditions

1. The insurance under this sub-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 Insurer.
2. On the happening of any damage in consequence of which a claim may be made under this sub-section, the Insured shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practical to minimise or to avoid or diminish the loss. No claim under this sub-section shall be payable unless the terms and specific conditions 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 Insurer forthwith.

### Extension – Prevention of Access

If property within a 5 kilometre radius of the premises stated in the policy schedule is lost or damaged by a peril defined in Sub-section 1 during the period of insurance and this prevents or hinders the use of or access to the property insured by this section, the Insurer shall 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 basis of calculation shall be the actual rent receivable immediately preceding the damage.

### Specific Clause – Underinsurance

If, at the time of any damage arising, the value of the property insured in Sub-section 1 does not exceed the sum insured stated in the schedule, then this sub-section shall be declared free of average, but if the property insured is collectively of greater value than the sum insured, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss of rent accordingly.

Each item, if more than one, shall be separately subject to this condition.

### Sub-section 4: Accidental Damage

Accidental physical damage to the insured property at the risk address as stated in the policy schedule, 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 Section 8: Business All Risk) listed in the index of this policy document.

The amount payable for all loss or damage arising out of one original cause shall not exceed R 250 000 for any one claim, unless changed and stated in the policy schedule, and notwithstanding General Condition 20, this sub-section shall not be called into contribution for any defined event for which more specific insurance has been arranged.

### Exclusions

1. The Insurer shall not be liable for damage resulting from:
  - (a) any event excluded or circumstances precluded from any other insurance available at inception hereof, or for any first amount payable by the Insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;
  - (b) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
  - (c) 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;
  - (d) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;
  - (e) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).
2. The Insurer shall not be liable for loss of or damage to insured property caused by:
  - (a) any fraudulent scheme, trick, device or false pretence practiced on the Insured (or any person having custody of the insured property) or fraud or dishonesty of any principal or agent of the Insured;
  - (b) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exclusion applies only to vessels, pipes, tubes or similar apparatus;
  - (c) breakdown, electrical and/or mechanical derangement;
  - (d) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
  - (e) 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;

- (f) domestic pets, termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light.

3. The Insurer shall not be liable for:

- (a) 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;
- (b) settlement or bedding down, ground heave, collapse or cracking of structures or the removal or weakening of support to any insured property;
- (c) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
- (d) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes; (e) damage to irrigation equipment;
- (f) denting, chipping, scratching or cracking not affecting the operation of the item;
- (g) damage to driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines, tunnels, cables, cableways, bridges, docks, jetties, wharves, piers, excavations or property below ground.

## Clauses

### 1. Additional Costs

In respect of property 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;
- (b) fees for the examination of municipal or other plans;
- (c) costs necessarily incurred by the Insured in the demolition, removal of debris and in providing, erecting and maintaining hoardings required during demolition and rebuilding;
- (d) the professional fees of architects, quantity surveyors and other consultants;
- (e) charges levied by any authorised fire brigade for their services

but the Insurer shall not be liable under (a), (b) or (d) unless the 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 Insurer 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.

### 2. Mortgagee

The interest of the mortgagee:

- (a) ranks prior to the interest of the Insured;
- (b) is limited to the amount owing to the mortgagee by the Insured on the home loan account in respect of the insured building(s);
- (c) shall not be invalidated by any act or omission of the Insured if such act or omission occurs without the mortgagee's knowledge.

### 3. Tenants

The Insurer'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 Insurer 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 shall be responsible for any additional premium payable from the date that any increased hazard shall be assumed by the Insurer.

### 4. First Loss Average Clause

If, at the time of any damage arising, the value of the property insured in Sub-section 1 does not exceed the sum insured stated in the schedule then this Section shall be declared free of average, but if the insured property is collectively of greater value than the sum insured, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the first loss sum insured accordingly.

---

Each item, if more than one, shall be separately subject to this condition.

## Sub-section 5: 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 insured property and arising from the Insured's ownership thereof.

## 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 Insurer's consent for any one event or series of events with one original cause or source shall not exceed the amount of R 5 000 000.

## Exclusions

The Insurer 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);
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;
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 judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republics of South Africa and Namibia, Botswana, Kingdoms of Lesotho and Eswatini;
- (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;
7. liability consequent upon injury or damage caused by or through or in connection with the ownership, hire or leasing of any airport, airstrip or helicopter pad.

## Extensions

### 1. Additional Insured

Provided that the aggregate liability of the Insurer is not increased beyond the limit of indemnity stated, the Insurer shall 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) 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.

For the purposes of this extension, the Insurer 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.

### 2. Car Parks

Notwithstanding the provisions of Specific Exception 2 (a) (ii), the Insurer shall 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.

### 3. Cross Liability

Where more than one insured is named in the schedule, the Insurer will indemnify each insured separately and not jointly and any liability arising between such insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the schedule.

### 4. Emergency Expenses Shortfall

The Insurer will indemnify the Insured for all reasonable Emergency Expenses Shortfall incurred by the Insured for such immediate emergency 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.

### 5. 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.

### 6. Statutory Legal Defence Costs

If the Insured so requests, the Insurer shall indemnify any employee, partner, or director of the Insured against costs and expenses not exceeding R 50 000 for any one event and R 250 000 in any one (annual) period of insurance and incurred by and on behalf of such a person with the consent of the Insurer 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 Insurer shall not indemnify such person unless a senior counsel approved by the Insurer shall advise that such appeal should, in his opinion succeed;
- (ii) the Insurer 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

The Occupational Health and Safety Act No. 85 of 1993 (as amended).

The Electricity Act No. 40 of 1958 (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).

### 7. Other Insurance

If, at the time of any event giving rise to a claim under this section, indemnity is also provided under any other insurance, this 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.

### 8. Security Firms

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 Insurer shall not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

### 9. 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) respect of defamation

provided always that the limits of indemnity as stated shall not exceed R 75 000 under each of (i) and (ii) and R 150 000 in any one (annual) period of insurance.

#### Memoranda

In respect of this section only, General Exception 8 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.

## Sub-section 6: Glass

### Defined Events

Loss of or accidental damage to internal and external glass (including mirrors), signwriting and treatment thereon at the insured premises as stated in the policy schedule, the property of the Insured or for which they are responsible following accidental loss of or damage to glass for which damage the Insurer agrees to pay, the Insurer shall also indemnify the Insured for:

- (a) the cost of such boarding up as may be reasonably necessary;
- (b) damage to shop fronts, frames, burglar alarm strips, wires and vibrators as a direct result of such loss or damage;
- (c) the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the glass;
- (d) 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 or a tenant

provided that the liability of the Insurer shall not exceed:

- (i) for the replacement of glass, signwriting and treatment: R 15 000 per premises in respect of any one event, unless amended and stated in the policy schedule;
- (ii) for all other costs and expenses provided for by this extension and resulting from one occurrence or series of occurrences attributable to one source or original cause, in the aggregate the sum of R 2 000 per premises.

### Exclusions

The Insurer shall not be liable for:

1. loss or damage which is insured by, or would, but for the existence of this extension, be insured by any glass insurance if it is a condition of the lease agreement that the tenant shall be responsible for accidental damage to glass;
2. glass forming part of stock-in-trade;
3. glass which, at the inception of this insurance, is cracked or broken;
4. defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof.

## Memorandum Applicable to the Entire Section

### 1. Building(s) Under Construction or Alteration

If the property insured by this policy is in the course of erection and/or completion and/or alteration, until final completion of the contract, this insurance is amended as follows in connection with any claim arising in consequence thereof:

- (a) insured event 2 of Sub-section 1 only operates provided that the building is completely roofed and all external windows and external doors are fitted;
- (b) the peril "water" as stated under insured event 2 of Sub-section 1 is deleted;
- (c) insured events 6, 7, 8, 9, 10 and 11 of Sub-section 1 are cancelled;
- (d) the following words are added to insured event 5 after the word "vehicles":  
"not caused by any contractor or sub-contractor or employee thereof while engaged in connection with the said erection and/or completion and/or alteration";
- (e) Sub-sections 2, 4, 5 and 6 are cancelled.

### 2. Property Valuations

Where the property was assessed for the purpose of establishing if the property is of sufficient security to the bondholder, the assessment does not guarantee that the property is free of defects, or that the structure is built according to building regulations, or that the sum insured is adequate.

## Motor – Business & Professional

### Cover Options

The Insurer's liability depends on the limit of indemnity and the type of cover chosen by the Insured as shown in the policy schedule. The types of cover are:

**1. Sub-section 1: Comprehensive Cover**

If the vehicle is insured at this option, the Insurer covers accidental loss of or damage to the vehicle. Cover includes amounts for which the Insured is legally liable to a third party, as provided for in Sub-section 3, if the liability relates to the vehicle.

**2. Sub-section 2: Third Party, Fire and Theft (Limited)**

If the vehicle is insured at this option, the Insurer shall cover loss of or damage to the vehicle only if the loss or damage is caused by fire, lightning, explosion, theft or attempted theft. Cover includes amounts for which the Insured is legally liable to a third party, as provided for in Sub-section 3, if the liability relates to the vehicle.

**3. Sub-section 3: Third Party Only**

If the vehicle is insured at this option, the Insurer shall cover amounts for which the Insured is legally liable to a third party if the liability relates to the vehicle.

### Limit of Indemnity

The total of the Insurer's liability in respect of any one accident or series of accidents arising out of one event shall not exceed the limit of indemnity stated in the policy schedule and/or policy document, or as amended and stated in the policy schedule. The compensation provided herein shall include all costs and expenses incurred by the Insured with the Insurer's prior written approval.

The Insurer shall not be liable for damage to the towed vehicle or trailer or to property in or on such vehicle or trailer, or compensate the Insured if his vehicle is damaged or lost.

### Definitions

#### Agreed Value

Where the particular make and model of the vehicle are not reflected in the "Auto Dealer's Guide" (or "Auto Dealer's Guide for cars over 10 years old" or "Commercial Vehicle Dealer's Guide") at the date of inception of cover or at the date of loss, then the average value given for the vehicle by three independent motor industry sources will be used as the value of the vehicle. *It remains the responsibility of the Insured to ensure that the agreed value is updated annually or at anniversary of the policy, failing which, the agreed value at the time of loss will be the average given by three independent motor industry sources.*

#### Driver's Licence

Driver's licence means a valid driver's licence in compliance with legislation of the specific country where the vehicle is used at the time of any loss or damage. A person learning to drive must comply with the legislation concerning learner drivers.

#### Glass

Glass means the windscreen, side or rear glass forming part of the vehicle, glass of side mirrors and headlamp glass.

#### Market Value

Market value means the average of the recommended retail value and trade price of the vehicle, (including its accessories and spare parts) as specified by the Insured in the policy schedule, at the date of loss or damage, as determined by that month's issue of the "Auto Dealer's Guide", published by Mead and McGrouther (Pty) Limited and adjusted according to the "Kilometre and Condition Chart" contained in the guide.

#### Maximum Indemnity

Maximum indemnity means the market, retail or agreed value as at the date of loss, not exceeding the sum insured.

#### Occurrence

Occurrence means an occurrence or series of occurrences arising out of one cause in connection with any motor vehicle in respect of which indemnity is provided by this insurance.

## Retail Value

Retail value of the vehicle is determined at the time of loss or damage, by that month's issue of the "Auto Dealer's Guide" (or "Auto Dealer's Guide for cars over ten years old", or "Commercial Vehicle Dealer's Guide") published by Mead and McGrouther (Pty) Limited and adjusted according to the "Kilometre and Condition Chart" contained in the guide, less the first amount payable stated in the policy schedule.

**[This option is not available on motorcycles, caravan and trailers which may only be insured for market value].**

## Sum Insured

Sum insured means the applicable market value, retail value or agreed value of the vehicle specified by the Insured at the time of application for this policy, or any subsequent update, including its accessories and spare parts (whether factory fitted or added subsequently).

## Vehicle

Vehicle means:

- (a) private type motor car, kombi, microbus or similar vehicle, designed or adapted to transport a maximum of 12 people, including the driver;
- (b) a station wagon, motorised caravan, 4x4 vehicle, 4x2 vehicle or light delivery vehicle, including a panel van or double-cab, none of which exceeds 3 500 kg in gross vehicle mass;
- (c) commercial vehicles and special type vehicles as described in the policy schedule;
- (d) a motorcycle, motor scooter, scrambler and three-wheeled vehicle (with or without sidecar);
- (e) a trailer and caravan, which is not self-propelled, and which is designed or adapted for towing by a self-propelled vehicle described in (a) and (b) above;
- (f) any such vehicle which is hired, leased or a courtesy vehicle temporarily used by the Insured whilst the insured vehicle is out of use for the purpose of overhaul, upkeep and/or repair by the motor trade, but the Insurer's maximum liability in respect of the replacement vehicle 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 policy schedule.

The definition "vehicle" shall include the standard issued tools, accessories and spare parts attached to the vehicle at the time of any accident or insured event and being the Insured's property.

## Sub-section 1: Comprehensive Cover

Loss of or damage to any vehicle described in the policy schedule and its accessories and spare parts whilst thereon.

### (a) Repairable Vehicles

The Insurer shall pay the cost of repair of the vehicle less the first amount payable in terms of this policy.

### (b) Total Loss – Including Stolen or Hijacked Vehicles

The Insurer shall pay the maximum indemnity as defined less the first amount payable in terms of this policy if the vehicle is:

1. stolen and not recovered; or
2. damaged and in the opinion of the Insurer not economical to repair.

The Insurer may replace the vehicle with a similar make and model if all the following conditions are met:

- (i) the Insured has a valid claim for the vehicle under this section; and
- (ii) the vehicle is stolen and not recovered within a reasonable period; or
- (iii) it is not economical to repair the vehicle; and
- (iv) the vehicle is not more than 12 months old from the date of first registration; and
- (v) the vehicle has travelled less than 30 000 kilometres, and
- (vi) a similar new vehicle is available on the local new vehicle market.

If the Insured refuses that the Insurer replaces the vehicle with a similar make and model, the Insurer's liability shall be the limit of indemnity of the vehicle as stated in the policy schedule, less the first amount payable.

### (c) Keys, Locks and Remote Control Units

The Insurer shall indemnify the Insured in respect of the reasonable costs incurred to replace damaged or lost keys, locks and remote control units of the vehicle, and if necessary, the reprogramming of any coded alarm system of any insured vehicle, up to a maximum amount of R20 000 any one event.

### (d) Windscreen Damage

The Insurer shall pay:

- (i) the cost of filling the cracks or chips; or
- (ii) the cost of replacing the damaged glass less the first amount payable in terms of this policy, unless there is other damage to the vehicle.

### (e) Sound Equipment

The Insurer shall indemnify the Insured for standard factory fitted audiovisual equipment, or for any other audiovisual equipment permanently fitted to the insured vehicle and the value of which is included in the value of the vehicle stated in the policy schedule if it is stolen or damaged; provided that

- (i) any audiovisual equipment that is not standard and factory fitted is limited to 5 per cent of the retail value of the vehicle for a similar item up to a maximum of R 7 500, including 1 CD, subject to the motor basic first amount payable;
- (ii) damages or loss following theft or attempted theft is subject to the provision that the theft was committed in a visible manner by entering the vehicle by force, causing physical damage to the vehicle.

The sound equipment may be specified under the Business All Risk Section of the policy at an additional premium, and if so, in the event of a claim for the specified item, it shall not be regarded as a motor claim and the provision for the motor first amount payable shall not apply. However, a different first amount payable might apply under the Business All Risk Section of the policy.

### Important Notes

1. The Insurer must approve the repairs in writing before they are made, except emergency repairs as provided for herein.
2. If any part of the vehicle is not available and this delays the repairs, the Insurer shall not compensate the Insured for the inconvenience or loss of money or liability the Insured might incur because of the delay.
3. It remains the responsibility of the Insured to ensure that the vehicle is correctly insured and the sum insured is updated annually or at anniversary of the insurance.
4. Trailers, caravans and motorcycles may only be insured for its market value. The Insurer shall not indemnify the Insured for a courtesy trailer, caravan or motorcycle supplied by the trade.

### Sub-section 2: Third Party, Fire and Theft

#### Indemnity

Cover in terms of "Sub-section 1: Comprehensive cover" is restricted to loss of or damage to the insured vehicle caused by fire, lightning, self-ignition, and explosion or by theft or attempted theft or hijack.

The maximum amount the Insurer shall pay is the reasonable market, retail or agreed value at the time of the loss or damage, but limited to the sum insured stated in the policy schedule for the insured vehicle, less any first amount payable.

The following additional benefits, clauses and extensions described in this section are deleted:

- Bereavement expenses
- Protection and repair
- Medical benefit
- Emergency hotel expenses
- Trauma counselling
- Breakdown tow in costs
- Credit shortfall
- Difference in excess cover for rented vehicle
- Emergency Expenses Shortfall

### Sub-section 3: Legal 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 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 Insurer shall 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 Insurer's liability under both this extension and Sub-section 3 shall not exceed the limit of indemnity stated to apply to Sub-section 3;
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) indemnity shall not apply in respect of claims made by any member of the same household as such person;
  - (d) 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 them and not leased or hired to them 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 Insurer 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 Insurer shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

### **Limit of Indemnity – R 2 500 000**

The liability of the Insurer under this sub-section in respect of any one occurrence shall not exceed R 2 500 000, or as amended and stated in the policy schedule. The Insurer shall not pay for any cover provided for in additional benefits, clauses and extensions.

### **Exclusions to this Section**

#### **(a) Vehicle Loss or Damage**

None of the following are covered, unless shown otherwise in the policy schedule:

1. mechanical, electric or electronic breakdown, failures or breakages, including any consequential loss of or damage to any other mechanical, electrical or electronic component as a result of the mentioned breakdown, failure or breakage;
2. depreciation in value whether arising from repairs or otherwise;
3. gradual damage (such as wear, tear, rust, mildew, corrosion, decay);
4. damage to tyres, mag's, rims, road wheels (unless some other part of the vehicle is damaged at the same time):
  - i. by application of brakes,
  - ii. by road punctures, cuts or bursts,
  - iii. caused by obstacles,
  - iv. caused by the inequalities, or due to impact with such inequalities, or breakup of the road surfaces, potholes, curbs, traffic slowing humps or rumble strips
5. damage to the vehicle resulting directly from the vehicle not being roadworthy;
6. loss or damage from or in connection with any exchange, cash or credit sale agreement (whether complete or incomplete), including theft through false pretence and fraud.

#### **(b) Vehicle Liability**

None of the following are covered unless shown otherwise in the policy schedule:

1. that amount of any indemnity which is provided for by legislation on compulsory motor vehicle accident insurance valid in the territorial limits. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected;
2. 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;
3. 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 (c), (d), (e) or (f) 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 1 500kg);
4. death of, or bodily injury to any employee of the Insured if death or bodily injury arises from and in the course of such employment;
5. death of or bodily injury to any person who is a member of the Insured's immediate family, same household or any person who normally resides with them;
6. damage to property belonging to the Insured, or held in trust by the Insured, or in their custody or control;

7. damage to property being conveyed by or loaded onto or unloaded from any vehicle;
8. legal costs and expenses incurred after the date the Insurer paid or offered to pay the full amount of a claim, a lesser amount needed to settle a claim, or the maximum amount for which the Insurer is liable for a claim;
9. death of or bodily injury to any person who, at the time, is or was being carried in or on any vehicle being towed;
10. liability resulting directly from the vehicle not being roadworthy.
11. compensation which may be claimed from or payable under any compulsory motor vehicle insurance and this exclusion applies whether or not such compensation is claimed, paid or received, whether the applicable legislative entity is unable to or incapable of providing compensation, and notwithstanding that no insurance under any compulsory motor vehicle insurance has been effected;
12. compensation that can or could be claimed from or payable by the Road Accident Fund in terms of the Road Accident Fund Act 56 of 1996, as amended, or in terms of any legislation enacted for the purpose of providing compensation for loss, damage or liability caused by or arising in connection with an insured vehicle. This exclusion applies whether or not the Road Accident Fund is unable or incapable of paying compensation, or whether compensation is claimed, paid or received, and notwithstanding that no insurance under the said legislation is in force or has been effected.

**(c) Vehicle Loss or Damage and Liability – Applicable to the Entire Section**

The Insurer will not be liable to pay for loss, damage or injury caused, sustained or incurred:

1. Outside the territorial limits, unless the vehicle is transported by sea or air between ports or places within the territorial limits, including loading and unloading incidental to such transit.
2. While the vehicle is being driven or used, with the general knowledge and consent of the Insured, for any purpose not described in the class of use as shown in the policy schedule for that particular vehicle.
3. If the Insured is using the vehicle while under the influence of intoxicating liquor or drugs, or when the blood or breath alcohol concentration exceeds the legal limits.
4. If any other person is using the vehicle with the Insured's expressed or implied permission who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs, or when the level of alcohol in the blood exceeds the legal limit.
5. If the Insured is using the vehicle without a licence to drive the vehicle, irrespective of where the vehicle is being driven.
6. If any person is using the vehicle with the Insured's expressed or implied permission and the person does not have a licence to drive the vehicle, irrespective of where the vehicle is being driven.
7. The Insurer shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.

**Exclusions 5 and 6 shall not apply:**

- (i) if such valid licence is subject to renewal, and they have held a valid licence and are not disqualified from holding such a licence;
- (ii) if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Insurer that, in the normal course of the business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

**Specific Condition**

If, during the currency of this section, any driver's licence in favour of the Insured or their authorised driver is endorsed, suspended or cancelled, or if they shall be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Insurer immediately the Insured has knowledge of such fact.

**Additional Benefits, Clauses and Extensions**

**1. Bereavement Expenses**

In the event of an accident resulting in the death of the Insured within three months, the Insurer shall pay his estate a contribution of R 5 000 to bereavement expenses.

**2. Breakdown Tow in Costs**

If any comprehensively insured vehicle specified in the schedule is disabled due to mechanical or electrical breakdown, the Insurer shall pay the reasonable costs of protection and removal of such vehicle to the nearest repairer. The maximum the Insurer shall pay for this benefit shall not exceed R 3 000 during any period of 12 consecutive calendar months.

**3. Car Hire – Applicable if stated in the policy schedule**

The provisions of a hired car under this section is not an admission of liability under this policy and applies only if the schedule shows that cover in this regard has been selected, and the relevant premium has been paid:

- (a) in the event of a comprehensively insured vehicle being repaired due to a loss or damage covered under this section, or being irreparably damaged, stolen, or hi-jacked, we will compensate you up to the amount and period as stated in the schedule,

provided that:

- (a) the vehicle shall be hired from a registered car hire company approved by us
- (b) the cost of delivery, fuel, lubricants, e-toll charges, and traffic fines (as well as all administrative costs relating to this) are for your own account,
- (c) You will also be liable to pay the deposit to the car hire company,
- (d) cover does not apply if only window glass is damaged,
- (e) the period of hire commences from the date the vehicle is handed to the motor trade for repair,
- (f) cover will terminate when:
  - (i) You regain possession of the vehicle or within 12 hours of our advising you that the vehicle can be collected
  - (ii) You have had the hired vehicle for the number of-days as set out in your schedule or
  - (iii) We discharge our liability for total loss of the vehiclewhichever occurs first.

For the sake of clarity, car hire is dependent on our settling a valid claim. You will be liable for all car hire costs should your claim be rejected, or your policy voided.

#### 4. Contingent Liability Extension

The indemnity under Sub-section 3: Legal Liability to third parties 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) Exception 3 of Vehicle liability is deleted;
- (ii) the Insurer shall not be liable for loss of or damage to any motor vehicle being used for the purpose 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 Insurer 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.

#### 5. Credit Agreement

If it comes to the Insurer's knowledge that the insured vehicle is subject to a credit agreement or something similar during the time of loss, the Insurer shall have the right to use any amount payable to clear the debt according to the agreement.

#### 6. Credit Shortfall – *Applicable to comprehensively insured vehicles only*

If any comprehensively insured vehicle that is financed through a registered financial institution is:

- (a) stolen or hijacked/robbed from the Insured, and not recovered; or
- (b) damaged and in the Insurer's opinion uneconomical to repair;

the Insurer shall pay to the registered finance company any difference between the reasonable market value and the settlement balance outstanding of a valid financing agreement. The maximum liability to the Insurer shall not exceed the limit of indemnity shown in the policy schedule for the vehicle, less any first amount payable.

The settlement balance outstanding is defined as the payment due at any specified date that would settle the actual debt owing to the finance Insurer,

**excluding:**

- (a) any arrears instalments or rentals or payments including interest payable on such arrears;
- (b) any additional finance charges;
- (c) early settlement penalties;
- (d) any other amounts refundable to the Insured;
- (e) any legal costs owing to the finance company by the Insured. Cover under this extension is subject to:
  - (i) liability having been admitted for loss or damage in terms of this policy; and

- (ii) the Insured providing the Insurer within 30 days of the loss or damage with a certified copy of the finance agreement and a statement of his account reflecting the settlement balance outstanding as at the date of loss or damage.

## 7. Cross Liabilities

Where more than one Insured is named in the policy schedule, the Insurer shall 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 Insurer shall not exceed the limit of indemnity stated in the policy schedule.

## 8. Delivery after Repairs

The Insurer will pay the reasonable costs to deliver the vehicle to the Insured's home address as shown in the policy schedule after the completion of repairs authorised by the Insurer.

## 9. Description of Use – Private and Professional

The vehicle may be used for:

- (a) social, domestic and pleasure purposes;
- (b) travel to and from place of employment; and
- (c) travel for the business or occupation of the Insured.

**The vehicle may not be used for:**

- (a) commercial travelling or use;
- (b) carriage of fare-paying passengers;
- (c) carriage of goods for reward;
- (d) any fraudulent trades;
- (e) carriage of any load or number of passengers exceeding the capacity for which the vehicle is originally designed, or licensed or allowed by Law to carry;
- (f) driving instruction for reward;
- (g) towing of a vehicle for reward;
- (h) hiring of the vehicle for reward;
- (i) any type of contest or race involving driving of any kind;
- (j) driving on a race track or circuit or rally course;
- (k) carriage of explosives; or
- (l) use for any purpose in connection with the motor trade except for the repair or upkeep of the vehicle.

## 10. Difference in Excess Cover for a Rented/Courtesy Vehicle

If the Insured's vehicle, which is comprehensively insured under this insurance, is the subject of a claim under this policy, and a substitute vehicle is rented which is stolen or damaged, the Insurer will compensate the Insured for the difference in the first amount(s) payable if the first amount payable for the rented vehicle is more than the first amount payable that applies to the insured vehicle under this section.

This cover will only apply if the Insured has taken the insurance protection offered by the car hire company.

The maximum the Insurer shall pay is R 2 000 any one claim.

## 11. Emergency Hotel Expenses

In the event of loss or damage to the vehicle the Insurer shall pay emergency hotel expenses necessarily incurred by the Insured up to R 500 per person per day for up to two days, subject to the maximum benefit of R 5 000 for any 12 month period of insurance, and subject to the loss or damage occurring not less than 100 kilometres from your residence.

## 12. Emergency Repairs – *Applicable to comprehensively insured vehicles only*

If insured loss or damage occurs the Insured may authorise emergency repairs to the vehicle without the Insurer's prior consent up to an amount of R 5 000. There is no limit for emergency repairs to window glass.

## 13. Emergency Services Costs

The Insurer shall pay for costs of emergency services for which the Insured is liable to pay to any public authority after any loss of or damage to the vehicle. The maximum the Insurer shall pay is R 3 000 any one event.

## 14. Fire Extinguishing Charges

Costs relating to the extinguishing or fighting of fire shall be deemed damage to the insured vehicle. The Insurer shall pay any costs, in addition to any other payment for which the Insurer may be liable in terms of this section, provided the



---

Insured is legally liable for such costs and the insured vehicle was in danger from the fire. The maximum the Insurer shall pay is R30 000 any one event.

**15. First Amount Payable – Not applicable to repair of windscreen chips and claims for third party damage** The different first amounts payable that may apply are set out in the policy schedule. The Insurer reserves its right to vary any first amount payable during the currency of the policy. If more than one motor vehicle is insured by this section, the provisions hereof shall apply as though a separate policy had been issued for each motor vehicle.

**16. Further Damage after an Accident**

If the vehicle is in an accident or breaks down and is used or driven before the necessary repairs have been carried out, the Insured shall be responsible for any consequential damage to the vehicle which results due to the accident or breakdown.

**17. Emergency Expenses Shortfall**

- (a) If an occupant in the specified part of a vehicle as described below, in direct connection with such vehicle, sustains bodily injury as a direct result of violent, accidental, external and visible means, the Insurer shall pay to the Insured the emergency expenses shortfall incurred as a result of such injury up to R2 000 per injured occupant, but not exceeding R 20 000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.
- (b) The amount payable hereunder shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.
- (c) This benefit is only applicable to a vehicle comprehensively insured under this section and if such vehicle is a private type motor vehicle or motorised caravan and shall exclude motorcycles, buses, taxis, caravans and trailers.

**Specified part of vehicle in which the injury must occur**

- (i) Anywhere inside the vehicle, the permanently enclosed passenger carrying compartment.
- (ii) If the vehicle is a light delivery vehicle, only the emergency expenses shortfall of a person inside the driver's cabin are covered.

The term emergency expenses shortfall includes 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.

**18. Parking Facilities and Movement of Third Party Vehicles Extension**

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.

**19. Passenger Liability Extension – R 2 500 000**

Exception 3 of Vehicle Liability shall not apply to vehicles described in definition (c), other than special types, or in definitions (d), (e) or (f).

The limit of indemnity for any one occurrence shall not exceed an amount of R 2 500 000, or as amended and stated in the policy schedule.

**20. Principals**

Notwithstanding Exception 7 of Vehicle loss or damage and liability of this section, the indemnity under Sub-section 3: Legal liability to third parties 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 purpose of the business, provided that the liability of the Insurer shall not exceed the limit of indemnity stated in the policy schedule.

**21. Protection Removal / Safeguarding**

If insured loss or damage occurs, the Insurer shall pay the reasonable cost of protection and removal of the vehicle to the nearest repairer.

**22. Recovery Costs – Not applicable if vehicle is insured for Third party only**

The Insurer shall pay the reasonable costs incurred by the Insured with the Insurer's written consent to recover the vehicle when it is found after it has been stolen or hijacked. The maximum the Insurer shall pay is R 3 000 any one event.

**23. Repatriation – Motor Vehicles Only**

If an insured vehicle is accidentally damaged outside the borders of the Republic of South Africa, and the Insured has a valid claim under this section, the Insurer shall pay for the reasonable costs and expenses of returning it the Republic of South Africa. The maximum amount the Insurer shall pay is R 10 000 any one event.

**24. Security Measures and Devices**

It is a condition to the Insured's indemnity that:

- (a) if any security device was declared to the Insurer; or
- (b) if such device was required by the Insurer; or
- (c) if any discount has been given based on the fitment of security devices

such device must be in a working condition and subscription fees in respect of tracking devices must be fully paid to date. If this has not been done, the Insurer shall not be liable for any losses occurring by theft or robbery, unless amended and stated otherwise in the policy schedule.

**25. Tools, Spare Parts and Travel Accessories**

The Insurer shall pay for the loss of or damage to car tools, spare parts and travel accessories such as rugs, seat covers, rubber mats, towing ropes and sun shields whilst in the vehicle.

**26. Trauma Treatment**

The Insurer shall compensate the Insured for emergency expenses shortfall up to R15 000 for any one claim if such costs are not covered elsewhere if the Insured is a victim of a violent act of theft, attempted theft, hold-up or hijacking that is directly connected to such illegal taking, or attempted illegal taking, of the insured vehicle which necessitates professional counselling.

**27. Unauthorised Passenger Liability Extension – R 2 500 000**

The indemnity under Sub-section 3: Legal liability to third parties, notwithstanding Exception 3 of Vehicle liability thereto, extends to cover the Insured's legal liability for death of or bodily injury to persons whilst 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 R 2 500 000, or as amended and stated in the policy schedule.

**28. Unavailable Parts or Accessories**

If any part or accessory needed to repair the vehicle is not available in South Africa as a standard ready manufactured article, the most the Insurer shall pay is the sum equalling the value of the part at the time of the loss or damage. In no case shall the Insurer pay more than the manufacturer's listed price.

**29. Vehicle Sharing**

Acceptance of payment for giving lifts to passengers as part of a vehicle-sharing agreement for social purposes or commuting will not be regarded as excluded under the description of use conditions, provided that:

- (a) the passengers are not being carried in the course of a passenger-carrying business;
- (b) the total payment for any such journey does not involve any element of profit.

**30. Vehicle Transfers Cover – For any vehicle bought by the Insured**

The Insurer shall cover loss of or damage to a vehicle purchased by the Insured, but only for the first 72 hours after the Insured has taken physical possession of the vehicle. This cover applies only if all of the following conditions are met:

- (a) the Insured purchased the vehicle from a member of the motor trade;
- (b) the seller has no insurance that covers the vehicle;
- (c) the Insured has at least one vehicle insured for Comprehensive cover under this insurance;
- (d) the vehicle is added for Comprehensive cover under this insurance before the Insurer will handle the claim.

If the Insurer decides the vehicle is uneconomical to repair, the Insurer's compensation will not be more than the lowest of:

- (i) the reasonable market value of the vehicle bought by the Insured;
- (ii) the sum insured stated in the policy schedule.

---

**31. Waiver of Excess Extension – Applicable if stated in the policy schedule**

The basic first amount payable is cancelled.

**32. Waiver of Subrogation Rights**

For the purposes of this section, the Insurer waives all rights of subrogation or action which it 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.

**33. War Clause**

In respect of limited and third party cover only, General Exception 8 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.”

**34. Wreckage Removal**

The cover provided under Sub-section 1 of this section is extended to include the reasonable 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 1 of this section, the limit of the Insurer's liability under this extension shall not exceed, in respect of any one occurrence, an amount of R 5 000

**35. Tyre and Rims damage for Sedans and LDVs only (if stated in the schedule to be included)**

1. Should You select this cover then:

- (a). the Exclusion as set out in (a) Vehicle Loss or Damage. 4. above (exclusion for damage to tyres, rims, mags or road wheels by application of brakes or by road punctures cuts or bursts caused by obstacles or the inequalities of the road surfaces) is deleted.
  - (b). We shall elect to repair any tyres, rims or mags that are damaged and only failing such repair, shall We replace with the same or a similar replacement, or pay for the value of such tyre, rim or mag that was damaged.
    - (i). Betterment applies. What this means is that the Sum Insured shall be calculated by firstly measuring the remaining tread of the insured tyre. The remaining tread of the insured tyre will be expressed as a percentage of the original tread depth and thereafter multiplied by the purchase price of a new tyre of the same or similar type. The rand value as determined using the above formula shall constitute the credit value which You will be entitled to use towards the purchase of a new tyre.
    - (ii). If You replaced a damaged tyre, We need the tread depth of the damaged tyre as at the date of the incident to calculate the appropriate credit amount. You must make sure that the tread depth of the damaged tyre as at the date of the incident is set out on the invoice from the tyre fitment centre.
    - (iii). We shall also pay for the costs of balancing and wheel alignment
  - (c). We shall repair, replace or pay cash in lieu only for the damaged tyre, rim or mag.
    - (i). We shall not pay for the costs to replace all the rims or mags should We be unable to replace it with the same or similar rim or mag. We shall only be liable to pay to You the cost of that rim or mag that was damaged
    - (ii). There is no cover or compensation for any other tyre, rim or mag that is not damaged in the event.
  - (d). The sum insured selected for this cover shall be the total value for all tyres and rims accordingly, the limit of indemnity for any one tyre and or rim or mag any one event shall be limited to 25% of the sum insured selected in the aggregate.
    - (i). For any further tyres and or rims or mag that are damaged then the limit of indemnity shall be increased by 25% of the sum insured per tyre and or rim or mag combination.
2. If We elect to settle Your claim by way of a cash settlement, then such cash settlement shall not exceed the amount for which We could have settled the claim if We had elected to repair or replace such items.
3. There is no cover while Your Vehicle is not being driven on a public road (being any area that the public has open access to). There is no cover while the Vehicle is being driven off-road or on private land.

## 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 policy schedule. The Insurer shall pay the Insured, on behalf of such person or his estate, the compensation stated in the policy 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 policy schedule under the heading circumstances.

Permanent disability shall mean		Percentage of capital sum
<b>A</b>	loss by physical separation at or above the wrist or ankle of one or more limbs	100
<b>B</b>	permanent and total loss of: whole eye	100
	sight of eye	100
	sight of eye except perception of light	75
<b>C</b>	permanent and total loss of hearing: one ear	25
<b>D</b>	permanent and total loss of speech	100
<b>E</b>	injuries resulting in permanent total disability from following usual occupation or any other	100
<b>F</b>	loss of four fingers	70
<b>G</b>	loss of thumb (one or both phalanges)	25
<b>H</b>	loss of index finger (one, two or three phalanges)	10
<b>I</b>	loss of any other finger (one, two or three phalanges)	6
<b>J</b>	loss of metacarpals -first, second, third, fourth or fifth (additional)	5
<b>K</b>	loss of toes: all on one foot	30
	great one or both phalanges	5
	other than great, if more than one toe lost, each	5
<b>L</b>	<b>Burns disfigurement:</b> Permanent disfigurement resulting from accidental external	
	<b>(i) Face and neck</b>	
	<input type="checkbox"/> 100 per cent surface area disfigurement	60
	<input type="checkbox"/> less than 100 per cent surface area disfigurement ( <i>The proportion of 60 per cent which the actual surface area disfigurement bears to 100 per cent surface</i> )	per cent of 60
	<b>(ii) Remaining parts of the body other than the face and neck</b>	
	<input type="checkbox"/> 100 per cent surface area disfigurement	30
	<input type="checkbox"/> less than 100 per cent surface area disfigurement ( <i>The proportion of 30 per cent which the actual surface area disfigurement bears to 100 per cent surface</i> )	per cent of 30
	The Insurer shall not pay unless the disfigurement exceeds 10 per cent for the sub-item under which a claim is	

### Memoranda

- Where the injury is not specified, the Insurer shall pay such sum as, in their opinion, is consistent with the above provisions.
- Permanent total loss of use of part of the body shall be treated as loss of such part.
- 100 per cent 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.

### Definitions

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

### Emergency Expenses Shortfall

Shall mean all emergency expenses shortfall and expenses necessarily incurred for emergency medical, emergency surgical, emergency dental, or emergency 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.

---

## Provisos

It is declared and agreed that:

1. the Insurer 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 emergency expenses shortfall;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the policy 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 15 or over 70 years of age;
4. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the Insurer so to do, submit to medical examination and undergo any treatment specified. The Insurer shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
5. General Conditions 20 and 26 do not apply to this section;
6. in respect of this section only, General Exception 8 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

- (i) **Exposure:** Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.
- (ii) **Disappearance:** In the event of the disappearance of any such person in circumstances which satisfy the Insurer that he has sustained injury to which this section applies, and that such injury has resulted in the death of such person, the Insurer shall, for the purposes of the insurance afforded by this section, presume he is dead. However, if after the Insurer 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 Insurer.
- (iii) **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 Insurer shall not be liable to pay compensation for death, disability or emergency expenses shortfall in respect of such person:

1. while he 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;
2. by his suicide or intentional self-injury;
3. caused solely by an existing physical defect or other infirmity of such person;
4. 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);
5. as a result of his participation in any riot, civil commotion or act of terrorism;
6. 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 sequence thereof;
7. while he is, or because of his engaging in:
  - (a) motorcycling, motor quadricyclane or motor tricycling (whether as a driver or passenger) other than on the business of the Insured;
  - (b) racing of any kind involving the use of any power-driven:
    - (i) vehicle;
    - (ii) vessel;
    - (iii) craft;
  - (c) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

## Employee Dishonesty

### Insured Events

1. Loss of property, including money, that belongs to the Insured or for which they are legally 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:
  - (a) the Insurer 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 loss, whichever occurs first.
  - (c) **BLANKET BASIS:** the liability of the Insurer for all losses shall not exceed the sum insured stated in the policy schedule whether involving any one employee or any number of employees acting in collusion or independently of each other.
  - (d) **NAMED OR POSITION BASIS:** the liability of the Insurer 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.
3. 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 Insurer beyond the sum insured stated in the policy schedule. If the period of insurance is less than 12 months the Insurer's liability is limited to the sum stated in the policy schedule during any 12 month period of insurance calculated from inception or annual anniversary.
4. 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:

1. any person while employed under a contract of service with or apprenticeship to the Insured;
  2. 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.

### Exclusions

1. The Insurer 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 Insurer or other legal entity acquired during the period of insurance.
3. The Insurer 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;
  - (e) alteration ofany computer programmes, 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 Insurer shall only be liable to the extent of the participation /shareholding of any uninvolved partners/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 Insurer 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 policy schedule by name, change his duties and position;
  - (c) in respect of any employee who is described in the policy 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 Insurer 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 Insurer and the Insured to the extent of his co-insurance in terms of item 2 of the compulsory first amount payable clause.

## Clauses and Extensions

### 1. Accountants' Clause

Any particulars or detail contained in the Insured's books of account or other business books or documents which may be required by the Insurer 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. Their certificate shall be prima facie evidence of the particulars and details to which it relates.

### 2. 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 10 per cent of the claim's amount with a minimum of R 2 500.

### 3. Computer Losses Extension – *Applicable if stated in the policy schedule to be included*

The Insured having completed a satisfactory questionnaire, Specific Exception 3 and the Computer losses first amount payable clause are deleted.

### 4. Computer Losses First Amount Payable

The first amount payable will be 20 per cent of the claim's amount with a minimum of R 2 500 if the defined event results from the dishonest:

- (a) manipulation of;
- (b) input into;
- (c) suppression of input into;
- (d) destruction of;
- (e) alteration of

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

### 5. Costs of Recovery Extension – *Applicable if stated in the policy schedule to be included*

If the Insured shall sustain any loss to which this section applies which exceeds the sum insured hereunder, the Insurer will, in addition to the sum insured, pay to the Insured costs and expenses not exceeding the amount stated in the policy schedule necessarily incurred with the consent of the Insurer (which shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in respect of whose dishonest or fraudulent acts 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 Insurer and the Insured to the extent of his co-insurance in terms of item (b) the compulsory first amount payable clause.

### 6. Extended Cover for Past Employees Extension

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

**7. Extension for losses discovered more than 24 months after being committed but not more than 36 months thereafter – *Applicable if stated in the policy schedule to be included***

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

**8. Extension granted on receipt of a satisfactory systems audit in respect of losses discovered more than 24 months after being committed – *Applicable if stated in the policy schedule to be included***

In consideration of the accounting firm named in the policy schedule having conducted a satisfactory audit of the Insured's systems of (1) Control, and (2) fraud dishonesty and theft detection, and subject to the Insured implementing and maintaining all the recommendations contained in such audit:

- (a) Proviso 2 (a) of the defined events (which limits cover to that part of losses discovered within 24 months and Proviso (f) of the superseded insurance extension clause (if applicable) are deleted.
- (b) The first amount payable for losses discovered more than 12 months after being committed where a satisfactory system audit has been received, shall be 12,5 per cent of the claim with a minimum of R 2 500.
- (c) The first amount payable for computer losses discovered more than 12 months after being committed where a satisfactory systems audit has been received, shall be 25 per cent of the claim with a minimum of R 2 500. 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 shall apply.
- (d) The first amount payable clause for losses discovered more than 12 months after they were committed is deleted.

**9. 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 first amount payable will be as follows:
  - (a) For losses discovered more than 12 months but less than 24 months after being committed: 15 per cent of the claim with a minimum of R 2 500.
  - (b) For computer losses discovered more than 12 months but less than 24 months after being committed: 30 per cent of the claim amount with a minimum of R 2 500.
  - (c) If the policy has been extended to cover losses discovered more than 24 months but less than 36 months after being committed: 20 per cent of the claim with a minimum of R 2 500.
  - (d) For computer losses discovered more than 24 months but less than 36 months after being committed: 35 per cent of the claim with a minimum of R 2 500.

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 shall apply.

**10. Other Insurance**

It is a condition of this section that other than:

- (a) a money policy;
- (b) a policy declared to the Insurer at inception or annual anniversary 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.

**11. Reduction/Reinstatement of Insured Amount Clause – *Applicable if stated in the policy schedule to be included***

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

1. the maximum amount payable by the Insurer for all insured employees shall not exceed double the sum insured shown in the policy schedule;
2. the Insured pays additional premium calculated in terms of the following formula  
**Where:** AP is the Annual premium in force at time of discovery of loss;  
AC is the Amount of claim payments; and  
SI is the 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.



**12. Retroactive Cover Extension - No Previous Insurance in Force – *Applicable if stated in the policy schedule***

This section shall 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 sooner of 12 months of the termination of the employment of the employee concerned or within 12 months of the expiry of this section.

**13. Superseded Insurance Extension – *Applicable if stated in the policy schedule***

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

- (a) 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;
- (b) the defined events are discovered within the sooner of 12 months of the termination of the employment of the employee concerned or within 12 months of the expiry of this section;
- (c) 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;
- (d) 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;
- (e) this extension shall not apply to defined events which occurred more than the number of years stated in the policy schedule before inception of this section;
- (f) the Insurer is not liable for any loss which occurred more than 24 months prior to discovery.

**14. Voluntary First Amount Payable Clause – *Applicable if stated in the policy 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 policy schedule as the voluntary first amount payable provided such voluntary amount exceeds the compulsory amount.

**Memoranda**

1. 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 D (e) of General Condition 6, refrain from reporting the matter to the police but shall do so immediately should the Insurer, or legislation, require such action to be taken.
2. 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.
3. General Exception 8, and General Condition 26 do not apply to this section.
4. 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.

## Goods In Transit

### Insured Events

Loss of or damage to the whole or part of the property described in the policy 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:

1. the Insured shall be responsible for the first amount payable stated in the policy schedule in respect of each and every defined event except a claim resulting from fires, lightning or explosion;
2. the liability of the Insurer for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the policy schedule.

### Memoranda

1. Transit shall be deemed to commence from the time of moving the property described in the policy 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 him 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 utilization of any other form of transport to assist completion of the transit and the insurance afforded shall not be affected thereby.

### Extensions

#### 1. Debris Removal

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. The maximum the Insurer shall pay is

R 2 000, or as amended and stated in the policy schedule, whichever is the greater, in respect of any one defined event.

#### 2. Fire Extinguishing Charges

If the property described in the policy schedule is lost or damaged by fire whilst in course of a transit insured by this section the Insurer will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire. The maximum amount payable by the Insurer under this extension shall not exceed R 5 000, unless amended and stated in the policy schedule.

### Specific Exceptions

The Insurer shall not be liable for

1. loss or damage resulting from or caused by:
  - (a) theft or attempted theft from any unattended vehicle unless at the time of the theft:
    - (i) the property was Concealed and there is evidence of violent and forcible entry into the Insureds Vehicle, or the Insureds Vehicle is garaged in a locked and secure building at the time of the loss and there is evidence of violent and forcible entry into the building and the vehicle,  
For property to be considered "Concealed" then:
      - (a) it must stored in the cabin of the Insureds Vehicle in an enclosed storage area such as the cubby-hole or in the boot with a full covering in place .
      - (b) If it is in loading area (bin) of a light delivery vehicle,
        - (i). then such bin must be under a locked and secure cover that is affixed to the Insureds Vehicle. A canvas does not qualify
        - (ii). that has a canopy then the canopy's windows must be protected by a tinted smash and grab protective film.  
There is no cover for the following items:
          - cellphones
          - jewellery

computer, medical, photographic or video equipment  
any item that is valued at more than R100,000

- (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;
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 of the insured property unless following an accident or misfortune not otherwise excluded;
  4. 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 Republics of South Africa and Namibia, Botswana, Kingdoms of Lesotho and Eswatini, 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;
  5. consequential loss of any kind, delay, loss of market, depreciation or changes brought about by natural causes.

#### **Restricted Cover**

##### **Fire, explosion, collision, derailment and overturning limitation** – *Applicable if stated in the policy schedule to be included*

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

##### **Hijacking recovery costs (if stated in the schedule to be included)**

Additional costs incurred in connection with the attempted recovery of any load whilst being transported on an insured vehicle consequent upon a hijacking incident.

Such costs are limited to the reasonable costs in the hiring of a helicopter or other aerial charter service, and for the appointment of an approved reputable investigation bureau when deemed necessary for locating of the Insured load.

Provided that:

- (a) cover under this extension is limited to a maximum indemnity of R25 000 any one incident.
- (b) Provided that where both the vehicle and the load are insured by Us, the total compensation will be R25 000 for the entire recovery operation under both sections of the policy.

It is further noted that such costs will only be payable should such services be employed within three (3) hours of vehicle and load being stolen. We will consider forgoing this time limitation should there be a location signal from the vehicle's tracking device.

## **Electronic and Medical Equipment**

#### **Cover**

The Insurer shall indemnify the Insured for any sudden and unforeseen loss of or damage to the insured items specified in the policy schedule according to the cover provided during the period of insurance if shown in the policy schedule and for which a premium has been paid.

The cover provided by this section consists of:

- Sub-section 1: Material Damage
- Sub-section 2: Moveable Property
- Sub-section 3: Consequential Loss

#### **Definitions**

##### **Air freight**

Air freight means transportation as freight by a recognised airline on a scheduled service. It does not mean aircraft specifically chartered for the purpose.

## **Breakdown**

Breakdown means the sudden and unforeseen physical damage resulting from mechanical, electrical or electronic failure of the insured property arising from internal causes which requires immediate repair or replacement before the property can resume normal operation.

## **Computer Equipment**

Computer equipment means any electronic device that is used to store or process data or control machinery, peripheral equipment, licensed software programmes, **but** does not include equipment used for gaming, gambling, amusement or vending.

## **Data Carrying Media**

Data carrying media means data carrying material such as disks, tapes, cards or other materials used for storing data in a form directly useable by the system. It does not include or cover the actual stored data.

## **Debris**

Debris means the residue of damaged insured property excluding any material which is itself a pollutant or contaminant and which is deposited beyond the boundaries of the premises.

## **Expendable/Exchangeable/Consumable Item**

Expendable item means an item or part that is normally not re-used and requires frequent or periodic replacement.

## **First Amount Payable (Excess)**

First amount payable is the sum of money the Insurer shall not pay in respect of a claim. The policy and/or the policy schedule details the first amount which may be applicable.

## **Maintenance Agreement**

Maintenance agreement means the agreement by which the Insured receives maintenance service for the insured equipment from the owner's suppliers and/or company/service provider approved by the suppliers.

## **New Replacement Value**

New replacement value means the cost of a new replacement item of equivalent make and model, including freight, importation and custom duties/dues, installation costs and value added tax.

## **Peripheral Equipment**

Peripheral equipment means all other equipment connected to and operating from the computer, excluding underground lines.

## **Sub-section 1: Material Damage**

Sudden, unforeseen accidental physical loss, damage or breakdown of property described and listed in the current policy schedule from any cause not hereinafter specifically excluded whilst:

- (a) contained within the Insured's premises at work or at rest;
- (b) being dismantled for the purpose of cleaning, inspection and overhaul or in the course of these operations themselves or subsequent assembly within the Insured's premises;
- (c) in transit including loading and unloading or whilst temporarily stored at any premises en route;
- (d) temporarily removed from the Insured's premises to any other location.

## **Sub-section 2: Moveable Property – Laptop, Notebook, Palmtop Computers and the Like**

Sudden, unforeseen accidental physical loss, damage or breakdown of property described and listed in the current policy schedule from any cause not hereinafter specifically excluded whilst anywhere in the world.

## **Condition Applicable to Cover for Breakdown**

Breakdown cover is **not included** on specified property older than 10 years or with an individual new replacement value of more than R 100 000, **unless**:

- (a) a maintenance agreement is kept in force during the period of insurance of such equipment, or
- (b) the Insured, before the occurrence of breakdown, obtains the Insurer's written agreement to change such requirement.

## **Basis of Indemnity**

In the event of a claim:

---

- (a) Where the insured property can be **repaired**, the Insurer shall pay:
- (i) all expenses needed to restore the damaged item(s) to their former state of serviceability;
  - (ii) the cost of dismantling the item(s) so that repairs can be carried out, and the cost of reassembling the item(s);
  - (iii) the cost of ordinary freight to and from a repair shop.
- The Insurer shall not deduct any amount for the depreciation of any parts replaced, **except** for the parts referred to in Exclusion 4 of this section.
- The Insurer shall take into account the value of any salvage.
- (b) Where the insured property is **damaged beyond repair or is a total loss**, the Insurer shall pay:
- (i) to replace the item with an equivalent item. If such is not possible, the Insurer shall replace the item with a new item having the nearest equivalent performance and/or capacity to the lost or damaged item and which is compatible with the Insured's existing systems and programs;
  - (ii) normal charges to remove items which are damaged beyond repair. Such items then become the property of the Insurer.

The amount payable shall include costs of transport and labour, the onsite costs of parts, including importation and custom duties and dues and value added tax, if incurred.

### Sum Insured

It is a requirement of this insurance that the sum insured shall be equal to the new replacement value of the insured/listed equipment.

### Maximum Indemnity

The Insurer's total liability for any claim arising out of one event, or series of events arising directly or indirectly from one source or original cause shall not exceed, for each item specified in the policy schedule, the sum insured shown in the policy schedule for that item(s), less any first amount payable. The Insurer shall also pay any amount provided for under additional benefits.

If more than one item is damaged in one event, the Insured shall only pay the highest single excess applicable to those items. The Insurer shall also pay other amounts as provided for under Additional benefits.

### Underinsurance

If at the time of indemnifiable loss or damage, the sum representing the installed new replacement value of the insured item exceeds the sum insured stated in the policy schedule for the insured item, 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 insured shall be separately subject to this condition. This clause shall not apply if the indemnifiable amount does not exceed 10 per cent of the sum insured of the insured item.

### Exclusions Applicable to Sub-sections 1 and 2

The Insurer shall not be liable to pay for:

1. Loss or damage caused by or arising from:
  - (a) the cleaning, testing, altering or repairing of insured property;
  - (b) atmospheric conditions including, but not limited to, dryness, dampness and temperature, unless directly resulting from damage to an air-conditioning system used to control the atmosphere in which the insured property operates.
2. Costs for loss or damage which are recoverable in terms of a supplier's or manufacturer's warranty, or any maintenance agreement effected by or on behalf of the Insured, covering the insured property.
3. Physical destruction, loss or damage due to faults or defects in the insured property which the Insured or his responsible employees knew about when they arranged, renewed, extended, varied or reinstated this insurance but did not disclose to the Insurer.
4. Exchangeable or expendable parts or consumable items such as (but not limited to) bulbs, valves, contacts, X-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. However, if such parts are damaged as a result of physical loss or damage as provided for in this section to other parts of the insured property, the Insurer shall deduct the proportion of the replacement cost as the time used up until the time of failure bears to the normal service life expected by the manufacturer or supplier.
5. The cost of reproducing data stored on data carrying media or otherwise unless specifically provided for herein.
6. Loss of use of the insured property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein.
7. Loss by theft or disappearance of the insured property:
  - (a) from the Insured's premises or other temporary location **unless** identifiable by the Insured with a specific incident which has been immediately reported to the Police and as soon as possible to the Insurer;

- (b) during transit **unless** identifiable by the Insured with a specific incident which has been immediately reported to the Police and as soon as possible to the Insurer;
- (c) from any unattended motor vehicle in which the insured property has been left, **unless**:
  - (i) the property was Concealed and there is evidence of violent and forcible entry into the insured's Vehicle, or the insured's Vehicle is garaged in a locked and secure building at the time of the loss and there is evidence of violent and forcible entry into the building and the vehicle,

For property to be considered "Concealed" then:

- (a). it must stored in the cabin of the insured's Vehicle in an enclosed storage area such as the cubby-hole or in the boot with a full covering in place .
- (b). if it is in loading area (bin) of a light delivery vehicle,
  - (i). then such bin must be under a locked and secure cover that is affixed to the insured's Vehicle. A canvas does not qualify
  - (ii). that has a canopy then the canopy's windows must be protected by a tinted smash and grab protective film.

There is no cover for the following items:

- cellphones
- jewellery
- computer, medical, photographic or video equipment
- any item that is valued at more than R100,000

- 8. Physical destruction, loss or damage intentionally caused by the Insured or any person(s) acting with the Insured's express or implied consent.
- 9. Any loss or damage that occurs after the insured premises becomes unattended and remains so for a period of more than 60 consecutive days, unless the Insured, before the occurrence of any loss or damage, obtains the Insurer's written agreement to continue the cover.
- 10. Costs of:
  - (a) additions, alterations, improvements, maintenance, calibrations, overhauls carried out on the occasion of the repair or replacement, or the unnecessary replacement of undamaged components;
  - (b) temporary repairs and all consequences arising therefrom, unless they form part of the final repairs and do increase the total repair costs;
  - (c) expenses for overseas specialists or consultants to help or supervise local repairs.
- 11. Any legal liability.
- 12. Derangement not accompanied by damage otherwise covered by this sub-section.
- 13. Repair or replacement of:
  - (a) fuses or other devices designed for safety or protection that are damaged through their normal operation, unless their damage is caused by an insured event;
  - (b) the chipping or scratching of painted or polished surfaces or other aesthetic defects that do not affect the function of the insured property;
  - (c) the wearing or wasting away of material caused by normal wear and tear of any part of the insured property or other gradual deterioration or development of poor contacts.
- 14. 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.

## **Additional Benefits, Clauses and Extensions**

### **1. Additional Repair Costs**

Following insured damage to the insured item under this section, the Insurer shall reimburse the Insured for reasonable costs necessarily incurred for:

- (a) temporary repairs;
- (b) hiring of substitute computer/electronic/medical equipment;
- (c) overtime, night work, work on Sunday and public holidays;
- (d) express freight within South Africa, including air freight;
- (e) consultant fees approved by the Insurer.

### **Exclusions**

- (i) The costs and expenses for specialists or consultants to travel to South Africa.
- (ii) Fines or penalties for breach of contract for late or non-completion of orders or any penalties of whatsoever nature.
- (iii) Loss of profit or consequential loss of whatsoever nature.

The total additional cost for any one incident shall not be greater than 50 per cent of the normal cost of repair. The Insurer shall not pay more than the sum insured shown in the policy schedule for the insured item.

## 2. Currency Fluctuations

The indemnity shall include provision for devaluation or revaluation of the South African currency against the currency of the country of origin of the insured property and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the insured property shown in the policy schedule. The provision for such increase shall not exceed 25 per cent of the value of the item(s) affected for any one event. The Insured shall, at the annual anniversary date of this insurance, submit to the Insurer a revised sum insured that shall reflect the new replacement value of the insured property and pay a new premium calculated on the new sum insured.

## 3. Damage to Premises

In addition, the Insurer shall pay for the repairs of damage to the premises, including breakage of glass, in the course of theft, or theft by forcible entry, or any attempt thereat, of the insured items, limited to R 7 500 in total, any one event.

## 4. Demolition and Removal of Debris Costs

Costs incurred by the Insured in:

- (a) removing the debris or wreck of the insured property; or
- (b) dismantling or demolition of any part of the insured item that is necessary for the purpose of repair or replacement as a result of indemnifiable damage;
- (c) shoring up or protecting any part of the specified items under this section, whether damaged or not, provided that this is necessitated by any indemnifiable event covered by this section.

The most the Insurer shall pay in respect of this additional benefit is R 5 000, any one event.

## 5. Disposal of Salvage

The Insurer agrees not to sell or dispose of any property which is the subject of a claim without giving the Insured option to repurchase it at the greater of its fair intrinsic and market value but this clause does not give the Insured licence to abandon property to the Insurer.

## 6. Equipment on Loan

If the Insurer accepts a claim, they shall cover loss of or damage to items that the Insured has temporarily on loan to replace the damaged insured property, but the:

- (a) Insurer shall not be liable for breakdown of the property on loan; and
- (b) inclusion of the items on loan shall not increase the sum insured for this section.

## 7. Fire Extinguishing Charges

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 Insurer 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. It shall include the cost of restoring fire extinguishing equipment.

## 8. Hire Purchase/Finance Agreements

Where the Insurer 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 Insurer in respect of loss or damage indemnifiable by this section.

## 9. Incompatibility Cover

Notwithstanding anything to the contrary contained in the policy, the Insurer shall pay 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 programmes 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 programmes

provided always that

- (1) the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions;
- (2) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of Sub-sections 1 or 2 (item 2) of this section;

- (3) the cover afforded hereunder shall be restricted to:
- (i) parts or components of the electronic system which are not indemnifiable under Sub-section 1 hereof;
  - (ii) programmes or data reinstated not indemnifiable under item 2 of Sub-section 2 hereof.

The most the Insurer shall pay in any one event for this additional benefit is the lesser of R 25 000, or 20 per cent of the sum insured of the insured item.

## 10. Inflation Protection

During the period of insurance, the sum insured in respect of insured items shall increase by 1 per cent the first day of every month. No monthly premium adjustment shall be made until the annual anniversary/renewal date of the policy, where the new premium shall be calculated on the adjusted sum insured.

## 11. Plan Scrutiny Fees

Plan scrutiny fees as may be levied by the responsible public authority incurred directly in the repair, replacement or reinstatement of the insured property. The most the Insurer shall pay for this additional benefit is 10 per cent of the total amount of the claim.

## 12. Professional Fees

The costs of engineers and other professional consultants (excluding fees for preparing a claim) necessarily incurred with the Insurer's written consent, in the reinstatement of electronic and/or medical equipment, subject always to the scale of rates/fees recommended by the appropriate professional body. The most the Insurer shall pay is 15 per cent of the total amount of the claim.

## 13. Reinstatement of the Sum Insured

Following a claim, the Insurer shall automatically reinstate the sum insured at no additional premium. This reinstatement shall start from the date the insured damage occurred.

For this additional benefit to apply:

- (a) the period of insurance during which the insured damage occurred must not have ended;
- (b) the policy must not be cancelled.

## 14. Temporary Cover for Additional Equipment

If the Insured purchases or acquires an item that is of a similar nature to the equipment already insured, the Insurer shall consider the item to be added to the policy schedule if:

- (a) the Insured supplies details of such additional equipment to the Insurer in writing within 30 days immediately following installation of the item;
- (b) the item is free from defects and in sound working condition when installed as far as the Insured is aware;
- (c) the sum insured and first amount payable for the additional equipment will be that specified for a similar item or group of items in the schedule; and
- (d) the Insured pays the premium if required by the Insurer for the additional equipment.

## 15. Tenants

The indemnity provided by this section shall not be invalidated by any act or negligence on the part of the tenant (where the Insured owns the premises) or another tenant or the owner of the premises (where the Insured is a tenant) provided the Insured shall notify the Insurer as soon as such act or neglect shall come to the Insured's knowledge.

## 16. Car Jamming (if stated in the schedule to be included)

Notwithstanding 7 above, should You suffer the theft of a Specified Business All Risk item that was Concealed as a result of the "jamming" of Your Vehicle's locking system so that it is unable to engage the locking mechanism despite Your attempted activation thereof then We shall provide cover for the Specified Item up to a limit of 50% of the value but limited in the aggregate to R50,000 any one claim. If there is CCTV footage confirming that You attempted to engaged the locking system, We will pay the claim up to the limit of the specified item as stated in the schedule . You must report the incident to the Police and provide Us with the Police reference.

## 17. Replacement value (if stated in the schedule to be included)

The basis upon which the amount payable is to be calculated shall be either

- 1. 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
- 2. 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 You shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

## 18. Electrical Power surge and lightning strike extension

All loss or damage to the property insured, by power surges or lightning strikes will be subject to an additional first amount payable per occurrence

- (a) The insured will be responsible for 10% of claim min R2 000 if the main electrical distribution board of the Property is protected with surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations,
- (b) The insured will be responsible for 35% of claim min R5 000 if the main electrical distribution board of the Property is not protected by surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations.

### Sub-section 3: Consequential Loss

#### 1. Increased Cost of Working

The Insurer shall pay for the additional and necessary expenses incurred in using substitute items of insured equipment for the sole purpose of maintaining the normal business operations following interruption.

These expenses:

- (a) must incur as an unavoidable consequence of indemnifiable loss or damage occurring during the period of insurance to insured property in terms of this section;
- (b) must exceed the normal expenses that the Insured would have paid for using the insured equipment;
- (c) are limited to 15 per cent of the claim amount.

#### Exclusions

The Insurer shall not pay for:

1. any expenditure incurred after a period of 90 days following the day of occurrence of the insured event;
2. any expenditure incurred during the first 24 hours immediately following the insured event;
3. the cover provided for in item 2 of this sub-section;
4. interruption of business:
  - due to alterations or improvements to the insured equipment;
  - solely due to the need for cleaning, adjustment, inspection or maintenance;
5. the intrinsic value or expansion or improvement of the property insured by Sub-section 1 and 2 of this section;
6. any other consequential loss such as loss of market or interest.

#### Obsolete Equipment

If the manufacture of any item under this policy has been discontinued, the Insurer is not liable for an interruption period greater than the time needed to put into operation a current model of the same function, performance and capacity.

## 2. Reinstatement of Electronic Data/Programmes (Loss of Information)

The Insurer shall pay the costs and expenses (includes additional expenses for the hire of personnel, premises or data preparation machines) actually incurred by the Insured to:

- (a) restore, reconstitute, recompile electronic data and/or programmes recorded on or stored in data carrying media; and
- (b) install and configure operating systems and/or software

provided that:

- (i) the loss of information must have occurred due to insured damage covered under this section, or by the deliberate wilful or wanton intention of causing the cancellation or corruption of data by a third party; and
- (ii) the most the Insurer shall pay is R 10 000, unless amended and stated in the policy schedule.

#### Exclusions

The Insurer shall not pay for loss of or damage:

1. to data, software or media material caused by failure or defect in the media material;
2. caused by an error in processing data or error in the use of software;
3. caused by erasure, deletion or overwriting of any data or software;
4. caused by the operation or presence of a computer virus that alters or erases the data or software in a manner that is undesired to the Insured;

5. caused by rust, corrosion or oxidation;
6. caused by wear and tear.

The indemnity shall not extend to, nor include the purchase of any hardware, licences or physical media or such costs incurred due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes.

### **Supplementary Condition – Duplicate Copies**

The Insurer has no liability for any loss or damage to data, information or records where duplicate copies are not kept, or updated at intervals of not greater than 30 days.

### **Supplementary Claims Condition**

#### **1. Method of Settlement**

The Insurer shall pay any reasonable expenses for reproducing data or information needed to restore the insured data/media to the same condition it was in before the insured damage, so that the normal operation of the electronic data processing system can continue.

Lost data or information may be produced in an updated form if this is not more expensive than reinstating the lost data or information to its original form. The Insurer is only liable for expenses incurred within a period of 12 months after the insured damage occurred.

#### **2. Obsolete Equipment**

Where components or manufacturer's specifications are no longer available because they are obsolete, we will pay the reasonable costs which would have been incurred if the components or specifications had still been available.

### **Supplementary Benefits Applicable to Sub-section 3**

#### **1. Accountant's Fees**

The Insurer shall pay the reasonable costs incurred for the professional fees of accountants or auditors in compiling details of a valid claim under this sub-section, limited to R 2 500 any one event.

#### **2. Reinstatement of the Sum Insured**

Following a claim, the Insurer shall automatically reinstate the sum insured at no additional premium. This reinstatement shall start from the date the insured damage occurred.

For this additional benefit to apply:

- (a) the period of insurance during which the insured damage occurred must not have ended;
- (b) the policy must not be cancelled.

## **Domestic Buildings**

### **Introduction**

This section forms part of the policy only if a sum insured is shown in the policy schedule for this section and a premium has been paid for it. If so, the content of this section must be read together with the General Conditions, Exclusions and Provisions in this policy document, and any terms and conditions stated in the policy schedule. Cover provided by this section consists of:

- Sub-section 1: Insured Property
- Sub-section 2: Liability
- Sub-section 3: Rent

### **Definitions**

#### **Abandoned**

Abandoned means that the building is vacated and deserted.

#### **Active Soils**

Active soils means soil that changes in volume to varying degrees in response to a change in moisture content, i.e. the soil may increase in volume (heave or swell) upon wetting and decrease in volume (shrink) upon drying out.

#### **Damage**

Damage means physical loss or destruction to the building during the period of insurance as a result of an insured event.

#### **Fixed Machinery**

---

Fixed machinery means installed machinery of swimming pools, spa baths, boreholes, sprinkle irrigation systems, electric gates, garage doors, central vacuum cleaning systems, water pumps, air conditioners, stoves, alarms and electric power generators.

## **Geyser**

Geyser [electric storage water heater] consists of the unit itself, its associated components, pipes and fittings, control valves, stopcock installed no more than 1.5 meters from the geyser unit for the purpose of controlling the water flow to the geyser unit only, the drain cock, safety valve, vacuum breakers, thermostat, drip tray, feeder tank valves, isolator switches and non-return valves.

## **Insured Property**

Insured property means a building of standard structure (unless otherwise stated in the policy schedule) used as a private residence at the address stated in the policy schedule including all other improvements of a permanent nature, such as garages, carports, domestic outbuildings and employee's quarters, storerooms and tenant's premises, irrespective if these outbuildings have interleading doors or are attached to the private residence and includes all landlord's fixtures, fittings and all other structural improvements thereon, including:

- (a) water, gas, sewerage, electricity and telecommunication between buildings and public supply of mains;
- (b) permanent paths and driveways constructed of brick, concrete, pavers, asphalt or stone (not gravel);
- (c) boundary and other walls (not dam, earthen walls or retaining walls unless the Insurer has specifically agreed in writing to underwrite the retaining wall and it was erected in compliance with the relevant Regulations and engineering specifications which specifications must be provided by the insured in the event of a claim), fixed electric fencing, gates, posts and fences (but not planted hedges), electric gates including fixed gate motors;
- (d) swimming pools (excluding pools constructed above ground or vinyl lined or plastic pools) including swimming pool motors but excluding automatic pool cleaning equipment, pool safety net / covers;
- (e) saunas, jacuzzis, spa baths including its fixed machinery;
- (f) irrigation systems, filtration plants, borehole and domestic water pumping machinery (not windmills);
- (g) tennis and squash courts and lapas;
- (h) geysers and solar water heating systems and air conditioners;
- (i) aerials, antennae and satellite dishes, masts, lightning conductors;
- (j) anything permanently built, constructed or installed for domestic purposes;

belonging to the Insured, or for which the Insured is responsible and found at the premises situated and stated in the schedule.  
*[Fixtures and fittings include such items as built-in furniture that is fixed to the walls or to the floor, wall-to-wall carpeting, bathroom and kitchen fittings, permanent security systems, intercom systems etc.]*

## **Landslip**

Landslip means the downward or sideways movement of sloping ground/soil resulting from the action of self weight stresses and imposed loading exceeding the available strength of the soil.

## **Non-standard Construction**

Non-standard construction means built of timber or asbestos, or a standard construction with a thatched roof in which case the Insurer must be notified.

## **Settlement**

Settlement means the downward movement of soil due to the force of any weight imposed on it.

## **Solar Water Heating System (solar system)**

Solar water heating system (solar system) consists of the unit itself and all its associated components, pipes, valves and collector etc.

## **Standard Construction**

Standard construction means built of brick, stone or concrete and roofed with slate, tiles, corrugated iron, concrete or asbestos. If the building does not comply with the definition as a "standard construction", the Insurer must be notified thereof.

## **Subsidence**

Subsidence means the downward movement of the soil supporting the building from causes unrelated / unconnected to the building.

## **Tenant**

---

Tenant means someone, other than the Insured, who is allowed to occupy his private residence in terms of a written contract, but does not include paying guest, boarder or lodger.

## Underinsurance

The property must be insured for the total current replacement cost. If at the time of a loss or damage, the amount which is needed to replace the insured property with similar new property is more than the amount for which it is insured, the Insured shall be considered to be his own insurer for the difference and shall bear the proportional share of the loss or damage accordingly. This limitation and condition applies separately to each building, if more than one is specified in the policy schedule.

## Unoccupied

Unoccupied means at the time of the loss or damage the private residence, although furnished, has not been lived in for more than 60 consecutive days, or if not sufficiently furnished for normal living purposes for more than 30 consecutive days. *[The occupation of the domestic employees' quarters by domestic employees or any outbuildings occupied by tenants is not regarded as occupation of the dwelling for the purpose of this definition].*

## Vacant

Vacant means the buildings are not furnished and not occupied by the Insured or a legal tenant.

## Sub-section 1: Insured Property

### Insured Events

Loss of or damage caused by:

1. fire, subterranean fire, explosion and meteorite;
2. acts of nature: storm, wind, thunder, water, lightning, flood, hail or snow; excluding destruction or damage:
  - (a) to retaining walls unless the Insurer has specifically agreed in writing to underwrite the retaining wall and it was erected in compliance with the relevant Regulations and of engineering specifications which specifications must be provided by the Insured in the event of a claim;
  - (b) caused by movement of the land supporting the Dwelling even if such movement is caused by storm or flood. This exclusion will not apply to the removal of land supporting the Dwelling by flowing surface water.
3. earthquake; but excludes any loss or damage arising directly or indirectly from mining activities;
4. impact by aircraft or any object falling from the sky;
5. impact by animal [excluding domestic animal], vehicle, falling trees and trees cut down by a professional tree feller or collapse and damage by aerial systems, satellite dishes and masts;
6. sudden and unforeseen bursting, leaking or overflowing from geysers, pressurised water pipes, appliances, solar systems and boilers, fixed water tanks and other water carrying apparatus, excluding the repair or replacement of defective geyser elements, thermostat or valves, all forming a permanent part of the building, including the damage to them;
7. sudden and unforeseen leakage of oil from a defective oil heating installation, or associated equipment, that forms part of the building(s);
8. theft and attempted theft, but **excluding** theft and attempted theft:
  - (a) where the property is unoccupied as defined, unless there are visible signs of forced entry into the building;
  - (b) while the property is lent, let or sublet unless there are visible signs of forced entry into the building;
  - (c) while the property is illegally occupied, abandoned and/or vacant;
  - (d) caused by the Insured, any members of his household or his tenant;
  - (e) which occur with the Insured's knowledge or his consent;
9. malicious or intentional damage,  
**excluding:**
  - (a) where the property is unoccupied as defined;  
*[With regard to an unoccupied holiday home this exception will not apply and a first amount payable stated in the policy schedule will be applicable.]*
  - (b) while the property is illegally occupied, abandoned and/or vacant;
  - (c) damage caused intentionally by the Insured, any members of his household or his tenant;
  - (d) intentional damage which occurs with the Insured's knowledge or his consent;
10. power surges and dips, to the insured property affected. There will be no consequential loss cover such as but not limited to deterioration of stock or business interruption.

The insured shall be responsible for the following excess:

- (i) 10% of claim min R2 000 if the main electrical distribution board of the Property is protected with a surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations,

- (ii) 35% of claim min R5 000 if the main electrical distribution board of the Property is not protected by a surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations.

*[The Insurer shall not pay for loss or damage following an intentional power cut because of non-payment and/or arrears of utility bills.]*

## **11. Subsidence and landslip definitions**

### **Definitions**

- (a) Subsidence:  
the downward movement of a site on which Buildings may or may not stand, from causes unconnected with the building
- (b) Landslip:  
the downward or sideways movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground, including liquefaction
- (c) Heave:  
movement of the building upwards and outwards as a result of an excess of water causing the ground to expand
- (d) Settlement:  
the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and it is unpredictable

### **Subsidence and landslip**

Cover is extended to include loss of or damage to the Building caused by subsidence, landslip or heave of the land supporting the building provided such loss or damage is not caused by or does not arise from:

- (a) excavations other than mining excavations
- (b) alterations, additions, or repairs to the Building
- (c) the compaction of infill
- (d) defective design, materials, or workmanship
- (e) settlement, shrinkage, creeping, heaving or expansion of the Building
- (f) or is aggravated as a result of dolomite or limestone
- (g) any gradual movement of the site upon which the property is constructed
- (h) damage to drains, water courses, boundary walls, retaining walls (unless specifically agreed in writing), gates, posts, and fences
- (i) faulty design or construction of, or the removal or weakening of support to any Building situated at the Insured Property
- (j) workmen engaged in making any structural alterations, additions or repairs to any Building situated at the Insured Property
- (k) active soils
- (l) solid floor slabs or any other part of the Building resulting from the movement of such slabs, unless the foundations supporting the external walls of the Building are damaged at the same cause at the same time
- (m) interference, removal or weakening of support to any Building
- (n) the rise in the water table or pressure caused by it, including acid mine
- (o) leaking taps, leaking pipes or leaking swimming pools
- (p) coastal or river erosion

### **The Insurer will not be liable for:**

- (a) work necessary to prevent further loss or damage due to subsidence, heave or landslip
- (b) consequential loss of any kind whatsoever
- (c) damage existing at commencement of cover

In the event of loss or damage to the Buildings The Insured will be responsible for any first amount payable in the Schedule calculated at 1% of the sum insured for the Building as stated in the schedule

- 12. any accidental physical damage to the insured building(s) by any cause not otherwise insured, or by any cause that is not specifically excluded by this or any other section of this policy. The Insurer shall not be liable for any event excluded or circumstances precluded from any other insurance available at inception hereof.

The amount payable for all damage arising out of one original cause shall not exceed R 250 000, or such amount as amended and stated in the policy schedule. The Insured shall bear the first R 2 500 of each and every loss, or as amended and stated in the policy schedule.

Notwithstanding General Condition 20, this cover shall not be called into contribution for any defined event for which more specific insurance has been arranged.

### 13. Building(s) under construction or alteration

While an independent contractor undertakes any alterations, renovations or installations on the Insureds Dwelling, the Insurer shall indemnify the Insured for the loss or damage to the work undertaken caused by:

- wind, storm, hail, flood or snow;
- fire or explosions;
- earthquake;
- theft of materials (excluding tools or construction equipment) or fixed items subject to there being forcible and violent entry or exit from the premises thereof,

Up to an amount of 5% of the building sum insured for any one claim.

- (a) There shall be no cover if:
- (i) the total period for the alteration, renovation or installation project exceeds 12 months in total;
  - (ii) the total cost of the alteration, renovation or installation project exceeds 5% of the sum insured value.
- (b) For the purposes of this Building Operations clause, the independent contractor cannot be the Insured or their immediate family and must be a member of a recognised Building Body.

### Indemnity to the Insured

The Insurer shall indemnify the Insured either by repair, replacement or payment for any loss or damage following any of the insured events.

### Repair or Replacement

If the insured property is destroyed or damaged, the Insurer shall indemnify the Insured by replacing and/or reinstating on the same site. The property will be of the same or similar type, but not superior to or more extensive than the original insured property. The Insurer may select one or a number of the following options at their discretion:

- (a) repair the damage;
- (b) replace the damage;
- (c) pay for the damage (cash-in-lieu settlement).

The damaged property that is replaced or paid for (cash-in-lieu settlement) becomes the property of the Insurer as salvage.

### Notes

1. When the insured property is repaired, the Insurer is not obliged to do so exactly or precisely, but only as circumstances reasonably allow.
2. Where the Insurer cannot achieve an exact match, they will use materials that, in their opinion, match the damaged or lost materials as closely as possible.
3. The Insurer shall only do this to the part of the structure or room where the loss or damage has occurred.
4. The Insurer shall not pay for matching building materials to create a uniform effect throughout the insured private residential structures.
5. The Insurer may use a service provider of their choice.

### Limits of Indemnity

The Insurer's liability for a single claim or series of claims arising from a single event caused by all or only some of the insured events during any period of insurance shall never exceed the lesser of: (a) the sum insured stated in the policy schedule; or

- (b) the full reinstatement value of the insured building;  
less any first amount payable (excess) and any adjustment for dual insurance or underinsurance.

### Notes

1. The sum insured must throughout the period of insurance represent the current replacement value of similar new property and material.
2. The Insured is responsible to ensure that the property is covered for the correct and full replacement value.
3. Where the property was assessed to establish if it is of sufficient security to the bondholder, the assessment does not guarantee that the property is free of defects, that the structure is built according to building regulations, or that the sum insured is adequate.

### Additional Benefits, Clauses and Extensions

#### 1. Automatic Increase

The sum insured in respect of the insured property shall increase by 1 per cent the first day of every month. No monthly premium adjustment shall be made until the annual anniversary date of the policy, where the new premium shall be calculated on the adjusted sum insured. This clause does not relieve the Insured of his responsibility to ensure that the sum insured is adequate.

## 2. Capital Additions, Alterations and Renovations

This section covers alterations, additions and improvements (but not appreciation in excess of the sum(s) insured) to the property insured for an amount not exceeding 20 per cent of the sum insured thereon, provided the Insured advises the Insurer after the completion of such alterations as soon as reasonably possible. The sum insured will be adjusted accordingly and the Insured will pay the appropriate additional new premium that will be calculated on the adjusted sum insured.

## 3. Cover before Property Transfer

The Insurer shall compensate the Insured for loss or damage to private residential structures caused by an insured event for the period between the Insured signing a Deed of Sale and the transfer of the property into his name by the Deeds Office. This only covers property the Insured buys and insures in terms of this policy. This cover will not apply if the private residential structures are insured by the seller or on the seller's behalf.

## 4. Damage to Gardens

The Insurer shall pay up to R 10 000 for damage to trees, shrubs, plants and sprinkle irrigation systems at the property caused by malicious people, fire or explosion or by any person, vehicle or aircraft responding to such an event.

## 5. Fees

Following an insured event, the Insurer shall pay up to 10 per cent of the sum insured for reasonable fees and costs necessarily incurred by the Insured with the Insurer's written consent:

- (a) for demolishing the insured building(s);
- (b) for removing debris from the site;
- (c) for erecting hoardings required for building operations;
- (d) for architect's, quantity surveyor's, consulting engineers, legal and other fees;
- (e) for local authorities' scrutiny fees.

The Insurer shall not pay for any costs or expenses arising from pollution or contamination of property not insured by this policy. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim.

## 6. Fire Brigade Charges

The Insurer shall pay for the costs charged by the authorities for fire extinguishing following fire damage to the insured property.

## 7. Home Modifications Following Disability

The Insurer shall with their consent, contribute to the cost should it become necessary to modify any property defined herein, following an event which gives rise to a claim and is admitted by the Insurer, which results in permanent disability of the Insured including the spouse and children of the Insured or other persons normally residing with the Insured.

The disability must be caused by violent, accidental, external and visible means occurring during the period of insurance. This extension of cover only applies once and does not accumulate for injury to more than one person. The maximum amount the Insurer shall pay is R 50 000, provided this benefit will only be paid once.

## 8. Locks and Keys

The Insurer shall pay for costs up to ~~R 5 000~~ R20 000 any one event for replacing locks and keys (including electronic access cards) of the insured property following forcible and violent entry into the buildings.

## 9. Medical, Trauma and Bereavement Costs

If any domestic employee in the permanent employ of the Insured for the purpose of safeguarding or maintaining the property described in the schedule is the victim of unlawful physical assault while in the course and scope of his employment, the Insurer shall indemnify the Insured on behalf of such employee or employee's estate in respect of:

- (a) emergency expenses shortfall, including ambulance and hospital fees, but not more than R 10 000 any one event;
- (b) psychological counselling necessitated by such unlawful physical assault, but not more than R 2 000 any one event;
- (c) bereavement expenses following the death of the employee directly caused by the unlawful physical assault and occurring within three months of such unlawful assault, an amount of R 5 000;

- (d) provided that any emergency expenses shortfall recoverable or received in terms of any Workmen's Compensation Enactment shall be deducted from the indemnity provided herein.

The total maximum liability the Insurer shall pay for this extension is R 20 000 any one event.

## 10. Mortgagee

The interest of the mortgagee:

- (a) ranks prior to the interest of the Insured;
- (b) is limited to the amount owing to the mortgagee by the Insured on the home loan account in respect of the insured dwelling;
- (c) will not be invalidated by any act or omission of the Insured if such act or omission occurs without the mortgagee's knowledge.

## 11. Rebuilding According to Public Authorities' Requirements

Following an insured event the Insurer shall pay up to 10 per cent of the sum insured for the necessary costs of repairing or rebuilding 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 and public authority.

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 insurance;
  - (ii) in respect of damage not insured by this policy;
  - (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 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 despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Insurer under this clause not being thereby increased.

The Insurer shall not pay for these costs to comply with standards that were in place at the time of initial building if such standards were not met.

## 12. Repairs, Measures after Loss and Emergency Accommodation

After loss or damage by an insured event

- (a) the Insured may, to minimise further loss, undertake temporary repairs and any reasonable and necessary measures (including employing a watchman) for the safety of the property insured;
- (b) the Insurer shall pay the necessary and reasonable costs for emergency accommodation whilst the property insured is not fit to live in until alternative accommodation can be arranged.

The maximum amount the Insurer shall pay in respect of (a) and (b) is R 5 000 each any one event.

## 13. Temporary Removal of Fixtures

Except in so far as otherwise insured, landlord's fixtures and fittings are covered whilst temporarily removed to any other premises, including transit by road, rail or inland waterway anywhere within the territorial limits, 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 for a period of not more than 60 days, for repair or restoration.

## 14. Tenants

If a tenant of the Insured's buildings does something or omits to do something without the Insured's knowledge, which is in contradiction to a condition, term or exclusion of this policy, the cover will not be invalidated, provided that the Insured notifies the Insurer as soon as he becomes aware of such act or omission.

## 15. Geyser maintenance

The Insurer will indemnify The insured for bursting, leaking, or overflowing of water apparatus or fixed oil-fired heating apparatus, cover is extended to include the repair or replacement of defective geyser elements, thermostat or valves, wear and tear, rust, decay and faulty workmanship for an additional premium. This cover is provided up to R12 500 per event, limited to two separate events in any 12-month period. Excess is Nil.



**16 Excess waiver**

Waiver of the Basic First Amount Payable

The Basic First Amount Payable as stated in the schedule is hereby waived.

The Insured will still be responsible for any additional excesses.

**Specific Exceptions**

Unless otherwise stated, the Insurer shall not indemnify the Insured under this section for loss or damage, cost or expense related to:

1. any existing damage which occurred prior to the incident or the policy commencement date;
2. domestic pests, vermin, termites, insects, moths, rats or mice;
3. defects in the design or construction of the building, or where the structure would not have been approved by the relevant local authority at the time of construction;
4. construction, alteration, repair or defective workmanship or material;
5. buildings not maintained in good order and condition;
6. fire, explosion and accidental damage if the property is illegally occupied or abandoned;
7. any cause that was not sudden and unforeseen
  - (a) gradual deterioration, wear and tear unless where provided for, rust, mildew or fading mildew, dampness over a period of time and/or which originates from contraction defects, rising damp, rust, corrosion, rot, fungus, mould, infestation or a rise in the underground water table except as a result of a storm;
  - (b) mechanical, electrical, or electronic breakdown, defect or failure;
  - (c) damage to consumable parts or parts with a limited lifespan;
  - (d) damage recoverable under any maintenance or lease agreement;
  - (e) cleaning, repairing, restoring, dyeing, bleaching or alteration;
  - (f) computer viruses and similar destructive media;
8. planted hedges, wire and wooden fences and gates caused by fire;
9. retaining walls unless constructed according to approved structural engineer's specifications;
10. soil, vinyl or plastic pools, automatic pool cleaners and pool covers;
11. farming operations;
12. denting, chipping, scratching or cracking (not affecting the operation of the item) of fixed glass or sanitary ware;
13. any process of cleaning, restoring, altering, renovation, demolition, construction, repair or dyeing;
14. roots or weeds;
15. loss, damage or breakage covered by any guarantee, service contract, purchase contract or any purchase agreement;
16. cracking or collapse of the private residence unless caused by external causes not otherwise excluded;
17. any additional costs resulting from the unavailability of matching materials;
18. loss or damage caused by scorching;
19. any act of the Insured committed while drunk, insane, or acting with diminished capacity or responsibility whether or not such person was capable of forming any intention at the time.

**Sub-section 2: Liability**

If the Insured's property is insured by this section, indemnity for liability to the public is provided in terms of the section "Personal and Property Owners' Liability" of this policy document in so far as it applies.

**Sub-section 3: Rent****1. Loss of Rent/Rental Value**

Following loss of or damage to the insured building by an insured event rendering it untenable (including partially untenable) the Insurer shall pay for:

- (a) loss of the actual rental where the building is let;
- (b) the reasonable rental value of the unfurnished building or part thereof if occupied by the Insured provided that the period is limited to the reasonable period necessary for reinstatement and is limited to 25 per cent of the sum insured stated in the schedule for the insured building.

If the policy schedule specifies more than one building, the compensation limit will apply separately to each building.

**2. Owner's Alternative Accommodation**

In consequence of the private residence being so damaged by any of the perils specified in Sub-section 1 as to be rendered untenable, the Insurer shall indemnify the Insured in respect of the reasonable cost of similar accommodation up to a

---

limit of 10 per cent of the sum insured on the affected building. The indemnity period shall be limited to the period reasonably required to make the residence suitable to live in, but is limited to a maximum period of 12 months only.

The insurance provided herein does not cover any loss which at the time of the happening of such loss is insured by or would, but for the existence of this policy, be insured by any other policy except in respect of any excess beyond the amount which would have been payable under the policy had this insurance not been effected.

### **Extension – Prevention of Access**

If property within a 5-15 kilometre radius of the premises stated in the schedule is lost or damaged by a peril defined in Sub-section 1 during the period of insurance and this prevents or hinders the use of or access to the property insured by this section, the Insurer shall pay any loss of rent the Insured may incur as a result thereof up to an amount not exceeding the percentage as stated in the schedule of the sum insured on the affected property. The basis of calculation shall be the rent receivable (for an unfurnished dwelling) immediately preceding the damage.

## Household Contents

### Introduction

This section forms part of the policy if a sum insured is shown in the policy schedule for this section and a premium has been paid for it. If so, the content of this section must be read together with the General Conditions, Exclusions and Provisions in this policy document, and any terms and conditions stated in the policy schedule.

### Definitions

#### Burglary

Burglary means the unlawful taking of another person's property with the intention to deprive them of permanent ownership when it is accompanied by breaking into or out of a building by actual, visible and forcible means.

#### Contents

Contents shall mean the household goods and personal effects of every description which is the property of the Insured or for which he is legally responsible, kept in the private residence situated at the risk address stated in the policy schedule, and includes:

- (a) office and home-industry equipment belonging to the Insured in his private capacity;
- (b) fixtures and fittings, the Insured's own or for which he is legally responsible (not being landlord's fixtures and fittings) in the building on the premises stated in the policy schedule.

#### Insured

Insured shall mean the insured person named in the policy schedule and includes any member of the Insured's family or his spouse's family who normally lives with him on the premises.

#### Outbuilding(s)

Outbuildings means the domestic rooms, private garages and private outbuildings, garden sheds and the like and which is not interleading into the private residence and are situated at and used in relation to the private residence at the risk address.

#### Premises

Premises means the land on which the private residence and any outbuilding(s) are situated.

#### Private residence

Private residence shall mean the building(s) of the Insured's home situated at the risk address stated in the policy schedule and in which the Insured resides, including all domestic outbuildings.

#### Risk address

Risk address means the address of the premises on which the Insured's private residence and outbuilding(s) are situated.

#### Standard construction

Standard construction means a building and its domestic outbuildings constructed of brick, stone or concrete and roofed with slate, tiles, corrugated iron, concrete or asbestos.

If the building does not comply with the definition as a "standard construction", the Insurer must be notified thereof.

#### Tenant

Tenant means someone, other than the Insured, who is allowed to occupy the Insured's private residence in terms of a written contract, but does not include a paying guest, boarder or lodger.

#### Theft

Theft means the unlawful taking of another person's property with the intention to deprive them of permanent ownership when it is not accompanied by breaking into or out of a building by actual, visible and forcible means.

#### Unoccupied

Unoccupied means at the time of the loss or damage the private residence, although furnished, has not been lived in for more than 60 consecutive days, or if not sufficiently furnished for normal living purposes for more than 30 consecutive days. *[The*

*occupation of the domestic employees' quarters by domestic employees or any outbuildings occupied by tenants is not regarded as occupation of the dwelling for the purpose of this definition.]*

## Insured Events

Loss or damage caused by:

- (a) fire, explosion, meteorite, underground fire;
- (b) acts of nature: storm, wind, thunder, water, lightning, flood, hail or snow.

The Insurer does not cover:

- (i) loss or damage to property in the open, unless it is designed to exist or operate in the open or loss or damage to property in any structure that is not completely roofed;
- (ii) loss or damage caused by any process which uses or applies water, unless the water damage is caused by local authorities in the process of the extinguishing of fire;
- (iii) loss or damage caused by wear and tear;
- (iv) loss or damage caused by gradual deterioration;
- (v) loss or damage caused by mildew, rust or corrosion;
- (c) earthquake including earth tremor arising from mining activities;
- (d) sudden and unforeseen bursting, leaking of geysers, water tanks, water pipes or fixed heating apparatus which includes geysers, solar water heating systems and boilers, water supply tanks, cisterns and pressurised water pipes forming a permanent part of the Dwelling;
- (e) power surges and dips, to the insured property affected. There will be no consequential loss cover such as but not limited to deterioration of stock or business interruption.
  - (i) power surge damage or loss to the Insureds business equipment is limited to R100,000 per event and R20,000 per item;

The insured shall be responsible for the following excess:

- (iii) 10% of claim min R2 000 if the main electrical distribution board of the Property is protected with a surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations,
- (iv) 35% of claim min R5 000 if the main electrical distribution board of the Property is not protected by a surge protector, lightning arrestor or other protection device installed by a qualified electrician and certified to be compliant with SANS 10142-1 regulations.

*[The Insurer shall not pay for loss or damage following an intentional power cut because of non-payment and/or arrears of utility bills.]*

- (f) by impact with the private residence by vehicle, animal [excluding domestic animal], aircraft or any object falling from the sky, falling trees and trees cut down by a professional tree feller;
- (g) theft or attempted theft; but **excluding** theft and attempted theft:
  - (i) where the property is unoccupied as defined, unless there are visible signs of forced entry into the building;
  - (ii) while the property is lent, let or sublet unless there are visible signs of forced entry into the building;
  - (iii) while the property is illegally occupied;
  - (iv) caused by the Insured, any members of his household or his tenant;
  - (v) which occur with the Insured's knowledge or his consent;
- (h) burglary;
- (i) malicious or intentional damage,
  - excluding:**
    - (i) where the property is unoccupied as defined;  
*[With regard to an unoccupied holiday home this exception will not apply and a first amount payable stated in the policy schedule will be applicable.]*
    - (ii) while the property is illegally occupied;
    - (iv) damage caused intentionally by the Insured, any members of his household or his tenant;
    - (v) intentional damage which occurs with the Insured's knowledge or his consent;
- (j) collapse or breakage of aerial systems and satellite dishes, including damage to such aerial systems and satellite dishes if it is the Insured's property.

**Optional Cover – Applicable if stated in the policy schedule to be included**

### 1. Subsidence and landslip definitions

#### Definitions

- (a) Subsidence:  
the downward movement of a site on which Buildings may or may not stand, from causes unconnected with the

- building
- (b) Landslip: the downward or sideways movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground, including liquefaction
  - (c) Heave: movement of the building upwards and outwards as a result of an excess of water causing the ground to expand
  - (d) Settlement: the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and it is unpredictable

## 2. **Subsidence and landslip**

Cover is extended to include loss of or damage to the Building caused by subsidence, landslip or heave of the land supporting the building provided such loss or damage is not caused by or does not arise from:

- (a) excavations other than mining excavations
- (b) alterations, additions, or repairs to the Building
- (c) the compaction of infill
- (d) defective design, materials, or workmanship
- (e) settlement, shrinkage, creeping, heaving or expansion of the Building
- (f) or is aggravated as a result of dolomite or limestone
- (g) any gradual movement of the site upon which the property is constructed
- (h) damage to drains, water courses, boundary walls, retaining walls (unless specifically agreed in writing), gates, posts, and fences
- (i) faulty design or construction of, or the removal or weakening of support to any Building situated at the Insured Property
- (j) workmen engaged in making any structural alterations, additions or repairs to any Building situated at the Insured Property
- (k) active soils
- (l) solid floor slabs or any other part of the Building resulting from the movement of such slabs, unless the foundations supporting the external walls of the Building are damaged at the same cause at the same time
- (m) interference, removal or weakening of support to any Building
- (n) the rise in the water table or pressure caused by it, including acid mine
- (o) leaking taps, leaking pipes or leaking swimming pools
- (p) coastal or river erosion

### **The Insurer will not be liable for:**

- (a) work necessary to prevent further loss or damage due to subsidence, heave or landslip
- (b) consequential loss of any kind whatsoever
- (c) damage existing at commencement of cover

In the event of loss or damage to the Buildings The Insured will be responsible for any first amount payable in the Schedule calculated at 1% of the sum insured for the Building as stated in the schedule

## **Indemnity to the Insured**

### **1. While the property insured is inside the Insured's private residence and outbuildings**

The Insurer shall indemnify the Insured for:

- (a) loss or damage to the Insureds, insured property caused by an insured event while the insured property is inside the Insureds private residence and outbuildings;
- (b) loss or damage from theft or attempted theft from any domestic outbuilding on the premises, limited up to R25 000 any one event, or as amended and stated in the policy schedule;
- (c) loss of or damage to money and negotiable instruments as a result of an insured event up to an amount of R 10 000. However, the maximum the Insurer shall pay after loss of or damage to money following burglary, theft or attempted theft is R 5 000 any one event, or as amended and stated in the policy schedule.
- (d) any building in which the Insured is employed but excluding theft of cell phones, iPods, laptops, iPads, tablets, palmtops and notebook computers,

Provided that such theft or attempted theft (as set out in 1 (a)) follows forcible or violent entry or exit or the threat of violence.

### **2. While the property insured is not inside the Insured's private residence**

The Insurer shall indemnify the Insured for loss or damage to his insured property caused by an insured event while the insured property is:

- (a) inside any occupied residence, hotel, inn, club, nursing home, hospital or clinic, or any other building in which the Insured is temporarily residing;
- (b) deposited for safe keeping at any hotel, guest house, club, bank, safe deposit or furniture storage depot;
- (c) inside the building of a business for the purpose of making up, altering, renovating, repair, cleaning or dyeing, **excluding** theft or attempted theft;
- (d) inside a building of any office, business or trade where the Insured is employed. However, theft or attempted theft is limited to an amount of R 10 000 any one event, or as amended and stated in the policy schedule.

The Insurer may choose at their option to pay in cash, repair or replace the damaged property at the present replacement value, subject to the limits of indemnity indicated herein, or in the policy schedule.

### Limits of Indemnity

The Insurer's liability for a single claim or series of claims, arising from a single occurrence caused by all, or only some of the insured events during any period of insurance shall never exceed the lesser of:

- (a) the total sum insured stated in the policy schedule, or
- (b) the full replacement value of the insured contents of the private residence subject to the application of the underinsurance (average) condition. This limitation and condition applies separately to each private residence, if more than one is specified in the policy schedule.

### Note

It is at all times the responsibility of the Insured to ensure that the property insured under this section of the policy is insured for the full replacement cost.

### Additional Benefits, Clauses and Extensions

#### 1. Accidental Damage Cover

The Insurer shall indemnify the Insured for the accidental physical loss of, or damage to, the insured contents while it is in the private residence or on the Insured's premises.

Cover for accidental damage **excludes**:

- (a) depreciation;
- (b) gradual operating causes such as wear and tear, rust, mildew, corrosion, decay;
- (c) cracking or scratching of glass or glassware or any similar breakable article. This exclusion does not apply to jewellery, cameras, computer screens or fixed glass of television sets;
- (d) chipping or denting of furniture or domestic appliances;
- (e) the cost of reproduction or repair of data of any kind;
- (f) mechanical, electrical or electronic breakdown, unless caused by defined events;
- (g) consequential loss of any nature;
- (h) loss or damage:
  - (i) payable in terms of a defined event of this section;
  - (ii) caused by household pests (such as rodents, ants and moths) or the Insured's own domestic pets;
  - (iii) caused because of cleaning, repairing or restoring by any manner or method;
  - (iv) of or to any tools, gardening implements, garden furniture;
  - (v) of or to automatic swimming pool cleaning equipment;
  - (vi) of or to any portable computer equipment or cellular devices;
  - (vii) covered by any manufacturer's guarantee, purchase agreement or service contract;
  - (viii) of or to musical instruments by breakage of reeds, skin or strings;
  - (ix) of or to firearms;
  - (x) of or to sporting equipment;
  - (xi) by overwinding of clocks or other mechanical apparatus.

#### 2. Alternative Accommodation and Rent

Following a defined event, the Insurer shall pay for the reasonable costs of other alternative and equivalent accommodation for the Insured, his pets and domestic employees normally resident with the Insured, or his tenant, because the building is unfit to live in. The cover is limited to 25 per cent of the contents sum insured and applies for the reasonable period required for reinstatement of the residence.

The cost of other accommodation where the residence is let or sub-let to holidaymakers, or where it is used as a guesthouse, is not covered.

#### 3. Cover for Parents and Students

---

The Insurer shall pay for the loss of or damage to contents belonging to:

- (a) a child of the Insured whilst residing at a boarding school, college, university or other student accommodation; or
- (b) a parent or grandparent of the Insured whilst in a nursing home, old people's home or residential care home in which the parent or grandparent is resident including transit there and back provided that:
  - (i) loss or damage arising out of theft or attempted theft must be accompanied by forcible and violent entry;
  - (ii) the contents are not insured elsewhere.

The maximum the Insurer shall pay is R 15 000 any one claim.

#### **4. Credit Cards / Internet Transactions**

The Insurer shall indemnify the Insured against losses suffered because of fraudulent or unauthorized use of any credit, cash or sim cards, including the fraudulent or unauthorized use of the internet, except fraudulent use by members of the household. The Insurer shall not indemnify the Insured if the Insured has not reported the loss of the card to the issuing organisation as soon as possible and complied with the conditions of issue of the card.

The maximum the Insurer shall pay is R 2 500 any one claim.

#### **5. Debris Removal**

The Insurer shall pay costs necessarily incurred by the Insured with its written consent in removing debris from the residence following a defined event. The maximum the Insurer shall pay is R 5 000 any one claim.

#### **6. Documents**

The Insurer shall indemnify the Insured for loss of or damage to personal and business documents caused by any defined event. The Insurer shall only be liable for the value of materials and the cost of labour in reinstating the documents or obtaining duplicates and not for the value of the content or any consequential loss or damage.

The maximum the Insurer shall pay is R 5 000 any one claim.

#### **7. Emergency Accommodation After Loss**

The Insurer shall pay the reasonable costs of emergency accommodation whilst the property insured is uninhabitable until alternative accommodation can be arranged.

The maximum the Insurer shall pay is R 5 000 any one event.

#### **8. Fatal Injury**

The Insurer shall pay the amount stated in the event of fatal injury to the Insured occurring in or about the residence caused by accidental, violent, external, visible means which injury shall solely and independently of any other cause result in death within 12 months of such injury.

The maximum liability to the Insurer shall be:

- (a) if 18 years of age and under: R 2 000; and
- (b) over 18 years of age: R 10 000;

not exceeding R 30 000 any one event.

#### **9. Fire Brigade Charges**

The Insurer shall indemnify the Insured and pay for the water consumption and actual charges levied by any firefighting or similar authority or municipal authorities to extinguish a fire in connection with an insured event.

#### **10. Gifts at Insured's Residence**

The Insurer shall pay for loss of or damage following an insured event to gifts and additional provisions at the Insured's residence occurring between one month before and one month after a wedding, anniversary, birthday, religious or other celebration. The maximum the Insurer shall pay is R 10 000 any one claim.

#### **11. Goods in the Open**

The Insurer shall indemnify the Insured for loss of laundry, garden and swimming pool furniture, implements and pool safety nets and covers from the grounds of the residence.

The maximum the Insurer shall pay is R 10 000 any one claim.

#### **12. Horses**

The Insurer shall compensate the Insured for death or injury of horses directly resulting from fire, lightning, thunderbolt, explosion, earthquake, theft, aircraft (or articles falling from aircraft), flood, impact by vehicles, or any act committed by anyone with the intention of causing such death or injury. The maximum the Insurer shall pay is R 5 000 any one event.

---

### 13. Locks and Keys

The Insurer shall pay for costs necessarily and reasonably incurred following loss of or damage to any locks or keys (to doors, cabinets, grilles, gates, appliances and the like or to motor vehicles, caravans or trailers) including cardkeys and remote control devices for the residence and its outbuildings. The maximum the Insurer shall pay is R20 000 any one event.

### 14. Emergency Expenses Shortfall

Emergency Expenses Shortfall not otherwise covered, incurred as a result of accidental bodily injury sustained by:

- (a) any person other than the Insured caused by a domestic animal owned by the Insured;
- (b) any guest or visitor arising from any defect in the buildings or premises;
- (c) any domestic employee in the course of their employment by the Insured.

The maximum the Insurer shall pay is R 5 000 any one event.

### 15. Mirrors and Glass

The Insurer shall pay the reinstatement cost for the accidental breakage of mirror glass, plate glass tops, including stove glass tops, or sheet glass forming part of the contents.

The maximum the Insurer shall pay is R 5 000 in any 12 months insurance period.

### 16. Personal Effects of Guests

The Insurer shall indemnify any guests temporarily residing with the Insured if their household goods and personal effects (excluding money and negotiable instruments) not otherwise insured are lost or damaged by a defined event.

The maximum the Insurer shall pay is R 5 000 any one claim.

### 17. Property of Domestic Employees

The Insurer shall indemnify the Insured's domestic employees if their household goods and personal effects (excluding money and negotiable instruments) at the Insured's residence are lost or damaged by a defined event. The maximum the Insurer shall pay is R 5 000 any one claim.

### 18. Refrigerator and Deep-Freeze Contents

The Insurer shall indemnify the Insured, up to R 5 000, for the accidental deterioration and spoiling of contents in any refrigerator or deep-freeze unit at the private residence and outbuildings because of breakdown, accidental damage to the unit. The Insurer shall not pay for loss following an intentional power cut because of non-payment of utility bills, or non-purchase of power or any type of fuel.

This cover extends to include the unit itself if damaged to such an extent as to be unusable/unfit to use.

### 19. Reinstatement of Data

Following an insured event, the Insurer shall indemnify the Insured against loss of or damage to data or records stored on the Insured's personal or business computer kept at the risk address stated in the policy schedule, for the reasonable and fair cost of reinstating the lost data onto the computer. The Insurer shall not pay for physical media and/or software. The maximum the Insurer shall pay is R 5 000 any one claim.

### 20. Repairs and Measures after Loss

After loss or damage by any insured event the Insured may, to minimize further loss, undertake temporary repairs and any measures necessary for the safety of the property insured. The maximum the Insurer shall pay is R 5 000 any one event.

### 21. Seasonal Increase

During the period from 1 December to 31 January the main sum insured stated in the schedule for this section will be considered to be 10 per cent more.

### 22. Security Guard(s) to temporarily safeguard the premises

The Insurer shall pay the reasonably and necessarily incurred costs by the Insured employing security guards to protect his property following loss and or damage caused by an insured event that leaves the insured exposed to a criminal risk subject to the limited of R 10 000 per event.

### 23. Stamp and Coin Collections

- (a) Stamp collections

The Insurer shall not be liable unless the stamp collection is specified in the Schedule:

- (i) if one or more complete pages are lost or damaged;
- (ii) for more than two-thirds of the value shown in any current recognized catalogue for any one stamp.



- (b) Coin collections  
The Insurer shall not be liable for loss or damage to:
- (i) current coins, coin collections or gold coins,

## 24. Timeshare Arrangements

If your timeshare premises (or unit or part unit) are so damaged by an insured event that you cannot live there for the timesharing week or remaining part thereof, and if the body corporate is unable to provide alternative accommodation, the Insurer shall compensate the Insured for any expenses for the rent or hire of accommodation of a similar type in the same locality. The maximum the Insurer shall pay is R 2 500 any one event.

## 25. Transit

The Insurer shall indemnify the Insured for loss of or damage to household goods:

- (a) the Insureds own or those for which the Insured is responsible, in the Insured's custody while in transit along a reasonably direct route to or from any place of purchase, repair or renovation following any insured event, fire overturning or collision of the conveying vehicle of the household goods. The maximum the Insurer shall pay is R 5 000 any one claim;
- (b) in the event of theft while being transported to or from any bank or safe deposit facility;
- (c) theft, collision or overturning of the conveying vehicle while the Insured is in the process of permanently moving to a different risk address, or while his insured property is being transported to or from any furniture storage depot by a furniture removal contractor. Cover excludes any damage to breakable articles like glass and china unless such articles were packed by the furniture removal contractor and are not otherwise insured;
- (d) theft of the insured property from any locked vehicle or locked trailer up to an amount of R 15 000 any one claim, provided that such theft is accompanied by visible, forcible and violent entry or exit.

## 26. Trauma Treatment

The Insurer shall pay compensation for emergency expenses shortfall not insured otherwise, for trauma treatment by a psychologist if the Insured needs treatment because of fire or theft in the Insured's buildings or on his premises. The maximum the Insurer shall pay is R 2 000 any one event.

## 27. Veterinary Expenses

The Insurer shall indemnify the Insured for any veterinary expenses incurred because of injury sustained by any domestic pet, owned by the Insured, and arising from a road accident. The maximum the Insurer shall pay is R 2 500 any one event.

## 28. Water Leakage

The Insurer shall indemnify the Insured against charges raised by a local authority for water lost through leakage from pipes on the Insured's property provided that:

- (a) the consumption reading must be at least 50 per cent more than the average of the previous four readings;
- (b) the Insured take immediate steps to repair the pipe(s) affected on discovery of a leak (by physical evidence or on receipt of an abnormally high water account).

The maximum the Insurer shall pay is R 5 000 any one event.

### This extension does not cover:

1. the cost of rectifying leaks or repairs to leaking pipes;
2. more than two separate incidents in any period of 12 consecutive months and the Insurer will not be liable if on the discovery of a leak by physical evidence, or on receipt of an abnormally high-water account, the Insured does not take immediate steps to repair the pipes so affected.
3. loss of water:
  - (i) as a result of leaking taps, water heating apparatus or toilet systems, or swimming pools,
  - (ii) from swimming pool structures or inlet or outlet pipes;
  - (iii) whilst the property is unoccupied for a period in excess of 60 days.

## Exclusions Applicable to the Entire Section

Unless otherwise stated in the policy schedule, the following are not covered:

1. property that is more specifically insured, in this or any other policy, other than for any amount more than the specified insured amount;
2. loss or damage arising from claims occurring outside the territorial limits set out in this policy;
3. property, whether it is processed or not, obtained with the purpose of disposing of it in a business transaction;

4. motor vehicle, motorcycle, caravan and trailer including their fitted accessories, hang-gliders, aircraft, other aerial devices (excluding model aircraft), watercraft (other than a surfboard, kite boards, paddle skis, kayaks, canoes, surf skis, windsurf boards, sailboards and model boats) and all tools, spare parts and accessories of these vehicles, aircraft or watercraft that are on, in or attached to it;
5. animal and livestock;
6. money, security for money, deeds, bonds, bills of exchange, promissory notes, negotiable and other documents, manuscripts, rare books and medals, except as specifically mentioned;
7. damage to stamps, coins or collectables caused by:
  - (i) fading, creasing, denting, scratching, tearing, thinning, colour transfer, dampness or temperature extremes;
  - (ii) handling or being worked on;
  - (iii) the process of repair, restoration or whilst being retouched;
  - (iv) use other than use as a collectable;
  - (v) the disappearance of an individual stamp, coin or other collectable item that is insured as part of a collection unless it is mounted in a volume and the page is also lost;
8. trade or business goods in excess of R50 000;
9. the cost of reproduction or repair of data of any kind, unless specifically provided for;
10. loss, damage or breakage covered by a manufacturer's purchase agreement, guarantee or service contract;
11. if the residence is left unoccupied as defined, burglary, theft or any attempt thereat will not apply unless the Insurer has given its prior consent in writing to extend cover.
12. the use, possession or ownership of a lift;
13. any amount in excess of 25% of the household goods sum insured for the total value of precious metals and stones, jewellery, watches, furs, rugs and carpets. If a valuation certificate from a registered jeweller cannot be produced for an item then the item value will be limited to R2,500;
14. any precious metals or stones, jewellery, furs, watches, rugs, carpets, paintings, works of art with a value in excess of R50,000 for the individual item or the set or pair, unless specified in the Schedule and supported by a valuation certificate not older than 5 years.

## Security Measures

### 1. Burglar Bars

If the Insurer requires burglar bars and if so stated in the policy schedule, the Insurer shall compensate the Insured for theft or burglary only if:

- (a) the required burglar bars are fitted to protect all opening windows;
- (b) the required burglar bars have not been removed without the Insurer's permission.

### 2. Security Gates

If the Insurer requires security gates and if so stated in the policy schedule, the Insurer shall compensate the Insured for theft or burglary only if:

- (a) the required security gates are fitted to protect all external doors;
- (b) the required security gates are locked when the Insured or any authorised person looking after the Insured's private residence leaves the private residence unattended;
- (c) the required security gates have not been removed without the Insurer's permission.

### 3. Alarm System

If the Insurer requires an alarm system and if so stated in the policy schedule, the Insurer shall compensate the Insured for theft and burglary only if:

- (a) the required alarm system is installed, and is in working order;
- (b) there is a radio link from the system to a fully manned control room with 24 hour immediate armed response;
- (c) none of the "passive infrared motion detectors" of the required alarm system are obstructed or bypassed;
- (d) the private residence and the outbuildings are left unattended and the required alarm system has been set by the Insured or any authorised person; or the private residence, but not the outbuildings, is left unattended and the required alarm system has been set by the Insured or any authorised person; and
- (e) the required alarm system has not been removed without the Insurer's permission.

Where the residence is left unoccupied for a period not exceeding 24 hours and the alarm has not been armed/set and activated, theft cover is limited to R 20 000 for any one event, provided there is forcible and violent entry to or exit from the residence.

## All Risk and Specified Items

### Introduction

This section forms part of the policy if any item is specified in the policy schedule and a premium has been paid for it. If so, the content of this section must be read together with the General Conditions, Exclusions and Provisions in this policy document, and any terms and conditions stated in the policy schedule.

### Definitions

#### Audiovisual Equipment

Audiovisual equipment means recording and reproduction equipment for capturing, recording, processing, storing, transmitting and reconstructing images or sounds, including all accessories (e.g. cameras, binoculars, TV's, decoders, portable DVD players, iPods, MP3 and MP4 players).

#### Computing Equipment and Accessories

Computing equipment and accessories means electronic devices or machines that manipulate data according to a list of instructions and have the ability to store and execute programmes, consisting of hardware and supported by software (e.g. laptops, notebooks, iPad).

#### Insured

Insured means the insured person named in the policy schedule, including members of his household who normally reside with the Insured.

#### Mobile Communication Devices

Mobile communication devices mean portable electronic items, used for mobile communication, including all accessories (e.g. cellular phones, satellite navigation system receivers [GPS's]).

#### Property Insured

"Property insured" means:

**(a) General property** (*clothing and personal effects*)

- (i) clothing;
- (ii) personal effects which are normally worn or which are designed to be carried on or by a person;
- (iii) personal equipment normally worn or used by a person participating in sport which belongs to him.

**(b) Specified property**

Property specifically described in the "specified all risk section" in the policy schedule and for which a premium was paid.

#### Indemnity to the Insured

If general or any specified property is accidentally lost or damaged as a result of any cause not otherwise excluded, the Insurer shall at their option repair, replace or pay cash in lieu of the amount of loss or damage. The basis upon which the indemnity is calculated is the cost of replacing the lost or damaged property or part of it with similar new property.

The maximum amount payable by the Insurer shall not exceed:

- (a) an amount of R 2 000 (unless otherwise more specifically stated) for any one item, pair or set for general property, except for clothing, subject to a maximum liability payment of the amount stated in the policy schedule;
- (b) the amount stated in the policy schedule for any specified item.

#### Pairs and Sets

In the event that an item lost or damaged is part of a pair or set the Insurer shall at its option indemnify the Insured by:

1. restoring, repairing, rebuilding or replacing the item; or
2. paying in cash the proportionate value with regard to the total value of the pair or set.

#### Property Specified in the Policy Schedule

The Insurer shall only cover property if specifically insured and described in the specified all risk section in the policy schedule and a premium has been paid for it.

**1. Audiovisual Equipment – Including mechanical, electrical or electronic breakdown**

The Insurer shall compensate the Insured for loss of or damage to audiovisual equipment as shown in the schedule. Television aerials and satellite dishes are included.

## 1. Bicycles or Wheelchairs

- (a) The Insurer shall compensate the Insured for loss of or damage to a bicycle or wheelchair as stated in the policy schedule, and its accessories.
- (b) In the case of bicycles with a value of more than R 3 000 used for racing or sport meetings, the Insured will be liable for ten percent (10%) of the claim with a minimum of R 1 000 in the case of each and every claim for loss or damage caused whilst participating in a race or sport meeting.
- (c) Pedal cycles and accessories that are left unattended outside the boundary of the residence, must be attached by a security device to a permanently fixed structure.

## 2. Computing Equipment and Accessories – Including mechanical, electrical or electronic breakdown

The Insurer shall compensate the Insured for loss of or damage to computing equipment and accessories, including standard software generally available in retail stores, as shown in the schedule.

## 3. Contents of a Caravan

Should the contents of a caravan be included in the Specified All Risk section of the schedule, the following is applicable:

### Definition

Property insured means household goods and possessions belonging to the Insured or which is the Insured's responsibility, including the personal possessions of the family members who permanently reside with the Insured, while in the caravan or attached side tent.

### Indemnity to the Insured

The Insurer shall settle any claim for property insured which is accidentally lost or damaged. The settlement will be the current replacement cost. If at the time of the loss or damage the cost of replacing the property insured as new is greater than the insured amount, the Insured will be his own insurer for the difference and will bear a rateable proportion of the loss or damage.

### Limitations and Specific Exclusions

The Insurer shall not be liable and will not compensate the Insured for:

- (a) theft of property insured while the caravan or attached side tent is unoccupied;
- (b) more than R 2 000 for any one article;
- (c) the permanent fittings of the caravan;
- (d) property more specifically insured;
- (e) goods and possessions which are used solely for business, professional or trade purposes;
- (f) stamp and coin collections, money, documents, jewellery, furs or any other article specifically insured;
- (g) loss or damage caused by fraud or dishonesty by any person who borrows or rents the caravan.

## 4. Items in a Bank Vault

The Insurer shall compensate the Insured for loss of or damage to items shown in the schedule, which are kept in a vault of a registered bank.

## 5. Mobile Communication Devices – Including mechanical, electrical or electronic breakdown

The Insurer shall compensate the Insured for loss of or damage to mobile communication devices and its accessories as shown in the schedule.

## 6. Other Specified Items

The Insurer shall compensate the Insured for loss of or damage to any other specified article shown in the policy schedule.

## 7. Stamps, Coins, Collectables and Personal Documents

If specifically described in the specified all risk section of the policy schedule, the Insurer shall compensate the Insured for:

- (a) the current recognised catalogue or pricelist value of a single stamp or coin, or a single set of stamps or coins that is lost or damaged. The Insurer shall not be liable for current coins.
- (b) the value of the material and the cost of labour to replace lost or damaged personal documents, including personal deeds, wills, agreements, maps, plans, records, books, letters and certificates. The Insurer shall not compensate the Insured if these documents are negotiable instruments or share certificates.

---

## Specific Exclusions

The Insurer shall not be liable to pay for loss or damage caused by:

- (a) fading, creasing, denting, scratching, tearing, thinning, colour transfer, dampness or temperature extremes;
- (b) handling or being worked on;
- (c) the process of repair, restoration or whilst being retouched;
- (d) use other than use as a collectable;
- (e) the disappearance of an individual stamp, coin or other collectable item that is insured as part of a collection unless it is mounted in a volume and the page is also lost.

## 8. Car Jamming (if stated in the schedule to be included):

Notwithstanding 2 (h) below, should the Insured suffer the theft of a Specified All Risk item that was Concealed as a result of the "jamming" of the Insured's Vehicle's locking system so that it is unable to engage the locking mechanism despite the Insured's attempted activation thereof then the Insurer shall provide cover for the Specified Item up to a limit of 50% of the value but limited in the aggregate to R50,000 any one claim. If there is CCTV footage confirming that the Insured attempted to engage the locking system, the Insurer will pay the claim up to the limit of the specified item as stated in the schedule. The Insured must report the incident to the Police and provide the Insurer with the Police reference.

## Special Conditions

### 1. Jewellery

Specified watches or article of jewellery must be valued and examined by an acknowledged professional jeweller at least every two years for any wear and tear and possible damage. Such valuation certificate(s) must be supplied on request.

### 2. Reinstatement of Specified Items after a Claim

If any item stated in the policy schedule is subject to a total loss, the lost or damaged item will be deleted from the policy schedule. The onus is upon the Insured to advise the Insurer to insure the replaced item and provide a new description of the item.

### 3. Territorial limits

Worldwide, other than the contents of a caravan which is restricted to the territorial limits stated in this policy document, or as amended and stated in the policy schedule.

## Special Exclusions

### 1. In Respect of General Property

- (a) mobile communication devices and accessories as defined;
- (b) computing equipment and accessories (e.g. laptops, notebooks and palmtops);
- (c) portable gaming electronic equipment;
- (d) stamp, medal and coin collections and personal documents;
- (e) keys, access cards and remote control units;
- (f) bicycles and wheelchairs;
- (g) surfboards, kite boards, paddle skis, kayaks, canoes, surf skis, windsurf boards and sailboards;
- (h) more than one compact disc or tape;
- (i) money;
- (j) portable music players (iPods, MP3 players and the like);
- (k) firearms;
- (l) the costs of replacing or reinstating deeds, bonds, bills of exchange, promissory notes, cheques, securities for money, manuscripts or documents of any kind;
- (m) theft of clothing from a washing line at the Insured's premises;
- (n) any property more specifically insured.

### 2. In Respect of General Property and Specified Property

- (a) the first amount payable of any claim as stated in the policy schedule;
- (b) costs incurred by the Insured in preparing a claim;
- (c) failure of items within their manufacturer's warranty period;
- (d) normal wear and tear, rust, mildew, corrosion and any gradually operating process of decay or depreciation;
- (e) the cost of reproducing sound, images or data on tapes, records, films or any other magnetic media;

- 
- (f) the cost of reproduction or repair of data of any kind;
  - (g) anything covered by any guarantee, service contract, purchase contract or any purchase agreement of any type;
  - (h) theft or attempted theft from any unattended vehicle unless at the time of the theft:
    - (i) the property was Concealed and there is evidence of violent and forcible entry into the insured's Vehicle, or
    - (ii) the insured's Vehicle is garaged in a locked and secure building at the time of the loss and there is evidence of violent and forcible entry into the building and the vehicle,
- For property to be considered "Concealed" then:
- (a) it must stored in the cabin of the insured's Vehicle
  - (b). If it is in loading area (bin) of a light delivery vehicle,
    - (i) then such bin must be under a locked and secure cover that is affixed to the insured's Vehicle. A canvas does not qualify
    - (ii) that has a canopy then the canopy's windows must be protected by a tinted smash and grab protective film. There is no cover for the following items:
      - Cellphones
      - jewellery
      - computer, medical, photographic or video equipment
      - any item that is valued at more than R100,000
- (i) property, whether it will be processed or not, obtained with the purpose to dispose of it in a business transaction;
  - (j) vehicles, including gardening equipment controlled by a driver, motorcycles, trailers and caravans, aircraft and other aerial devices and any part, including the tools, spare parts and accessories of all the aforementioned whilst in, on or attached to it;
  - (k) watercraft and all tools, spare parts and accessories related and attached thereto, other than surfboards, kite boards, paddle skis, kayaks, canoes, surf skis, windsurf boards, sailboards and model boats if specified in the policy schedule;
  - (l) loss or damage:
    - (i) caused by household pests, vermin, moths, or gradually operating causes;
    - (ii) caused by cleaning, dyeing, repairing or restoring;
    - (iii) such as electrical, electronic or mechanical breakdown not accompanied by other damage, unless specifically provided for;
    - (iv) from or in connection with any exchange, cash or credit sale agreement, including theft under false pretence and fraud;
    - (v) due to electronic viruses, worms or similar destructive media interferences;
    - (vi) breakage of glass, glassware, porcelain or similar articles of a fragile nature, due to cracking or scratching unless caused by theft or attempt thereat, or fire. Jewellery, cameras, television or data-reproduction tubes or screens are not excluded.

## Personal Accident

### Introduction

This section forms part of the policy if a sum insured is shown in the policy schedule for this section and a premium has been paid for it. If so, the content of this section must be read together with the General Conditions, Exclusions and Provisions in this policy document, and any terms and conditions stated in the policy schedule.

### Definitions

#### Accident

Accident means any accident which is the direct cause of bodily injury being sustained.

#### Bodily injury

Bodily injury means bodily injury caused by violent, accidental, external and visible means, and includes an injury resulting from exposure or deprivation following an accident.

#### Compensation

Compensation means in the case of Permanent Disability a lump sum based on the percentage of the capital sum as indicated in the table below.

#### Death

Death means death occurring within 24 calendar months from the date of accident as a direct result of the bodily injury or as a result of exposure or deprivation following an accident and includes any presumed by a competent court following the Insured's disappearance or the disappearance of any vehicle, aircraft, watercraft or train in which he or she was travelling.

#### Insured

Insured means the insured person named in the policy schedule.

#### Emergency Expenses Shortfall

Emergency Expenses Shortfall means any such costs reasonably and necessarily incurred up to 24 months from the date of the bodily injury.

#### Permanent disablement

Permanent disability means permanent disablement as described in the compensation scale, occurring as a direct result of the bodily injury within 24 months from the date of the bodily injury.

#### Temporary disability

Temporary disability means temporary incapacity for the Insured's normal occupation.

### Cover Provided

#### 1. Payment of Compensation Applicable to Every Person Individually

In the event that the Insured sustains any bodily injury directly as a result of violent, accidental, external and visible means, the Insurer shall in respect of such injury pay the Insured, or in the event of death, to the Insured's legal representatives or his estate, the compensation stated in the schedule, provided such injury shall be the sole and direct cause of death or disablement within 24 months from the date of the accident.

#### 2. Compensation

**2.1 Death:** The amount stated in the policy schedule.

**2.2 Permanent disablement:** The percentage of the amount stated in the policy schedule as set out in the table of permanent disablement below.

**2.3 Temporary total disablement:** The amount stated in the policy schedule for a maximum period of 104 weeks for disablement preventing the Insured from engaging in or giving attention to his normal business, from the date of the accident.

**2.4 Emergency Expenses Shortfall**

Shall mean all emergency expenses shortfall and expenses necessarily incurred for emergency medical, emergency surgical, emergency dental, or emergency 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.

Description of Permanent Disablement	Percentage of Compensation
Total and permanent disablement arising from any job or occupation	100
Total and permanent loss of both hands and feet or any one hand or one foot	100
Total and permanent loss of sight in one eye and total and permanent loss of one hand or one	100
Total and permanent loss of sight in one or both eyes	100
Total and permanent loss of hearing or speech	50
Total and permanent loss of hearing in one ear	15
Total and permanent loss of one hand	50
Total and permanent loss of arm from the shoulder	75
Total and permanent loss of the forearm	65
Total and permanent loss of one foot	50
Total and permanent loss of the leg above the knee	75
Total and permanent loss of the leg from or below the knee	65
Total and permanent loss of thumb (both phalanges)	25
Total and permanent loss of one thumb (one phalanx)	10
Total and permanent loss of the index finger (three phalanges)	10
Total and permanent loss of the index finger (two phalanges)	8
Total and permanent loss of the index finger (one phalanx)	4
Total and permanent loss of any finger except the thumb and index finger	5
Total and permanent loss of big toe	5
Total and permanent loss of any other toe	1
Any permanent, temporary disablement not mentioned above, except the loss of feeling, taste or smell	A part determined by the Insurer in consultation with the Company's medical advisor and not contradictory to the conditions as stated above.

## Memo

1. Permanent total loss of the use of a limb will be treated as loss by separation.
2. Where the injury is not specified we will apply a percentage of disablement which is consistent with the provisions of this table.
3. The aggregate of all percentages payable for permanent disablement in respect of any one accident shall not exceed 100 per cent of the amount payable under category 2.2.

## Extensions

### 1. Bereavement Expenses

In the event of an accident giving rise to a valid claim for Compensation 2.1, the Insurer shall pay an additional amount of R 1 000 per insured person as a contribution to funeral expenses.

### 2. Disappearance

In the event of the Insured's disappearance, and after the Insurer examined all evidence accepted by a court of law, and after a reasonable period of time has passed and there are reasonable grounds to accept that the Insured died as a result of an accident which was covered, the Insurer shall pay the benefit. However, should the Insured be found to be living at any time after a claim was settled and paid, the person to whom payment was made must reimburse the payment to the Insurer.

### 3. Exposure

Should the Insured die or incur bodily injury due to starvation, thirst and/or exposure to elements as a direct or indirect result of an accident, the Insurer shall pay the benefit.

### 4. Life Support

The period of 24 months referred to under the paragraph "Cover provided" will not include any period (of at least three consecutive days) where death is delayed solely by the use of life support machinery, equipment or apparatus.



---

## 5. Part Payments

Payments to the Insured for temporary disablement claims will be done at intervals, subject to the Insurer receiving a satisfactory medical report from the attending medical practitioner at the time of such temporary total disablement.

### Prerequisites – Refer to “Cover provided” point 2: Compensation

1. Compensation shall only be payable:
  - (a) under item 2.3 where the period of disablement is more than seven consecutive days;
  - (b) under item 2.4 where such expenses are more than R 500;
2. Compensation under items 2.3 and 2.4 shall cease immediately:
  - (a) when compensation becomes payable under Item 2.1;
  - (b) when compensation becomes payable under Item 2.2;
3. Compensation shall not be payable under more than one of the compensation 2.1 and 2.2 in respect of the same accident;
4. Payments under compensation 2.3 shall cease as soon as the Insured is deemed medically fit or able to return to his usual business or occupation;
5. Payments under compensation 2.3 are limited to R 1 000 per week and a maximum of 104 weeks;
6. Compensation for all categories is in any event limited to the insured amounts;
7. The aggregate of all percentages payable for permanent disablement in respect of any one accident shall not exceed 100 per cent of the amount payable under compensation 2.3.

### Special Exclusions

The Insurer shall not be liable for any claim for bodily injury, death, disablement or disappearance resulting from:

1. the Insured's participation in:
  - (a) any sport as a professional;
  - (b) parachuting, skydiving, bungee jumping, hang-gliding, polo, steeplechasing, rugby, winter sports, ice hockey, wrestling, boxing, scuba, diving, water-skiing or martial arts;
  - (c) racing, speed or endurance tests on or in any power driven vehicles or craft;
  - (d) flying other than as a passenger in a licensed passenger carrying aircraft piloted by a duly qualified person, or as a member or a temporary member of the crew for either trade or technical activities related to the aircraft;
  - (e) mountaineering where the use of ropes or a guide is necessary;
  - (f) big game hunting;
2. any physical infirmity, condition or disability which existed prior to inception of this section;
3. any deliberate misconduct by the Insured, or caused by an insured person being insane or under the influence of drink or drugs (unless prescribed by and taken in accordance with the directions of or administered by a member of the medical profession other than themselves);
4. committing suicide, attempted suicide or any act of intentional self-injury, intentional self-exposure to unnecessary danger, venereal disease or in the case of a female by child-bearing or sequelae thereof or other causes peculiar to the female sex;
5. an accident originating from or attributable to:
  - (a) taking part in any riot, civil commotion, labour disturbance, strike or lockout or public disorder or any act or activity which is calculated or aimed to bring it about;
  - (b) any act which is calculated or aimed at bringing about destruction or damage or bodily injury in order to further any political aim, objective or cause, or at bringing 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;
6. service in the military, naval, police or air service of any country;
7. bodily injury arising after the insured person attains the age of 70 unless agreed in writing by the Insurer and stated in the schedule;
8. in the event of death of an insured person under 15 years of age the Insurer shall not pay more than the reasonable cost of funeral expenses.

### Special Conditions

1. The insurance and any further liability will stop immediately once any claim is paid in terms of item 2.1 and 2.2 (see Compensation) for which the compensation stated in the table of permanent disablement is 100 per cent of the basic amount insured for that item.
2. The Insured needs to give immediate notice to the Insurer with regard to:
  - (a) any physical infirmity which, to the Insured's knowledge, affects him/her;
  - (b) any change the Insured makes to a more hazardous occupation.
3. The period of insurance following after the Insured has attained the age of 70 years will not continue to include this cover.

- 
4. Should an event take place for which the Insured may claim, he must employ the services of a registered medical practitioner and undergo all such treatment the practitioner deems necessary.
  5. The Insured needs to undergo a medical examination at the Insurer's expense, as often as may be required by the Insurer.
  6. In case of the death of the Insured, the Insurer has the right to do a post-mortem examination at the Insurer's cost.
  7. Death and disablement, as well as medical and other expenses, are only covered if incurred within a period of 24 months of the date of the accident.
  8. Compensation paid for permanent disablement will be deducted from compensation payable for death if arising from the same accident.

---

## Personal and Property Owners' Liability

### Introduction

This section forms part of the policy if a sum insured is shown in the policy schedule for this section and a premium has been paid for it. If so, the content of this section must be read together with the General Conditions, Exceptions and Provisions in this policy document, and any terms and conditions stated in the policy schedule.

### Definitions

#### Damage

Damage means accidental loss of or physical damage to property other than property belonging to, held in trust by or in the custody or control of the Insured.

#### Injury

Injury means accidental death, bodily injury to or illness of any person.

#### Insured

Insured means the insured person(s) named in the policy schedule including members of the Insured's family normally residing with the Insured at the address in the policy schedule.

#### Occurrence

Occurrence means an occurrence or series of occurrences arising out of one event.

#### Indemnity to the Insured

The Insurer shall compensate for amounts which the Insured, or his legal representative in the event of his death, must pay as compensation due to:

- (a) accidental death of, or bodily injury to, or illness of any person;
- (b) accidental physical loss of or damage to tangible property, which happens or arises during the computation period, anywhere in the world;
- (c) legal costs and expenses:
  - (i) which a claimant can recover from the Insured, in respect of a valid claim under this section;
  - (ii) which the Insured incurs with the Insurer's written consent, which consent shall not be withheld unreasonably.

The Insurer shall pay for a single claim or series of claims arising from a single occurrence or all occurrences which happen during a computation period, up to the amount stated in the policy wording or policy schedule, whichever is the greater, or where the amount is limited, up to the limited amount, or as specifically stated in the policy document or policy schedule, whichever is the higher.

#### Additional Benefits and Extensions

##### 1. Additional Insured

Provided that the aggregate liability of the Insurer is not increased beyond the limit of indemnity stated, the Insurer shall 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) partner or director or member or any trustee or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance.

For the purpose of this extension, the Insurer 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 the insurance in so far as they can apply.

##### 2. Cross Liability

Where more than one insured is named in the schedule, the Insurer shall indemnify each insured separately and not jointly and any liability arising between such insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the schedule.

##### 3. Emergency Expenses Shortfall

The Insurer shall indemnify the Insured for all reasonable emergency expenses shortfall incurred by the Insured for such immediate emergency 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 of this section.

#### 4. Hole-In-One and Full House

- (a) The Insurer shall pay the Insured R 2 000 in the event of a hole-in-one being achieved by the Insured playing as an amateur at any recognised golf club worldwide during a match played in accordance with the official rules of golf.
- (b) The Insurer shall pay the Insured an amount of R 1 000 if the Insured as part of a team of two, three or four which, playing as amateurs, scores a full house (that is, all eight or nine bowls to count) in an official competition or league match.

The Insured must obtain written confirmation from the secretary of the golf or lawn bowls club.

#### 5. Liability to Domestic Employees

The Insurer shall indemnify the Insured against:

- (a) all sums the Insured becomes legally liable to pay as a result of bodily injury to the Insured's domestic employees arising out of the work they are employed to do;
- (b) costs and expenses incurred by the Insured with its prior consent in the defence of any criminal action brought against the Insured arising out of an alleged contravention of the Occupational Health and Safety Act no. 85 of 1993 (as amended)

excluding liability arising out of or incidental to the Insured's occupation or business.

#### 6. Other Insurance

If, at the time of any event giving rise to a claim under this section, indemnity is also provided under any other insurance, this 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.

#### 7. Security Companies or Garden Services Providers

The Insurer shall indemnify the Insured:

- (a) for claims arising from the ownership, possession or use of any electrical fence;
- (b) against any legal liability arising from a contract with any security firm or garden services provider and arising out of any wilful or negligent acts or omissions of employees of the security firm or garden services provider whilst undertaking any duties in terms of the contract resulting in injury or damage which occurs during the period of insurance provided that the service contract and/or agreement has been entered into in writing at a date prior to the event resulting in a claim.

#### 8. Tenants

If the Insured becomes legally liable as tenant and not as owner for any amounts he must pay the legal owner following:

- (a) damage to the building and/or fixtures and fittings in it of a private residence and its domestic outbuildings (including movable and immovable property) directly caused by an insured event specified in the Household Contents section of this policy;
- (b) any accidental breakage of fixed sanitary ware or fixed glass, excluding chipping, scratching and disfiguration;
- (c) damage to supply connections between the public supply and the buildings or outbuildings;
- (d) collision by animals or vehicles;
- (e) loss of or damage to keys, locks and remote control units, limited to R 5 000 which happens or arises during the computation period.

#### 9. Wrongful Arrest / Neighbourhood Watch

The Insurer shall pay the Insured all sums he is legally liable to pay:

- (a) for compensation or damages in respect of wrongful arrest or alleged wrongful arrest by the Insured of any person other than:
  - (i) a member of the family normally resident with the Insured at the address indicated in the policy schedule or the Insured's domestic staff;
  - (ii) a person under a contract or service or apprenticeship with the Insured;
- (b) for accidental damage to property not belonging to or in the charge or under the control of the Insured or in the charge or under the control of a member of the Insured's family normally resident with him at the address stated in the policy schedule, or of his domestic staff which arises out of activities as a member of a neighbourhood watch or a block watch group or a similar voluntary non-profit organisation.

The amount payable by the Insurer for all compensation and damages and all costs and expenses of litigation and all other costs and expenses will not exceed R 75 000 in respect of all death, injury, illness, loss or damage sustained during any 12 month period of insurance.

## Special Exclusions

The Insurer shall not be liable for:

1. compensation payable to:
  - (a) the Insured or any family member normally resident with the Insured;
  - (b) any person acting in the course of their employment at the time of the accident, other than domestic staff;
  - (c) the directors, members, trustees or beneficiaries or members of their families normally resident with them if the Insured is a Company, Close Corporation or Trust;
2. compensation payable for loss of or damage to property belonging to the Insured or any domestic servant, or under the control or in the custody of:
  - (a) the Insured or any family member normally resident with the Insured;
  - (b) any person acting in the course of their employment at the time of the accident;
  - (c) the directors, members, trustees or beneficiaries or members of their families normally resident with them if the Insured is a Company, Close Corporation or Trust;
3. compensation payable directly or indirectly due to:
  - (a) arising out of and in the course of the Insured's service as employee, occupation, business or profession;
  - (b) the ownership of land or buildings (other than buildings insured under the Domestic Buildings Section and land upon which buildings are situated, provided the land is used for residential purposes);
  - (c) the occupation of land or buildings other than the Insured's private residence including the land or building;
  - (d) the use of any vehicle, caravan, trailer, aircraft or watercraft, other than model aircraft, surfboards or paddle skis, owned by or in the custody of the Insured or his domestic staff;
4. liability assumed by the Insured by agreement, unless the Insured will be liable notwithstanding such agreement (unless described by a clause of this section);
5. payment of any fine, penalty, multiple, punitive or exemplary damages or arising out of liquidated damages clauses, penalty clauses, or performance warranties, except to the extent that it can be proved that liability would have existed anyway in the absence of such clauses or warranties;
6. any debt;
7. the failure to pay maintenance or alimony or any amounts following a breach of promise;
8. liability arising out of the purchase, sale, barter or exchange of any property movable or immovable, or the Insured's failure to comply with any obligations in relation thereto;
9. liability arising out of any condition directly or indirectly caused by or associated with the "Human Immune Deficiency Virus" (**HIV**) or the mutants, derivatives or variants thereof or in any way related to Acquired Immune Deficiency Syndrome (**AIDS**) or any syndrome of a similar kind, howsoever it should be named;
10. liability arising from a gradual cause which does not result from sudden and identifiable occurrence;
11. liability relating to building activities such as alterations, additions or renovations to the building of which the situation is stated in the schedule under domestic buildings.

## Conditions

1. The indemnity granted under this policy is conditional upon there being in force at the time of the occurrence an underlying insurance policy which substantially provides cover for the type of liability for which indemnity is sought hereunder and upon the Insured not being in breach of the conditions of such underlying insurance.
2. This section is subject to the laws of the Republic of South Africa and the courts of this country shall have exclusive jurisdiction in any dispute that may arise between the Insured and the Insurer.
3. In respect of any claim not covered at least in part by an underlying insurance, the Insurer may take over and manage such claim in the Insured's name for the Insurer's benefit. The Insurer shall completely act at the Insurer's option in the conduct of any proceedings as well as in the settlement of any claim. The Insured is liable to give all necessary information and assistance as may be required by the Insurer.
4. All payments under this section must be made in the Republic of South Africa and in the currency of this country.
5. The proper compliance with and satisfaction of all the conditions of this section (which requires that anything done by the Insured or that the Insured must satisfy specific conditions) is a suspensive condition for the liability accepted by the Insurer concerning any occurrence for which the Insured can make a claim in terms of this policy.
6. The Insurer may in the case of any occurrence pay the Insured the maximum Indemnity Limit (but deducting any sum or sums already paid) or any lesser sum for which the claim or claims can be settled and the Insurer shall thereafter be under no further liability in respect of such occurrence.
7. No admission, statement, offer, promise or payment may be made by the Insured concerning a claim in terms of this policy without the Insurer's written consent.

---

The Insured must take all reasonable steps to ensure that the underlying insurers will fulfil these conditions and will co-operate with the Insurer in the defence and settlement of any claim indemnified by both this section of the policy and the underlying insurance, as well as the extension of any subrogation right.

The costs incurred in the exercise of such rights as well as any amounts recovered, will be divided between the respective parties in accordance with the amounts paid (or payable) in terms of the respective policies.

## Motor Personal

### Cover Options

The Insurer's liability depends on the limit of indemnity and the type of cover chosen by the Insured as shown in the policy schedule.

The types of cover are:

**1. Sub-section 1: Comprehensive Cover**

If the vehicle is insured at this option, the Insurer shall cover accidental loss of or damage to the vehicle. Cover includes amounts for which the Insured is legally liable to a third party, as provided for in Sub-section 3, if the liability relates to the vehicle.

**2. Sub-section 2: Third Party, Fire and Theft (Limited)**

If the vehicle is insured at this option, the Insurer shall cover loss of or damage to the vehicle only if the loss or damage is caused by fire, lightning, explosion, theft or attempted theft. Cover includes amounts for which the Insured is legally liable to a third party, as provided for in Sub-section 3, if the liability relates to the vehicle.

**3. Sub-section 3: Third Party Only**

If the vehicle is insured at this option, the Insurer shall cover amounts for which the Insured is legally liable to a third party if the liability relates to the vehicle.

### Limit of Indemnity

The total of the Insurer's liability in respect of any one accident or series of accidents arising out of one event shall not exceed the limit of indemnity stated in the policy document, or as amended and stated in the policy schedule. The indemnity provided herein shall include all costs and expenses incurred by the Insured with the Insurer's prior written approval.

### Definitions

#### Agreed Value

Where the particular make and model of the vehicle are not reflected in the "Auto Dealer's Guide" (or "Auto Dealer's Guide for cars over 10 years old" or "Commercial Vehicle Dealer's Guide") at the date of inception of cover or at the date of loss, then the average value given for the vehicle by 3 independent motor industry sources will be used as the value of the vehicle.

*It remains the responsibility of the Insured to ensure that the agreed value is updated annually or at anniversary of the policy, failing which, the agreed value at the time of loss will be the average given by 3 independent motor industry sources.*

#### Driver's Licence

Driver's licence means a valid driver's licence in compliance with legislation of the specific country where the vehicle is used at the time of any loss or damage. A person learning to drive must comply with the legislation concerning learner drivers.

#### Glass

Glass means the windscreen, side or rear glass forming part of the vehicle, glass of side mirrors and headlamp glass.

#### Market Value

Market value means the average of the recommended retail value and trade price of the vehicle, (including its accessories and spare parts) as specified by the Insured in the policy schedule, at the date of loss or damage, as determined by that month's issue of the "Auto Dealer's Guide", published by Mead and McGruther (Pty) Limited and adjusted according to the "Kilometre and Condition Chart" contained in the guide.

#### Maximum Indemnity

Maximum indemnity means the market, retail or agreed value as at the date of loss, not exceeding the sum insured.

#### Occurrence

Occurrence means an occurrence or series of occurrences arising out of one cause in connection with any motor vehicle in respect of which indemnity is provided by this insurance.

#### Retail Value

Retail value of the vehicle is determined at the time of loss or damage, by that month's issue of the "Auto Dealer's Guide" (or "Auto Dealer's Guide for cars over ten years old", or "Commercial Vehicle Dealer's Guide") published by Mead and McGrouther (Pty) Limited and adjusted according to the "Kilometre and Condition Chart" contained in the guide, less the first amount payable stated in the policy schedule.

**[This option is not available on motorcycles, caravan and trailers which may only be insured for market value].**

## Sum Insured

Sum insured means the applicable market value, retail value or agreed value of the vehicle specified by the Insured at the time of application for this policy, or any subsequent update, including its accessories and spare parts (whether factory fitted or added subsequently).

## Vehicle

Vehicle means:

- (a) private type motor car, kombi, microbus or similar vehicle, designed or adapted to transport a maximum of 12 people, including the driver;
- (b) a station wagon, motorised caravan, 4x4 vehicle, 4x2 vehicle or light delivery vehicles, including a panel van or double-cab, none of which exceeds 3 500 kg in gross vehicle mass;
- (c) a motorcycle, motor scooter, scrambler and three-wheeled vehicle (with or without sidecar);
- (d) a trailer and caravan, which is not self-propelled, and which is designed or adapted for towing by a self-propelled vehicle described in (a) and (b) above;
- (e) any such vehicle which is hired, leased or a courtesy vehicle temporarily used by the Insured whilst the insured vehicle is out of use for the purpose of overhaul, upkeep and/or repair by the motor trade, but the Insurer's maximum liability in respect of the replacement vehicle 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 policy schedule.

The definition "vehicle" shall include the standard issued tools, accessories and spare parts attached to the vehicle at the time of any accident or insured event and being the Insured's property.

## Sub-section 1: Comprehensive Cover

Loss of or damage to any vehicle described in the policy schedule and its accessories and spare parts whilst thereon.

### (a) Repairable Vehicles

The Insurer shall pay the cost of repair of the vehicle less the first amount payable in terms of this policy.

### (b) Total Loss – Including Stolen Or Hijacked Vehicles

The Insurer shall pay the maximum indemnity as defined less the first amount payable in terms of this policy if the vehicle is:

- (1) stolen and not recovered; or
- (2) damaged and in the opinion of the Insurer not economical to repair.

The Insurer may replace the vehicle with a similar make and model if all the following conditions are met:

- (i) the Insured has a valid claim for the vehicle under this section; and
- (ii) the vehicle is stolen and not recovered within a reasonable period; or
- (iii) it is not economical to repair the vehicle; and
- (iv) the vehicle is not more than 12 months old from the date of first registration; and
- (v) the vehicle has travelled less than 30 000 kilometres, and
- (vi) a similar new vehicle is available on the local new vehicle market.

If the Insured refuses that the Insurer replaces the vehicle with a similar make and model, the Insurer's liability shall be the limit of indemnity of the vehicle as stated in the policy schedule, less the first amount payable.

### (c) Keys, Locks and Remote Control Units

The Insurer shall indemnify the Insured in respect of the reasonable costs incurred to replace damaged or lost keys, locks and remote control units of the vehicle, and if necessary, the reprogramming of any coded alarm system of any insured vehicle, up to a maximum amount of R20 000 any one event.

### (d) Windscreen Damage

The Insurer shall pay:

- (i) the cost of filling the cracks or chips; or
- (ii) the cost of replacing the damaged glass less the first amount payable in terms of this policy, unless there is other damage to the vehicle.



## (e) Sound Equipment

The Insurer shall indemnify the Insured for standard factory fitted audiovisual equipment, or for any other audiovisual equipment permanently fitted to the insured vehicle and the value of which is included in the value of the vehicle stated in the policy schedule if it is stolen or damaged; provided that

- (i) any audiovisual equipment that is not standard and factory fitted is limited to five (5) per cent of the retail value of the vehicle for a similar item up to a maximum of R 7 500, including 1 CD, subject to the motor basic first amount payable;
- (ii) damages or loss following theft or attempted theft is subject to the provision that the theft was committed in a visible manner by entering the vehicle by force, causing physical damage to the vehicle.

The sound equipment may be specified under the All Risk Section of the policy at an additional premium, and if so, in the event of a claim for the specified item, it shall not be regarded as a motor claim and the provision for the motor first amount payable shall not apply. However, a different first amount payable might apply under the All Risk Section of the policy.

## Important Notes

1. The Insurer must approve the repairs in writing before they are made, except emergency repairs as provided for herein.
2. If any part of the vehicle is not available and this delays the repairs, the Insurer shall not compensate the Insured for the inconvenience or loss of money or liability the Insured might incur because of the delay.
3. It remains the responsibility of the Insured to ensure that the vehicle is correctly insured and the sum insured is updated annually or at anniversary of the insurance.
4. Trailers, caravans and motorcycles may only be insured for its market value. The Insurer shall not indemnify the Insured for a courtesy trailer, caravan or motorcycle supplied by the trade.

## Sub-section 2: Third Party, Fire and Theft

Cover in terms of "Sub-section 1: Comprehensive cover" is restricted to loss of or damage to the insured vehicle caused by fire, lightning, self-ignition, and explosion or by theft or attempted theft or hijack.

The maximum amount the Insurer shall pay is the reasonable market, retail or agreed value at the time of the loss or damage, but limited to the sum insured stated in the policy schedule for the insured vehicle, less any first amount payable.

The following additional benefits, clauses and extensions described in this section are deleted:

- Bereavement expenses
- Protection and repair
- Medical benefit
- Emergency hotel expenses
- Trauma counselling
- Breakdown tow in costs
- Credit shortfall
- Difference in excess cover for rented vehicle
- Emergency Expenses Shortfall

## Sub-section 3: Legal Liability to Third Parties

The Insurer shall indemnify the Insured for amounts for which he is legally liable to a third party due to an event which happens or arises in connection with the use of the vehicle. All additional benefits, clauses and extensions described in this section are deleted.

## (a) Legal Liability To Third Parties

The Insurer shall indemnify the Insured for amounts for which he and/or his passengers become legally liable to a third party due to an event which happens or arises in connection with:

- (1) the Insured's use of the vehicle;
- (2) using the vehicle to tow any single vehicle, trailer or caravan, other than for reward;
- (3) the loading of any load onto or off the vehicle;

specified in the policy schedule, which leads to:

- (i) accidental death of, or bodily injury to, or illness of any person;
- (ii) (ii) accidental physical loss of, or damage to tangible property;
- (iii) legal costs and expenses which a claimant can recover in connection with a valid claim under this section.

**(b) Legal liability to third parties if a person other than the Insured drives or uses the vehicle shown in the policy schedule**

The Insurer shall indemnify any person, other than the Insured, for amounts they are legally liable to a third party due to an event which happens or arises from the other person's use of the vehicle, including the loading of any load onto or off the vehicle. This legal liability is offered only if the other person using the vehicle meets all these conditions:

- (1) they comply with all the General terms and conditions of the policy and the terms and conditions of this section in so far as they apply;
- (2) they were using the vehicle with the Insured's expressed permission;
- (3) they are not entitled to indemnity for a third party claim under any other insurance policy, except in respect of any amount not recoverable thereunder;
- (4) they were not refused vehicle insurance or the continuation of any vehicle insurance during the three years before the date of the event.

Indemnity shall not apply in respect of claims made by any member of the same household as such person.

**(c) Legal liability to third parties arising out of the Insured driving or using a vehicle not shown in the policy schedule**

If the Insured has insured hereunder a vehicle as defined herein, the Insurer shall indemnify him for amounts for which he is legally liable to a third party due to an event which happens or arises in connection with:

- (1) the Insured's use of a vehicle not shown in the policy schedule;
- (2) the towing of any single vehicle, trailer or caravan by the vehicle, other than for reward;
- (3) the loading of any load onto or off the vehicle he is using.

However, the Insurer shall not indemnify the Insured for damage to the vehicle he is using. This legal liability is offered only if:

- (i) the Insured drives the vehicle;
- (ii) the Insured does not own the vehicle;
- (iii) the vehicle is not leased to the Insured;
- (iv) the vehicle is not hired to the Insured;
- (v) the Insured is not purchasing the vehicle in terms of any credit agreement.

**(d) Passenger liability for motorcycles – R 1 000 000**

The Insurer shall indemnify the Insured for amounts for which he is legally liable due to accidental death or injury to a person who, at the time of the event, is transported as a passenger on the motorcycle. The indemnity payable is limited to R 1 000 000, unless amended and stated in the policy schedule.

**(e) Passenger liability in or on the load body of light delivery vehicles**

The Insurer shall indemnify the Insured for amounts for which he is legally liable due to accidental death or injury to a person who, at the time of the event, is transported in or on the load body of the light delivery vehicle. The indemnity payable is limited to R 1 000 000, unless amended and stated in the policy schedule.

**Representation/Defence**

The Insurer shall be entitled, at its discretion, to arrange representations or defences that are the subject of any indemnity under this section. This includes:

- (1) representation at any legal autopsy or inquest relating to any death;
- (2) the defence for any action which is the cause of or related to any event.

**Exclusions to this Section**

**(a) Vehicle Loss or Damage**

None of the following is covered unless shown otherwise in the policy schedule:

1. mechanical, electric or electronic breakdown, failures or breakages, including any consequential loss of or damage to any other mechanical, electrical or electronic component as a result of the mentioned breakdown, failure or breakage;
2. depreciation in value whether arising from repairs or otherwise;
3. gradual damage (such as wear, tear, rust, mildew, corrosion, decay);
4. damage to tyres, mag's, rims, road wheels (unless some other part of the vehicle is damaged at the same time):
  - i. by application of brakes,
  - ii. by road punctures, cuts or bursts,
  - iii. caused by obstacles,
  - iv. caused by the inequalities, or due to impact with such inequalities, or breakup of the road surfaces, potholes, curbs, traffic slowing humps or rumble strips

5. damage to the vehicle resulting directly from the vehicle not being roadworthy;
6. loss or damage from or in connection with any exchange, cash or credit sale agreement (whether complete or incomplete), including theft through false pretence and fraud.

**(b) Vehicle Liability**

None of the following is covered unless shown otherwise in the policy schedule:

1. that amount of any indemnity which is provided for by legislation on compulsory motor vehicle accident insurance valid in the territorial limits. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected;
2. the Insured's responsibility arising from using any tool or plant (including any machinery) attached to the vehicle;
3. death of, or bodily injury to any employee of the Insured if death or bodily injury arises from and in the course of such employment;
4. death of or bodily injury to any person who is a member of the Insured's immediate family, same household or any person who normally resides with them;
5. damage to property belonging to the Insured, or held in trust by the Insured, or in their custody or control;
6. damage to property being conveyed by or loaded onto or unloaded from any vehicle;
7. legal costs and expenses incurred after the date the Insurer paid or offered to pay the full amount of a claim, a lesser amount needed to settle a claim, or the maximum amount for which the Insurer is liable for a claim;
8. death of or bodily injury to any person who, at the time, was being carried in or on a caravan, trailer, motorcycle or light delivery vehicle other than in the cab of the light delivery vehicle;
9. death of or bodily injury to any person who, at the time, is or was being carried in or on any vehicle being towed;
10. liability resulting directly from the vehicle not being roadworthy.
11. compensation which may be claimed from or payable under any compulsory motor vehicle insurance and this exclusion applies whether or not such compensation is claimed, paid or received, whether the applicable legislative entity is unable to or incapable of providing compensation, and notwithstanding that no insurance under any compulsory motor vehicle insurance has been effected;
12. compensation that can or could be claimed from or payable by the Road Accident Fund in terms of the Road Accident Fund Act 56 of 1996, as amended, or in terms of any legislation enacted for the purpose of providing compensation for loss, damage or liability caused by or arising in connection with an insured vehicle. This exclusion applies whether or not the Road Accident Fund is unable or incapable of paying compensation, or whether compensation is claimed, paid or received, and notwithstanding that no insurance under the said legislation is in force or has been effected.

**(c) Vehicle Loss or Damage and Liability – *Applicable to Entire Section***

The Insurer shall not be liable to pay for loss, damage or injury caused, sustained or incurred:

1. outside the territorial limits, unless the vehicle is transported by sea or air between ports or places within the territorial limits, including loading and unloading incidental to such transit;
2. while the vehicle is being driven or used, with the general knowledge and consent of the Insured, for any purpose not described in the class of use as shown in the policy schedule for that particular vehicle;
3. if the Insured is using the vehicle while under the influence of intoxicating liquor or drugs, or when the blood or breath alcohol concentration exceeds the legal limits.
4. if any other person is using the vehicle with the Insured's expressed or implied permission who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs, or when the level of alcohol in the blood exceeds the legal limit.
5. if the Insured is using the vehicle without a licence to drive the vehicle, irrespective of where the vehicle is being driven;
6. if any person is using the vehicle with the Insured's expressed or implied permission and the person does not have a licence to drive the vehicle, irrespective of where the vehicle is being driven.
7. The Insurer shall not be liable for any claim arising from contractual liability unless such liability would have attached to the Insured notwithstanding such contractual agreement.

**Exclusions 5 and 6 shall not apply:**

- (i) if such valid licence is subject to renewal, and they have held a valid licence and are not disqualified from holding such a licence;
- (ii) if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Insurer that, in the normal course of the business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

**Specific Condition**

If, during the currency of this section, any driver's licence in favour of the Insured or his authorised driver is endorsed, suspended or cancelled, or if they shall be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Insurer immediately the Insured has knowledge of such fact.

## **Additional Benefits, Clauses and Extensions**

### **1. Bereavement Expenses**

In the event of an accident resulting in the death of the Insured within three months, the Insurer shall pay his estate a contribution of R 5 000 to bereavement expenses.

### **2. Breakdown Tow in Costs**

If any vehicle specified in the schedule that is insured on a comprehensive basis is disabled due to mechanical or electrical breakdown, the Insurer shall pay the reasonable costs of protection and removal of such vehicle to the nearest repairer. The maximum the Insurer shall pay for this benefit shall not exceed R 3 000 during any period of 12 consecutive calendar months.

### **3. Car Hire – *Applicable if stated in the policy schedule***

The provisions of a hired car under this section is not an admission of liability under this policy and applies only if the schedule shows that cover in this regard has been selected, and the relevant premium has been paid:

a. in the event of a comprehensively insured vehicle being repaired due to a loss or damage covered under this section, or being irreparably damaged, stolen, or hi-jacked, we will compensate you up to the amount and period as stated in the schedule,

provided that:

- a. the vehicle shall be hired from a registered car hire company approved by us
- b. the cost of delivery, fuel, lubricants, e-toll charges, and traffic fines (as well as all administrative costs relating to this) are for your own account,
- c. You will also be liable to pay the deposit to the car hire company,
- d. cover does not apply if only window glass is damaged,
- e. the period of hire commences from the date the vehicle is handed to the motor trade for repair,
- f. cover will terminate when:
  - i. You regain possession of the vehicle or within 12 hours of our advising you that the vehicle can be collected
  - ii. You have had the hired vehicle for the number of-days as set out in your schedule or
  - iii. We discharge our liability for total loss of the vehiclewhichever occurs first.

For the sake of clarity, car hire is dependent on our settling a valid claim. You will be liable for all car hire costs should your claim be rejected, or your policy voided.

### **4. Credit Agreement**

If it comes to the Insurer's knowledge that the insured vehicle is subject to a credit agreement or something similar during the time of loss, the Insurer shall have the right to use any amount payable to clear the debt according to the agreement.

### **5. Credit Shortfall – *Applicable to comprehensively insured vehicles only***

If any comprehensively insured vehicle that is financed through a registered financial institution is:

- (a) stolen or hijacked/robbed from the Insured, and not recovered; or
- (b) damaged and in the Insurer's opinion uneconomical to repair;

the Insurer shall pay to the registered finance company any difference between the reasonable market value and the settlement balance outstanding of a valid financing agreement. The maximum liability to the Insurer shall not exceed the limit of indemnity shown in the policy schedule for the vehicle, less any first amount payable.

The settlement balance outstanding is defined as the payment due at any specified date that would settle the actual debt owing to the finance insurer,

**excluding:**

- (a) any arrears instalments or rentals or payments including interest payable on such arrears;
- (b) any additional finance charges;
- (c) early settlement penalties;
- (d) any other amounts refundable to the Insured;
- (e) any legal costs owing to the finance company by the Insured. Cover under this extension is subject to:
  - (i) liability having been admitted for loss or damage in terms of this policy; and
  - (ii) the Insured providing the Insurer within 30 days of the loss or damage with a certified copy of the finance agreement and a statement of his account reflecting the settlement balance outstanding as at the date of loss or damage.

## 6. Cross Liabilities

Where more than one Insured is named in the policy schedule, the Insurer shall 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 Insurer shall not exceed the limit of indemnity stated in the policy schedule.

## 7. Delivery after Repairs

The Insurer shall pay the reasonable costs to deliver the vehicle to the Insured's home address as shown in the policy schedule after the completion of repairs authorised by the Insurer.

## 8. Description of Use – Private and Professional

The vehicle may be used for social, domestic and pleasure purposes, travel to and from place of employment and travel for the business or occupation of the Insured.

### The vehicle may not be used for:

- (a) commercial travelling or use;
- (b) carriage of fare-paying passengers;
- (c) carriage of goods for reward;
- (d) any fraudulent trades;
- (e) carriage of any load or number of passengers exceeding the capacity for which the vehicle is originally designed, or licensed or allowed by Law to carry;
- (f) driving instruction for reward;
- (g) towing of a vehicle for reward;
- (h) hiring of the vehicle for reward;
- (i) any type of contest or race involving driving of any kind; (j) driving on a race track or circuit or rally course;
- (k) carriage of explosives; or
- (l) use for any purpose in connection with the motor trade except for the repair or upkeep of the vehicle.

## 9. Difference in Excess Cover for a Rented/Courtesy Vehicle

If the Insured's vehicle, which is comprehensively insured under this insurance, is the subject of a claim under this policy, and a substitute vehicle is rented which is stolen or damaged, the Insurer shall compensate the Insured for the difference in the first amount(s) payable if the first amount payable for the rented vehicle is more than the first amount payable that applies to the insured vehicle under this section. This cover will only apply if the Insured has taken the insurance protection offered by the car hire company. The maximum the Insurer shall pay is R 2 000 any one claim.

## 10. Emergency Hotel Expenses

In the event of loss or damage to the vehicle the Insurer shall pay emergency hotel expenses necessarily incurred by the Insured up to R 500 per person per day for up to two days, subject to the maximum benefit of R 5 000 for any 12 month period of insurance, and subject to the loss or damage occurring not less than 100 kilometres from your residence.

## 11. Emergency Repairs – *Only applicable to comprehensively insured vehicles*

If insured loss or damage occurs the Insured may authorise emergency repairs to the vehicle without the Insurer's prior consent up to an amount of R 5 000. There is no limit for emergency repairs to window glass.

## 12. Emergency Services Costs

The Insurer shall pay for costs of emergency services which the Insured is liable to pay to any public authority after any loss of or damage to the vehicle. The maximum the Insurer shall pay is R 3 000 any one event.

## 13. Fire Extinguishing Charges

Costs relating to the extinguishing or fighting of fire shall be deemed damage to the insured vehicle. The Insurer shall pay any costs, in addition to any other payment for which the Insurer may be liable in terms of this section, provided the Insured is legally liable for such costs and the insured vehicle was in danger from the fire. The maximum the Insurer shall pay is R30 000 any one event.

## 14. First Amount Payable – *Not applicable to repair of windscreen chips and claims for third party damage*

The different first amounts payable that may apply are set out in the policy schedule. The Insurer reserves its right to vary any first amount payable during the currency of the policy. If more than one motor vehicle is insured by this section, the provisions hereof shall apply as though a separate policy had been issued for each motor vehicle.

## 15. Further Damage after an Accident

If the vehicle is in an accident or breaks down and is used or driven before the necessary repairs have been carried out, the Insured shall be responsible for any consequential damage to the vehicle which results due to the accident or breakdown.

## 16. Emergency Expenses Shortfall

- (a) If an occupant in the specified part of a vehicle as described below, in direct connection with such vehicle, sustains bodily injury as a direct result of violent, accidental, external and visible means, the Insurer shall pay to the Insured the emergency expenses shortfall incurred as a result of such injury up to R 2 000 per injured occupant, but not exceeding R 20 000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.
- (b) The amount payable hereunder shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.
- (c) This benefit is only applicable to a vehicle comprehensively insured under this section and if such vehicle is a private type motor vehicle or motorised caravan and shall exclude motorcycles, buses, taxis, caravans and trailers.

### Specified part of vehicle in which the injury must occur

- (i) Anywhere inside the permanently enclosed passenger carrying compartment.
- (ii) If the vehicle is a light delivery vehicle, only the emergency expenses shortfall of a person inside the driver's cabin are covered.

The term emergency expenses shortfall includes any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where emergency medical treatment can be given.

## 17. Protection Removal / Safeguarding

If insured loss or damage occurs, the Insurer shall pay the reasonable cost of protection and removal of the vehicle to the nearest repairer.

## 18. Recovery Costs – *Not applicable if vehicle is insured for Third party only*

The Insurer shall pay the reasonable costs incurred by the Insured with the Insurer's written consent to recover the vehicle when it is found after it has been stolen or hijacked. The maximum the Insurer shall pay is R 3 000 any one event.

## 19. Repatriation – *Motor Vehicles Only*

If an insured vehicle is accidentally damaged outside the borders of the Republic of South Africa, and the Insured has a valid claim under this section, the Insurer shall pay for the reasonable costs and expenses of returning it to the Republic of South Africa. The maximum amount the Insurer shall pay is R 10 000 any one event.

## 20. Security Measures and Devices

It is a condition to the Insured's indemnity that:

- (a) if any security device was declared to the Insurer; or
- (b) if such device was required by the Insurer; or
- (c) if any discount has been given based on the fitment of a security device;

such device must be in a working condition and subscription fees in respect of tracking devices must be fully paid to date. If this has not been done, the Insurer shall not be liable for any losses occurring by theft or robbery, unless amended and stated otherwise in the policy schedule.

## 21. Tools, Spare Parts and Travel Accessories

The Insurer shall pay for the loss of or damage to car tools, spare parts and travel accessories such as rugs, seat covers, rubber mats, towing ropes and sun shields whilst in the vehicle.

## 22. Trauma Treatment

The Insurer shall compensate the Insured for emergency expenses shortfall up to R15 000 for any one claim if such cost are not covered elsewhere if the Insured is a victim of a violent act of theft, attempted theft, hold-up or hijacking that is directly connected to such illegal taking, or attempted illegal taking, of the insured vehicle which necessitates professional counselling.

## 23. Unavailable Parts or Accessories

If any part or accessory needed to repair the vehicle is not available in South Africa as a standard ready manufactured article, the most the Insurer shall pay is the sum equalling the value of the part at the time of the loss or damage. In no case shall the Insurer pay more than the manufacturer's listed price.

## 24. Vehicle Sharing

Acceptance of payment for giving lifts to passengers as part of a vehicle-sharing agreement for social purposes or commuting will not be regarded as excluded under the description of use conditions, provided that:

- (a) the passengers are not being carried in the course of a passenger-carrying business;
- (b) the total payment for any such journey does not involve any element of profit.

## 25. Vehicle Transfers Cover – *For any vehicle bought by the Insured*

The Insurer shall cover loss of or damage to a vehicle purchased by the Insured, but only for the first 72 hours after the Insured has taken physical possession of the vehicle. This cover applies only if all of the following conditions are met:

- (a) the Insured purchased the vehicle from a member of the motor trade;
- (b) the seller has no insurance that covers the vehicle;
- (c) the Insured has at least one vehicle insured for Comprehensive cover under this insurance;
- (d) the vehicle is added for Comprehensive cover under this insurance before the Insurer shall handle the claim.

If the Insurer decides the vehicle is uneconomical to repair, the Insurer's compensation will not be more than the lowest of:

- (i) the reasonable market value of the vehicle bought by the Insured;
- (ii) the sum insured stated in the policy schedule.

## 26. Waiver of Excess Extension – *Applicable if stated in the policy schedule*

The basic first amount payable is cancelled.

## 27. Waiver of Subrogation Rights

For the purposes of this section, the Insurer waives all rights of subrogation or action which it 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.

## 28. War Clause

In respect of limited and third party cover only, General Exception 8 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."

## 29. Wreckage Removal

The cover provided under Sub-section 1 of this section is extended to include the reasonable 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 1 of this section, the limit of the Insurer's liability under this extension shall not exceed, in respect of any one occurrence, an amount of R 5 000 .

## 30. Tyre and Rims damage for Sedans and LDVs only (if stated in the schedule to be included)

1. Should You select this cover then:

- a. the Special Exclusion for Own Damage as set out in 1.3 above (exclusion for damage to tyres, rims, mags or road wheels by application of brakes or by road punctures cuts or bursts caused by obstacles or the inequalities of the road surfaces) is deleted.
- b. We shall elect to repair any tyres, rims or mags that are damaged and only failing such repair, shall We replace with the same or a similar replacement, or pay for the value of such tyre, rim or mag that was damaged.
  - (iv) Betterment applies. What this means is that the Sum Insured shall be calculated by firstly measuring the remaining tread of the insured tyre. The remaining tread of the insured tyre will be expressed as a percentage of the original tread depth and thereafter multiplied by the purchase price of a new tyre of the same or similar type. The rand value as determined using the above formula shall constitute the credit value which You will be entitled to use towards the purchase of a new tyre.
  - (v) If You replaced a damaged tyre, We need the tread depth of the damaged tyre as at the date of the incident to calculate the appropriate credit amount. You must make sure that the tread depth of the damaged tyre as at the date of the incident is set out on the invoice from the tyre fitment centre.
  - (vi) We shall also pay for the costs of balancing and wheel alignment

- c. We shall repair, replace or pay cash in lieu only for the damaged tyre, rim or mag.
    - i. We shall not pay for the costs to replace all the rims or mags should We be unable to replace it with the same or similar rim or mag. We shall only be liable to pay to You the cost of that rim or mag that was damaged
    - ii. There is no cover or compensation for any other tyre, rim or mag that is not damaged in the event.
  - d. The sum insured selected for this cover shall be the total value for all tyres and rims accordingly, the limit of indemnity for any one tyre and or rim or mag any one event shall be limited to 25% of the sum insured selected in the aggregate.
    - i. For any further tyres and or rims or mag that are damaged then the limit of indemnity shall be increased by 25% of the sum insured per tyre and or rim or mag combination.
2. If We elect to settle Your claim by way of a cash settlement, then such cash settlement shall not exceed the amount for which We could have settled the claim if We had elected to repair or replace such items.
3. There is no cover while Your Vehicle is not being driven on a public road (being any area that the public has open access to). There is no cover while the Vehicle is being driven off-road or on private land.