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Reference is made in the schedule only to those sections shown in this index to be included and policy wordings are attached in respect of those sections only.

At first issue of this policy (or any section thereof) please check to ensure that all pages of all included sections are contained in this document.

At renewal or revision, policy wordings will not be reissued. The schedule will be updated and reissued as necessary together with any section schedule which may have changes.

GENERAL EXCEPTIONS, CONDITIONS AND PROVISIONS

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

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

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

GENERAL EXCEPTIONS

1. War, riot and terrorism

- (A) This 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)
 - (a) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
 - (b) insurrection, rebellion or revolution;
 - (iv) any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;
 - (v) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof;
 - (vi) any attempt to perform any act referred to in clause (iv) or (v) above;
 - (vii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause A (i), (ii), (iii), (iv), (v) or (vi) above.

If the Company 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) 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, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this policy applies.

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

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

2. Nuclear

Except as regards the Fidelity, Stated Benefits and Group Personal Accident sections

- (i) this policy does not cover
- (a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (b) any legal liability of whatsoever nature

directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

For the purpose of this exception only, combustion shall include any self-sustaining process of nuclear fission.

- (ii) the indemnity provided by this policy shall not apply to nor include any loss, destruction, damage or legal liability directly or indirectly caused by, or contributed to by, or arising from nuclear weapons material.

3. Computer losses

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

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

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

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

- (i) to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or
- (ii) to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or to correctly process such data in regard to or in connection with any such date, or
- (iii) to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes, or

- (iv) to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

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

SPECIAL EXTENSION TO GENERAL EXCEPTION 3

- A. Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Glass, Employer's Liability, Stated Benefits, Group Personal Accident or Motor section is not excluded by this General exception.

The special perils that are not excluded for the purpose of this special extension are damage caused by:

1. storm, wind, water, hail or snow excluding damage to property:
 - (a) arising from its undergoing any process necessarily involving the use or application of water;
 - (b) caused by tidal wave originating from earthquake or volcanic eruption;
 - (c) in the underground workings of any mine;
 - (d) in the open (other than buildings, structures and plant designed to exist or operate in the open);*
 - (e) in any structure not completely roofed;*
 - (f) being retaining walls;*

**Unless so described and specifically insured as a separate item.*

2. aircraft and other aerial devices or articles dropped therefrom;
3. impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

These special perils do not cover wear and tear or gradual deterioration.

- B. General exception 3 also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this policy to the extent that such consequential loss results from damage to insured property by the perils referred to in Special extension A above.
- C. This Special extension will not insure any loss, destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General exception and this Special extension.
- D. This Special extension shall not apply to any Public Liability indemnity.

4. Sanctions

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

5. Cyber exclusion

Notwithstanding any provision to the contrary in this policy or any endorsement thereto, the insurance provided by this policy excludes any loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with

1. any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System, unless subject to the provisions of paragraph 2;

2. any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data.

or any action taken in controlling, preventing, suppressing or remediating points 1 or 2 above regardless of any other cause or event contributing concurrently or in any other sequence thereto.

Any 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, shall not be recoverable under this policy, nor shall it be considered to be physical loss or damage for the purposes of this exclusion or any other section of this policy.

Subject to the other terms, conditions and exclusions contained in this policy, this policy will cover physical damage to property insured and/or Business Interruption Loss directly resulting therefrom where such physical damage is caused by any of the following insured perils: fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

If the insurer alleges that by reason of this exclusion, any loss, damage, liability, claim, cost, expense is not covered by this policy, the burden of proving the contrary will fall to the insured.

Definitions

Computer system means –

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

Data means –

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

Business interruption loss means –

business interruption only and excludes contingent business interruption or other consequential losses.

6. Compensation for Occupational Injuries and Diseases Act (COIDA) in South Africa; Employees' Compensation Act in Namibia; or similar legislation exclusion (not applicable to the Employers Liability section)

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision which would otherwise override a General Exclusion, 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, any benefit that could be payable under the Compensation for Occupational Injuries and Diseases Act No 130 of 1993 (as amended) in South Africa; the Employees' Compensation Act 30 of 1941 (as amended) in Namibia, or any similar legislation.

This exclusion applies regardless of whether the applicable legislative Fund is unable or incapable of paying compensation, or whether or not such compensation has been claimed, paid or received in terms of the relevant Acts.

7. Sexual assault and molestation

The company shall not be liable for liability arising out of or in connection with sexual molestation in any form, be that sexual harassment; sexual assault; rape; or any other form whatsoever; howsoever that molestation might occur and irrespective the identity or occupation of the perpetrator or perpetrators.

8. Electricity grid failure or interruption

Definitions

Electricity grid failure or interruption means - a total or partial interruption, interference, suspension, blackout, failure, of any electricity supply affecting the whole of or any area larger than the Municipality (be it local, district or metropolitan) within which any premises of the insured is located.

Municipality means the "metropolitan municipalities" and "district municipalities" and the "local municipalities", as defined by the Local Government: Municipal Structures Act 117 of 1998 in South Africa and the Local Authorities Act 23 of 1992, as amended, in Namibia.

Power surge means a sudden variation of voltage magnitude or a power spike in any electrical system, causing a variance in the supply of electricity.

Notwithstanding any provision to the contrary in this policy or any endorsement thereto, the insurance provided by this policy excludes any loss, damage, liability, cost or expense of whatsoever nature, including any consequential losses in terms of any section of this policy, directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Electricity grid failure or interruption, or the resumption of power thereafter.

Power surge cover

Notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by Power surge as provided for under any section of this policy, provided that this cover will not apply where the Power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

GENERAL CONDITIONS

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

1. Misrepresentation, misdescription and non-disclosure

Misrepresentation, misdescription or non-disclosure in any material particular 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.

2. Other insurance

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

3A. Cancellation

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

3B. Continuation of cover (where premium is payable by bank debit order or by transmission account)

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

Due date will be the first day of every calendar month where premium is payable monthly, and the first day of

- (a) each third
- (b) each sixth or
- (c) each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.

4. Adjustment of premium

If the premium for any section of this policy has been calculated on any estimated figures, the Insured shall, after the expiry of each period of twelve consecutive months from the inception date or anniversary date, furnish the Company with such particulars and information as the Company may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the Insured as the case may be.

5. Prevention of loss

The Insured shall take all reasonable steps and precautions to prevent accidents or losses.

6. Claims

- (a) On the happening of any event which may result in a claim under this policy the Insured shall, at their own expense:
 - (i) give notice thereof to the Company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured;
 - (ii) as soon as practicable after the event inform the police of any claim involving theft or (if required by the Company) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property;
 - (iii) as soon as practicable after the event submit to the Company full details in writing of any claim;
 - (iv) give the Company such proof, information and sworn declarations as the Company may require and forward to the Company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
- (b) No claim (other than a claim under the Business Interruption, Fidelity, Stated Benefits or Group Personal Accident sections or the Personal Accident (assault) extension under the Money section, if applicable) shall be payable after the expiry of 24 months or such further time as the Company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the Insured's legal liability to a third party.
- (c) No claim shall be payable unless the Insured claims payment by serving legal process on the Company within 6 months of the rejection of the claim in writing and pursues such proceedings to finality.
- (d) If, after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the Company, provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Company. Should the Insured fail to render assistance in terms of this condition when called upon to do so, the Insured shall immediately become liable to repay to the Company all amounts paid in respect of the claim.

7. Company's rights after an event

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

8. Fraud

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

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

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

10. Breach of conditions

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

11. No rights to other persons

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

12. Collective insurances

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

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

and General condition 7 is substituted by the following:

“7. Company’s rights after an event

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

13. POPIA: Protection of Personal Information Act, No. 4 of 2013 (as amended)

Disclosure and processing of Personal Information

In terms of the Protection of Personal Information Act, 4 of 2013, Personal Information provided and obtained is mandatory in order to issue this policy and is collected, held and processed to improve the service provided to the Insured and to provide the Insured with access to the Company’s services and products.

The Company, our authorised agents, advisors, business partners and service providers/contractors may collect Personal Information from the Insured directly, from the Insured’s usage of the Company’s products and services, from the Insured’s engagements and interactions with the Company or from public sources, shared databases and third parties. Personal Information will not be shared with service providers that may be abroad unless where necessary or where required under certain conditions and where security measures are in place to protect the Personal Information.

The Company may use the Insured’s information or obtain information about the Insured for the following purposes:

- 13.1 Underwriting, assessing the risk, determining the premium and the policy terms
- 13.2 Assessment, investigation and processing of claims
- 13.3 Credit searches and/or verification of Personal Information
- 13.4 Claims checks
- 13.5 Fraud prevention and detection

- 13.6 Market research, statistical analysis and surveys
- 13.7 Audit and record keeping purposes
- 13.8 Verification of the Insured's identity
- 13.9 To comply with an obligation imposed by any law on the Company.

The Personal Information may also be shared with service providers engaged to process such information on the Company's behalf or render services to the Company. The Company may collect, retain, process and verify the Insured's Personal Information, insurance and/or claim information.

The Insured acknowledges that any Personal Information collected may be stored in a shared database and used for any decision pertaining to the continuance of this policy or any claim submitted. The Insured acknowledges and understands that any Personal Information may be given to any insurer or its agent and the Company's authorised agents, advisors, business partners and service providers/contractors.

The Insured acknowledges that the information may be verified against legally recognised sources or databases.

The Company will retain the Personal Information for so long as required or entitled by law, after the termination of this policy and as such, this consent clause will remain in force even after this policy has been terminated. The Insured may request details of their Personal Information that is held by the Company and the Insured may also request that any errors be corrected.

To view the Company's full privacy statement, please visit the Company's website on www.santam.co.za

Definitions

Personal Information means information relating to the Insured as an identifiable, living, natural person, and where it is applicable, an identifiable, existing juristic person, such as, gender, date of birth, identity number, entity details, online identifier, social media profile, biometric information (such as signature, fingerprint or voice), e-mail and physical addresses, location information, medical and health information, occupation, employment information, financial information, credit risk, tax and VAT information, claims and insurance history, criminal history, assets and liabilities.

GENERAL PROVISIONS

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

A. Claims preparation costs

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

B. Payments on account

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

C. First amount payable

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

D. Members

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

E. Liability under more than one section

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

F. Meaning of words

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

G. Premium payment

Premium is payable on or before the inception date or renewal date as the case may be.

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

H. Holding covered

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

I. Schedule sums insured blank

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

- (i) left blank or has no monetary amount stipulated against it;
- (ii) reflected as nil or not applicable or not covered or no indemnity extended;

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

J. Security firms

If an employee of a security firm employed by the Insured under a contract causes loss or damage, the Company agrees, 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 Company shall not raise as a defence to any valid claim submitted under any section or sub-section of this policy that the Company's rights have been prejudiced by the terms of any contract entered into between the Insured and any security provider relating to the protection of the insured property.

FIRE

DEFINED EVENTS

Damage to the whole or part of the property described in the schedule, owned by the Insured or for which they are responsible, including alterations by the Insured as tenants to the buildings and structures, by

1. fire;
2. lightning or thunderbolt;
3. explosion;
4. such additional perils as are stated in the schedule to be included;
5. power surge provided that:
 - i. the Company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed in the aggregate R50 000. Where an amount is stated in the policy schedule, then the aggregate limit of R50 000 is replaced with the amount stated in the schedule;
 - ii. the Insured shall be responsible for a first amount payable of 10% of claim subject to a minimum of R5 000;
 - iii. Average is not applicable;
 - iv. notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by power surge, provided that this cover will not apply where the power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

SPECIFIC EXCEPTIONS

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

Any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be damage which is not covered by this insurance, except to the extent that the Insured shall prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the Company alleges that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary shall be on the Insured.
2. **Unless specifically included, this insurance does not cover**
 - i. damage to property occasioned by its undergoing any heating or drying process;
 - ii. damage to property which at the time thereof is insured by or would, but for the existence of this insurance, be insured by any marine policy(ies), except in respect of any excess beyond the amount which would have been payable under the marine policy(ies) had this insurance not been effected.

SPECIFIC CONDITION

Average

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

ADDITIONAL PERILS

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

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

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

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

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

Damage caused by:

1. storm, wind, water, hail or snow excluding damage to property
 - a. arising from its undergoing any process necessarily involving the use or application of water;
 - b. caused by tidal wave originating from earthquake;
 - c. in the underground workings of any mine;
 - d. in the open (other than buildings, structures and plant designed to exist or operate in the open);*
 - e. in any structure not completely roofed;*
 - f. being retaining walls;*

**Unless so described and specifically insured as a separate item.*

2. aircraft and other aerial devices or articles dropped therefrom;
3. impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

This extension does not cover:

- a. wear and tear or gradual deterioration;
- b. damage caused or aggravated by
 - i. leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby;
 - ii. subsidence or landslip;
 - iii. the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

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

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

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

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

In respect of this extension only, specific exception 1 to this section is deleted.

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

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

1. movable property which is
 - a. stolen;
 - b. damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
2. movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured
3. immovable property owned or occupied by the Insured occasioned by or through or in consequence of
 - a. the removal or partial removal or any attempt thereof; of
 - b. the demolition or partial demolition or any attempt thereof ofthe said immovable property or any part thereof with the intention of stealing any part thereof provided that this extension does not cover:
 - i. damage related to or caused by fire or explosion;
 - ii. consequential or indirect damage of any kind or description whatsoever, other than loss of rent if specifically insured;
 - iii. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
 - iv. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - v. damage related to or caused by any occurrence referred to in General exception 1(A)(i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Company alleges that, by reason of proviso (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

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

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

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

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover damage directly occasioned by or through or in consequence of:

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

Provided that this extension does not cover:

- a. loss or damage occurring in the Republic of South Africa and Namibia;
- b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;

- c. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- d. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
- e. loss or damage related to or caused by any occurrence referred to in General exception 1(A)(ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

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

Damage caused by subsidence or landslip

provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured on the property or R500 whichever is the greater.

This extension does not cover:

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

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

CLAUSES AND EXTENSIONS

1. Rent clause (if insured under column 2)

The Company will pay the amount of rent receivable, rent payable or rental value (as the case may be) defined hereunder in the event of the premises stated in the schedule being rendered untenable during the term specified therein in consequence of damage by a defined event.

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

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

2. Designation of property clause

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

3. All other contents clause

The term all other contents referred to in the definition of property under column 3 of the schedule includes, but is not restricted to personal effects, tools and pedal cycles, the property of the Insured or directors or employees of the Insured in so far as such property is not otherwise insured.

The benefit under this extension is limited to R5 000 for any one individual in respect of property lost or damaged whilst on the Insured's premises.

4. Limitations clause

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

- a. money and stamps to a limit of R5 000;
- b. documents, manuscripts, business books, plans, computer systems records and media, designs, patterns, models and moulds to the value of materials and sums expended in labour.

5. Alterations and misdescription clause

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

6. Architects' and other professional fees clause

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

The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim.

7. Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 15 per cent of the sum insured thereon, it being understood that the insured undertakes to advise the company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

8. Cost of demolition and clearing and erection of hoardings clause

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

The Company will not pay for any costs or expenses:

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

9. Fire extinguishing charges clause

Any costs relating to the extinguishing or fighting of fire, shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this section provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

10. Mortgagee clause

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

11. Municipal plans scrutiny fee clause

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

12. Public authorities' requirements clause

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

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

13. Railway and other subrogation clause

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

14. Reinstatement value conditions clause

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

provided that:

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

15. Alternative replacement conditions (design capacity) clause

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

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

16. Temporary removal clause

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

1. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Company shall not exceed 15 per cent of the sum insured applicable to any item;
2. the amount payable under this clause shall not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the property is temporarily removed.

17. Tenants clause

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

18. Public supply connections clause

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

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

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

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

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

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

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

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

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

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

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

BUILDINGS COMBINED

DEFINED EVENTS

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

SUB-SECTION A - PROPERTY

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow other than:
 - a. that arising from its undergoing any process necessarily involving the use or application of water;
 - b. wear and tear or gradual deterioration;
 - c. loss or damage:
 - i. to retaining walls;
 - ii. caused or aggravated by:
 - subsidence or landslip;
 - the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.
3. Earthquake.
4. Aircraft and other aerial devices or articles dropped therefrom.
5. Impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles.
6. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building. If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, this item is suspended as regards the property affected unless the Insured before the occurrence of damage obtains the written agreement of the Company to continue this extension. During the period of the initial unoccupancy of 30 consecutive days the Insured shall become a co-insurer with the Company and shall bear a rateable proportion of any damage equal to 20% of the claim before deduction of any first amount payable.
7. Accidental damage to sanitary ware, but the amount payable will be reduced by R250 for each and every such damage.
8. Power surge provided that:
 - i. the Company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed in the aggregate R50 000. Where an amount is stated in the policy schedule, then the aggregate limit of R50 000 is replaced with the amount stated in the schedule;
 - ii. the Insured shall be responsible for a first amount payable of 10% of claim subject to a minimum of R5 000;

- iii. notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by power surge, provided that this cover will not apply where the power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

Specific condition (not applicable to 7 and 8 above)

Average

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

SUB-SECTION B - PUBLIC SUPPLY CONNECTIONS

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

SUB-SECTION C - RENT

Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25 per cent of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the damage or its equivalent in rental value.

SUB-SECTION D - LIABILITY

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

The limit of indemnity

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

Specific exceptions (applicable to sub-section D)

The Company will not indemnify the Insured under this sub-section in respect of

1. injury or damage sustained by
 - a. any member of the same household as the Insured;
 - b. any person employed by the Insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the Insured;
 - c. any other person resulting from the ownership of or use by or on behalf of the Insured of mechanically propelled vehicles (except pedal cycles and lawnmowers);
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 judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Kingdom of 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.

Memoranda to sub-section D

1. Where more than one insured is named in the schedule, the Company will indemnify each insured separately and not jointly and any liability arising between such insureds shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the schedule.
2. Provided that the aggregate liability of the Company is not increased beyond the limit of indemnity stated, the Company will also indemnify as though a separate policy had been issued to each
 - a. in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
 - b. any partner or director or member or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance.
3. In respect of this sub-section only, General exception 1 is deleted and replaced by the following:

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

CLAUSES AND EXTENSIONS

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

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

9. Damage caused by subsidence or landslip provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1 per cent of the sum insured on the property or R500 whichever is the greater.

For the purposes hereof, any damage insured shall be deemed to have been caused by fire provided that this extension does not cover:

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

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

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

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

3. Security firms clause (applicable to sub-section D – liability)

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

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

4. Architects' and other professional fees clause

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

5. Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property for an amount not exceeding 15 per cent of the sum insured thereon, it being understood that the insured undertakes to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

6. Cost of demolition and clearing and erection of hoardings clause

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

The Company will not pay for any costs or expenses

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

7. Fire extinguishing charges clause

Any costs relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this section provided the Insured is legally liable for such costs and the property insured was in danger from the fire.

8. Mortgagee clause

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

9. Municipal plans scrutiny fee clause

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

10. Public authorities' requirements clause

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

1. the amount recoverable under this clause shall not include:
 - a. the cost incurred in complying with any of the aforesaid regulations;
 - i. in respect of damage occurring prior to granting of this clause;
 - ii. in respect of damage not insured by this section;
 - iii. under which notice has been served upon the Insured prior to the happening of the damage;
 - iv. in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged;
 - b. the additional cost that would have been required to make good the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
 - c. the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations;
2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased;

3. if the liability of the Company under any item of this section apart from this clause shall be reduced by the application of any of the terms, exceptions and conditions of this section, then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion;
4. the total amount recoverable under any item of this section shall not exceed the sum insured thereby.

11. Railway and other subrogation clause

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

12. Reinstatement value conditions

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

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

13. Temporary removal clause

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

14. Tenants clause

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

15. Malicious damage extension

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

If the Company alleges that, by reason of proviso (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

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

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

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

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

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

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

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

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

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

provided that this extension does not cover:

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

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

OFFICE CONTENTS

DEFINED EVENTS

1. Loss of or damage to the contents (other than documents as defined in sub-section C if insured thereunder and electronic data processing equipment) including landlord's fixtures and fittings the property of the Insured or for which they are responsible and, unless otherwise stated in the schedule, to the extent that the same is not otherwise insured, property owned by any partner or director or employee of the Insured up to an amount of R2 500 per person while contained in the offices and/or consulting rooms situated as stated in the schedule (hereinafter called the office premises) by any of the perils specified in sub-section A.
2. Loss of or damage to the whole or part of the property insured under item C and defined in sub-section C and the consequences thereof insured under item D and as described in sub-section D.
3. Loss and/or expenditure described in sub-sections B and E.

SUB-SECTION A – CONTENTS

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow excluding loss of or damage to property arising from its undergoing any process necessarily involving the use or application of water.
3. Earthquake but excluding loss of or damage to property in the underground workings of any mine.
4. Aircraft and other aerial devices or articles dropped therefrom.
5. Impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.
6. Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.
7. Power surge provided that:
 - i. the Company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed in the aggregate R50 000. Where an amount is stated in the policy schedule, then the aggregate limit of R50 000 is replaced with the amount stated in the schedule;
 - ii. the Insured shall be responsible for a first amount payable of 10% of claim subject to a minimum of R5 000;
 - iii. notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by power surge, provided that this cover will not apply where the power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

Limitations clause

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

SPECIFIC CONDITION

Average (not applicable to peril 6 and 7 above)

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

Specific exception (applicable to sub-section A)

This sub-section does not cover

- a. property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe and Malawi;
- b. designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of sub-section A), stock in trade, samples, motor vehicles and accessories therefor, money, securities, stamps, jewellery or precious stones;
- c. the first 10% of the indemnifiable amount or R1 000 whichever is the greater if the loss or damage is due to lightning strikes.

SUB-SECTION B – RENT

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

For the purpose of this sub-section, the term “office premises” shall be deemed to extend to any premises or portion thereof in the vicinity of the office premises, damage to which prevents or limits access to the office premises.

SUB-SECTION C – DOCUMENTS

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

Definition

The term **documents** shall mean

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

Limitations clause

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

Specific exception (applicable to sub-section C)

This sub-section does not cover

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

- b. gradual deterioration or wear and tear;
- c. costs involved in reshooting films and videos and rerecording audio tapes.

SUB-SECTION D – LEGAL LIABILITY DOCUMENTS

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

Specific exception (applicable to sub-section D)

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

Memorandum

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

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

SUB-SECTION E – INCREASE IN COST OF WORKING

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

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

CLAUSES AND EXTENSIONS

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 transfer of processes or machinery or by virtue of structural alterations, repairs to buildings, machinery or plant, provided that notice is given to the Company as soon as practicable after such event and the Insured agrees to pay additional premium if required.

2. Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 15 per cent of the sum insured thereon, it being understood that the Insured undertakes to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

3. Fire extinguishing charges clause

Any costs relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this section, provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

4. Locks and keys clause

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

provided that

- a. the Company's liability shall not exceed R1 000 in respect of any one event;
- b. the Company shall not be liable for the first R100 of each and every event.

5. New and additional premises clause

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

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

6. Removal of debris clause

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

The company will not pay for any costs or expenses

- 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.

7. Temporary removal clause

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

8. Temporary repairs and measures after loss clause

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

9. Tenants clause

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

10. Replacement value condition

The basis upon which the amount payable for a claim in respect of contents is calculated shall be either

the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new

or

the repair of the contents to a condition substantially the same as but not better than its condition when new

provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the contents had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the time of the loss or damage, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

11. Malicious damage extension

Subject otherwise to the terms, conditions, exceptions and warranties contained therein, sub-sections A, B and C are extended to cover damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such damage, other than damage to:

1. movable property which is:
 - a. stolen;
 - 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:

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

If the Company alleges that, by reason of proviso (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

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

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

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

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

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

provided that this extension does not cover:

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

If the Company alleges that, by reason of proviso (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

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

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

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

provided that:

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

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

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

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

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

BUSINESS INTERRUPTION

DEFINED EVENTS

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:

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

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

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

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

SPECIFIC CONDITIONS

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

ITEM 1 GROSS PROFIT (DIFFERENCE BASIS)

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

- (a) **reduction in turnover** and
- (b) **increase in cost of working**

and the amount payable as indemnity hereunder shall be

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

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

ITEM 1 GROSS PROFIT (ADDITIONS BASIS)

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

- (a) **reduction in turnover** and
- (b) **increase in cost of working**

and the amount payable as indemnity hereunder shall be

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

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

MEMORANDUM

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

ITEM 2 GROSS RENTALS

The insurance under this item is limited to

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

and the amount payable as indemnity hereunder shall be

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

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

ITEM 3 REVENUE

The insurance under this item is limited to

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

and the amount payable as indemnity hereunder shall be

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

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

ITEM 4 ADDITIONAL INCREASE IN COST OF WORKING

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

ITEM 5 WAGES (NUMBER OF WEEKS BASIS)

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

The amount payable as indemnity under this item will be the actual amount which the insured shall pay as wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by the insured at all and an equitable part of the wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilised by the insured to the full

provided that if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

ITEM 6 FINES AND PENALTIES FOR BREACH OF CONTRACT

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

DEFINITIONS

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

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

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

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

Gross profit (difference basis) The amount by which

- (1) the sum of the turnover and the amount of the closing stock shall exceed

(2) the sum of the amount of the opening stock and the amount of the uninsured costs.

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

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

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

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

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

Standard turnover

Standard revenue

Standard gross rentals The turnover (revenue) (gross rentals) during that period in the 12 months immediately before the date of the Damage which corresponds with the indemnity period

Annual turnover

Annual revenue

Annual gross rentals The turnover (revenue) (gross rentals) during the twelve months immediately before the date of the Damage

Rate of gross profit The rate of gross profit earned on the turnover during the financial year immediately before the date of the Damage

to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

Note: If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage.

MEMORANDUM

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

EXTENSIONS AND CLAUSES

Accountants clause

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

Accumulated stocks clause

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

Departmental clause

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

Deposit premium clause

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on 75 per cent of the sum insured, the premium is subject to adjustment on expiry of each period of insurance as follows:

In the event of the gross profit/gross rentals/revenue earned (increased proportionately if the number of months referred to in the definition of indemnity period exceeds 12) during the financial year most nearly concurrent with any period of insurance being less or greater than 75 per cent of the sum insured thereon, a pro rata return or additional premium not exceeding 33 $\frac{1}{3}$ per cent of the provisional premium paid for such period of insurance will be made in respect of the difference.

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

Output (alternative basis) clause

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

provided that:

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

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

Salvage sale clause

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

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

Extensions to other premises

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

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

The premises of the suppliers and sub-contractors specified in the schedule subject to stated limits.

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

The premises of any other of the insured's suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any public supply undertaking from which the insured obtains electricity, gas or water subject to the limit stated in the schedule.

(c) **Storage, transit and vehicle**

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

(d) **Contract sites**

Any situation not in the occupation of the insured where the insured is carrying out a contract.

(e) **Prevention of access**

Property within a 10 km 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.

(f) **Prevention of access – extended cover (if stated in the schedule to be included)**

Property within a 10 km radius of the 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.

(g) **Additional premises**

In the event of the insured occupying or having property at any newly added premises for the purpose of the business during the currency of this section, such newly added premises shall be deemed to be included in those specified here subject to notification to the company as soon as reasonably practicable and to adjustment of the premium if necessary.

(h) **Customers (if stated in the schedule to be included)**

The premises of the customers specified in the schedule subject to stated limits

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

Property at electricity generating stations, sub-stations or transmission networks, gasworks including the related gas distribution network, water purification plants, pumping stations, aqueducts and pipelines of an authority empowered by law to supply water, gas or electricity for consumption by the public and which results in an interruption of water, gas or electricity to the premises of the insured.

The maximum amount payable under this extension is limited to 50% of the sum insured under the Gross profit; Gross rentals; Revenue/fees; Wages and Additional increase in cost of working items or R25,000,000, including VAT, whichever is the lesser.

For the purposes of this extension: "Indemnity Period" shall mean a maximum of 3 months.

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

(i) Property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the insured

(ii) The transmission facilities network of the public authority mentioned in (i).

The maximum amount payable under this extension is limited to 50% of the sum insured under the Gross profit; Gross rentals; Revenue/fees; Wages and Additional increase in cost of working items or R25,000,000, including VAT, whichever is the lesser.

For the purposes of this extension: "Indemnity Period" shall mean a maximum of 3 months.

The geographical limits of

(b), (c), (d), (e), (f), (h), (i) and (j) of the extensions to other premises are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of Eswatini, Zimbabwe and Malawi.

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

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

The following defined event is added:

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

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

ACCOUNTS RECEIVABLE

DEFINED EVENTS

Loss or damage as a result of accident or misfortune (hereinafter termed Damage) to the insured's books of account or other business books or records at the premises or at the residence of any director, partner or employee or the premises of any accountant of the insured, in consequence whereof the insured are unable to trace or establish the outstanding debit balances in whole or part due to them

provided that the liability of the company shall not exceed the sums insured stated in the schedule and that the basis of indemnity will be as set out in the specification which forms part of this section.

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

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

SPECIFIC EXCEPTIONS

The company will not pay for

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

SPECIFICATION

The insurance under this section is limited to the loss sustained by the insured in respect of outstanding debit balances directly due to the Damage and the amount payable shall not exceed

- (i) the difference between
 - (a) the outstanding debit balances
 - and
 - (b) the total of the amounts received or traced in respect thereof
 - plus
- (ii) the additional expenditure incurred in tracing and establishing customers' debit balances after the Damage

provided that, if the sum insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

DEFINITIONS

Outstanding debit balances

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

- (a) bad debts
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage

and

- (c) any abnormal condition of trade which had or could have had a material effect on the business

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

CLAUSES AND MEMORANDA

Declarations

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

Adjustment

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

On the expiry of each period of insurance, the actual premium shall be calculated at the rate per cent per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, the insured shall pay the difference. If it is less, the difference shall be repaid to the insured, but such repayment shall not exceed 33,3 per cent of the provisional premium paid.

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

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

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

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

provided that this extension does not cover:

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

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

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

Duplicate records (if stated in the schedule to be included)

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

Protections (if stated in the schedule to be included)

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.

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

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

THEFT

DEFINED EVENTS

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

EXTENSIONS

1. The insurance under this section extends to cover loss of or damage to the property insured
 - (a) caused or accompanied by
 - (i) a thief or thieves being concealed upon the insured premises before close of business
 - (ii) entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the insured shall establish to the satisfaction of the company that such a skeleton key or device was used
 - (b) whilst in a building at any additional premises used by the insured provided that
 - (i) such additional premises are advised to the company within 30 days from the time the risk attaches to the company
 - (ii) an additional premium, if any, is paid
 - (iii) the company's liability in respect of this extension shall not exceed 50% of the highest amount stated in the schedule applicable to any one premises
2. In addition to the limit of indemnity stated in the schedule
 - (a) the insurance under this section includes
 - (i) damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat
 - (ii) loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence
 - (b) the company will reimburse the insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this section

provided that the company's liability shall not exceed the greater of R5 000 or the amount stated in the schedule in respect of any one event.
3. In addition to the limit of indemnity stated in the schedule the company will indemnify the insured in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key.

provided that:

- (a) the company's liability shall not exceed R2 000 in respect of any one event
 - (b) the company shall not be liable for the first R200 of each and every event.
4. The term all contents includes personal effects, tools and pedal cycles the property of the insured or any principal, partner, director or employee of the insured in so far as such property is not otherwise insured up to an amount of R2 500 in the case of any one person.

LIMITATIONS

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

SPECIFIC EXCEPTIONS

The company shall not be liable for

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

SPECIFIC CONDITIONS

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

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

MONEY

DEFINED EVENTS

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

DEFINITIONS

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

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

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.

EXTENSIONS

1. Receptacles and clothing

In addition to any payment in respect of a defined event, the insurer will indemnify the Insured in respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that the insurer's liability under this extension in respect of clothing shall not exceed R2 000, and in respect of receptacles, the amount stated in the Schedule or R2 000 whichever is the greater.

2. Locks and keys

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

provided that:

- (a) the insurer's liability shall not exceed R2 000 in respect of any one event;
- (b) the insurer shall not be liable for the first R200 of each and every event.

3. Riot and strike extension (if stated in the Schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

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

provided that this extension does not cover:

- (i) loss or damage occurring in the Republic of South Africa and Namibia;
- (ii) consequential or indirect loss or damage of any kind or description whatsoever;
- (iii) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;

- (iv) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (v) loss or damage related to or caused by any occurrence referred to in General exception 1 (A), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with such occurrence.

If the insurer alleges that, by reason of provisos (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

4. Skeleton keys

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

5. Personal accident (assault) extension (if stated in the Schedule to be included)

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

The insurer will pay to the Insured, on behalf of Such Person or his estate, the sum or sums stated in the Schedule in the event of bodily injury to Such Person resulting within 24 calendar months in

1.	death	the capital sum
2.	permanent disability as follows	the percentage of the capital sum specified
		Percentage of capital sum
(a)	loss by physical separation at or above the wrist or ankle of one or more limbs	100
(b)	permanent and total loss of whole eye	100
	sight of eye	100
	sight of eye except perception of light	75
(c)	permanent and total loss of hearing	
	both ears	100
	one ear	25
(d)	permanent and total loss of speech	100
(e)	injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which Such Person is fitted by knowledge or training	100
(f)	loss of four fingers	70
(g)	loss of thumb	
	both phalanges	25
	one phalanx	10
(h)	loss of index finger	
	three phalanges	10
	two phalanges	8
	one phalanx	4

(i)	loss of middle finger	
	three phalanges	6
	two phalanges	4
	one phalanx	2
(j)	loss of ring finger	
	three phalanges	5
	two phalanges	4
	one phalanx	2
(k)	loss of little finger	
	three phalanges	4
	two phalanges	3
	one phalanx	2
(l)	loss of metacarpals	
	first or second (additional)	3
	third, fourth or fifth (additional)	2
(m)	loss of toes	
	all on one foot	30
	great, both phalanges	5
	great, one phalanx	2
	other than great, if more than one toe lost, each	2
3.	In the case of total and absolute incapacity from following usual business or occupation the weekly sum specified in the Schedule shall be payable.	
4.	Emergency expenses: The reasonable costs incurred, within 24 months of the defined event by Such Person in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses):	
	<ul style="list-style-type: none"> • resulting from a Disability Event caused by an accident; or • on the happening of a Health Event other than a Disability Event to cover the cost of emergency medical treatment; and 	
	in both cases including the cost of emergency evacuation or transport to a medical treatment facility including freeing Such Person if trapped or bringing Such Person to a place of safety.	
5.	Disability Event means any event resulting in –	
	(a) The loss of a limb or sense organ, or the use thereof by a person; or	
	(b) A person becoming so physically or mentally impaired, whether totally or partially, or temporarily or permanently, that the person is unable to –	
	(i) continue their employment or own occupation, profession or trade;	
	(ii) participate in any employment, occupation, profession or trade that is reasonably suitable for that person given, amongst other matters, their education, skills, experience or age; or	
	(iii) carry on the functions required for normal activities of life.	
6.	Health Event means an event relating to the health of the mind or body of a person or an unborn, other than a disability event.	

MEMORANDA (applicable to permanent disablement benefits)

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

provided that:

- (i) the insurer shall not be liable to pay in respect of any one Such Person more than the capital sum plus the sums specified under items 3 and 4;
- (ii) the sum specified under item 3 shall be payable only for the duration of the incapacity of Such Person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
- (iii) compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;
- (iv) this extension shall not apply to any Such Person under 15 or over 70 years of age;
- (v) after suffering bodily injury for which benefit may be payable under this extension, Such Person shall submit to medical examination and undergo any treatment specified. The insurer shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- (vi) General exception 2 and General conditions 2 and 9 do not apply to this extension;
- (vii) in respect of this extension only General exception 1 is deleted and replaced by the following:

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

EXTENSIONS TO THE PERSONAL ACCIDENT (ASSAULT) EXTENSION

1. Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from Such Person being the victim of theft or any attempt thereof.
2. In the event of disappearance of any Such Person in circumstances which satisfy the 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 will, 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.

SPECIFIC EXCEPTIONS

The insurer shall not be liable for loss of or damage to Money:

1. arising from the dishonesty of any principal, partner, director or person or persons in the employ of the Insured not discovered within 14 working days of the occurrence thereof;
2. arising from shortage due to error or omission;
3. arising from the use of keys to any safe or strong-room unless the keys:
 - (a) are obtained by violence or threats of violence to any person;

- (b) are used by the keyholder or some other person with the collusion of the keyholder and the Insured can prove to the satisfaction of the insurer that the keyholder or such other person had used the keys to open the safe or strong-room;
- 4. in an unlocked safe or strong-room whilst the portion of the premises containing such safe or strong-room is unattended but this exception will not apply if it can be shown to the satisfaction of the insurer that the keyholder to the safe or strong-room deliberately left it unlocked with the intention of allowing the Money to be stolen;
- 5. not contained in a locked safe or strong-room whilst the portion of the premises containing such money is unattended but this exception will 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 strong-room with the intention of allowing it to be stolen;
- 6. in any vehicle being used by the Insured unless a principal, partner, director or employee of the Insured is actually in such vehicle or, if not in such vehicle, is within 5 metres of it in a position from which the vehicle is clearly visible. This exception shall not apply following an accident involving such vehicle rendering the said person incapacitated.

Specific exceptions (3), (4), (5) and (6) do not apply up to an amount of R1 500 and such losses shall not be reduced by any first amount payable.

MEMORANDA

1. Loss of or damage to money as insured under this section arising from the dishonesty of any principal, partner, director or person in the employ of the Insured (Such Person), as defined under this section, shall be subject to the following compulsory First Amount Payable Clause:

The amount payable hereunder in respect of an event involving any Such Person or any number of Such Persons acting in collusion, shall be reduced by:

 - (a) 2% of the applicable limit under defined events plus
 - (b) a further amount of 10% of the nett amount payable after deduction of the 2% specified in (a) above.
2. The insurer shall not be liable under this section of the policy in respect of loss or damage arising from any event in respect of which a claim is payable, or would be payable but for any first amount payable or co-insured clause under the Fidelity section of the policy or any other fidelity insurance.

SPECIAL CONDITIONS APPLICABLE TO CHEQUES

First amount payable applicable to theft of cheques

Any loss or series of losses attributable to one original event which is payable under this section and which results from the theft of any cheque or cheques shall be reduced by a first amount payable of 25% of the loss indemnifiable by this section unless:

1. **Cheques drawn by the Insured**
 - (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended South African Insurance Association (SAIA) procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau
 - or
 - (b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post.

2. **Cheques drawn by someone other than the Insured and which were received by the Insured by post or direct by the cashier**
- (a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured
- and
- (b) the Insured is able to identify the drawer and amount of the cheque from their records.
3. **Cheques of which the Insured is the true owner which were drawn by someone other than the Insured and posted to the Insured, but not received**
- (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques" or any other superior method approved by SAIA
- or
- (b) the cheque was dispatched to the Insured by certified post or any post where security is equal or superior to certified post
- or
- (c) the invoice of the Insured (to which the payment by cheque relates) contains a message (approved by the insurer or SAIA) on it recommending or requiring that the cheque be drawn in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques".

Recommended SAIA procedure for drawing and crossing of cheques and printing of blank cheques

A. Drawing and crossing of cheques

One of the safest methods of drawing and crossing a cheque which is acceptable to banks is as noted hereunder. This method is recommended by the SAIA.

1. Delete the pre-printed words "or bearer". This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment.
2. If instead of "or bearer" your cheque has pre-printed on it "or order" these words must also be deleted.
3. Write on the face of the cheque the words "not transferable".
4. Cross the cheque by drawing two parallel lines across the cheque.
5. Write the words "not negotiable" between the two parallel lines referred to in 4 above.
6. Ensure that the payee is accurately, properly and fully described. For example, where the payee is a company, its full name should be used: "RH Jones (Pty) Ltd"; not just "RH Jones".
Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co No: 69/123456" or "RH Jones (Pty) Ltd ABC Bank account no: 123456789".
Whilst highly recommended it is not compulsory to use the bank account number of the payee.
7. In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures.
8. An example of this method of drawing a cheque is attached as Annexure A.
9. On the front of the cheque the wording listed in Annexure B (last page of this section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements.
10. All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words "not neg" and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless.
11. The method used to complete cheques should be one which makes an ink impression on the paper, such as handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink. Do not use:

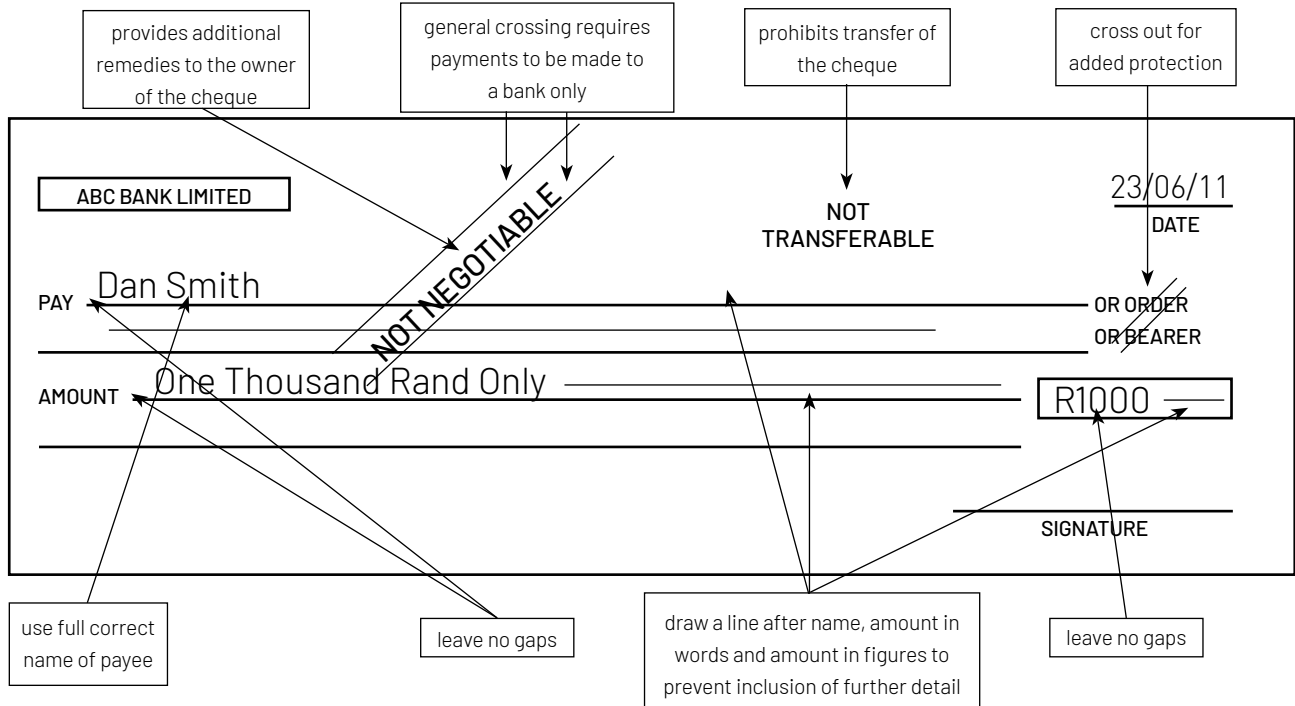
- 11.1 old ribbons;
- 11.2 laser printers which do not make an impression into the paper;
- 11.3 the "reverse printing technique";
- 11.4 correctable type ribbons.

B. Printing of blank cheques

Blank cheques should only be printed by the bank itself or a printer licensed by the Automatic Clearing Bureau. These printers know the recommended requirements of banks and should only use approved:

- (i) security paper (CBS1 or superior);
- (ii) security designs;
- (iii) special security inks compatible with the security paper/design;
- (iv) methods which make it difficult for anyone to make a supply of blank cheques by photocopying the originals.

ANNEXURE A – SAIA RECOMMENDED CHEQUE



ANNEXURE B – SAIA RECOMMENDED CHEQUE

Warning to be printed on bottom left front of cheque – leave enough space for bank stamps etc.:

Warning

To persons encashing this cheque or receiving it in exchange for any consideration:

Where a cheque has been stolen from or lost by the true owner, you may not be liable to reimburse him for his loss if you encash such cheque or receive it in exchange for any consideration (Section 81 of the Bills of Exchange Act, 1964).

NB: THIS CHEQUE IS CROSSED AND MARKED "NOT NEGOTIABLE" AND "NOT TRANSFERABLE".

GLASS

DEFINED EVENTS

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

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

1. the cost of such boarding up as may be reasonably necessary;
2. damage to shop fronts, frames, window displays (including fixtures and fittings), burglar alarm strips, wires and vibrators as a direct result of such loss or damage;
3. the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the glass;
4. the cost of employment of a watchman service prior to replacement of glass or boarding up or the repair of the burglar alarm system, unless payable under any other insurance arranged by the insured;

provided that the liability of the company shall not exceed:

- (i) for the replacement of glass, signwriting and treatment – the sum insured as stated in the schedule applicable to the premises at which loss or damage occurs;
- (ii) for all other costs and expenses provided for by this section and resulting from one occurrence or series of occurrences attributable to one source or original cause – in the aggregate the sum of R2 000.

SPECIFIC CONDITION

Average

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

DEFINITION OF GLASS

Unless specifically agreed, all glass (other than mirrors) insured by this section is presumed to be plain plate/float glass not exceeding 6 mm in thickness, whether coated with a film or not, or 6,5 mm laminated safety glass.

SPECIFIC EXCEPTIONS

The company shall not be liable for

1. loss or damage which is insured by, or would, but for the existence of this section, be insured by any fire insurance, except in respect of any excess beyond the amount which would have been payable under such fire insurance had the insurance under this section not been effected, but this specific exception shall not apply to loss or damage for which the insured is responsible as tenant and not as owner

2. glass forming part of stock in trade
3. glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by the company
4. defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof.

EXTENSIONS

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

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

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

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

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

provided that this extension does not cover:

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

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

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

FIDELITY

DEFINED EVENTS

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

provided that:

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

DEFINITION

Employee shall mean

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

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

SPECIFIC EXCEPTIONS

1. The company shall not be liable for
 - (a) loss resulting from or contributed to by any defined event by
 - (i) any partner in or of the insured to the extent that such partner would benefit by indemnity granted under this policy;
 - (ii) any principal, director or member of the insured unless such director or member is also an employee;
 - (iii) any employee from the time the insured shall become aware that such employee has committed any fraud or dishonesty;
 - (b) any consequential losses of any kind following losses referred to under defined events.
2. This section does not cover any company or other legal entity acquired during the period of insurance.
3. The company shall not be liable for any defined event if it results from the dishonest
 - (i) manipulation of
 - (ii) input into
 - (iii) suppression of input into
 - (iv) destruction of
 - (v) alteration ofany computer program, system, data or software by any insured employee who is employed in the insured's electronic data-processing department or area.

This exception does not apply to insured employees who are employed in the electronic data-processing department/area of any non-networked micro/personal computer.
4. The company shall only be liable to the extent of the participation/shareholding of any uninvolved partners/principals/directors or members for an insured event in which any partner/principal/director or member of the insured is or has been directly involved.

This specific exception only applies to Partnerships, Proprietary Companies or Close Corporations

SPECIFIC CONDITIONS

1. The insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his business as has been represented to the company but the insured may:
 - (a) change the remuneration and conditions of service of any employee;
 - (b) in respect of any employee who is described in the schedule by name, change his duties and position;

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

CLAUSES AND EXTENSIONS

Accountants clause

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

Extended cover for past employees extension

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

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

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

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

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

1. this extension is restricted to losses which would have been payable by the superseded insurance but which are not claimable because of the expiry of the period of time allowed by the superseded insurance for the discovery of the defined events;
2. the defined events are discovered within the shorter period of 12 months of the termination of the employment of the employee concerned or 12 months of the expiry of this section;
3. the amount payable under this extension shall not exceed the amount insured by this section or the amount insured by the superseded insurance whichever is the lesser;
4. in the event of the defined events involving one employee or any number of employees occurring during both the currency of this section and that of the superseded policy, the maximum amount payable shall not exceed the amount insured by this section at the time of discovery of the defined events;

5. this extension will not apply to defined events which occurred more than the number of years stated in the schedule before inception of this section;
6. the company is not liable for any loss which occurred more than 24 months prior to discovery.

Other insurances

It is a condition of this section that other than

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

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

Compulsory first amount payable

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

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

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

Computer losses first amount payable

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- control
- fraud dishonesty and theft detection

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

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

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

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

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

MEMORANDA

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 (ii) of general condition 6, refrain from reporting the matter to the police but shall do so immediately should the company require such action to be taken.
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 exceptions 1 and 2 and general condition 9 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

DEFINED EVENTS

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

provided that:

- (i) the insured shall be responsible for the first amount payable stated in the schedule in respect of each and every defined event except a claim resulting from fire, lightning or explosion
- (ii) the liability of the company for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the schedule.

MEMORANDA

1. Transit shall be deemed to commence from the time of moving the property described in the schedule at the consignor's premises (including carrying to any conveyance and loading thereon), continue with transportation to the consignee (including temporary storage not exceeding 120 hours in the course of the journey) and end when off-loaded and delivered at any building or place of storage at the consignee's premises.
2. If any consignee shall refuse to accept property consigned, transit shall be deemed to continue and the insurance in respect of such property shall continue in force until the property is delivered at the premises of the consignor by any means of conveyance, provided that the Insured shall take all reasonable steps to ensure that the property is returned as soon as is reasonably possible.
3. Where the means of conveyance is by specified vehicle, the insurance under this section shall apply to property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not the property of the Insured or leased or hired by them under a lease or suspensive sale agreement.
4. In the event of breakdown of the means of conveyance during transit or if, for any reason beyond the Insured's control, the property is endangered, nothing contained herein shall debar the utilisation of any other form of transport to assist completion of the transit and the insurance afforded shall not be affected thereby.

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

The insurance under this section includes costs necessarily incurred by the insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R1 000 or the limit stated in the schedule, whichever is the greater, in respect of any one defined event.

RESTRICTED COVER

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

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

SPECIFIC EXCEPTIONS

The Company shall not be liable for:

1. loss or damage resulting from or caused by:

- (a) theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry to or exit from;
 - (b) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - (c) the dishonesty of any principal, partner, director or employee of the insured whether acting alone or in collusion with others;
 - (d) detention, confiscation or requisition by customs or other officials or authorities;
 - (e) or arising whilst in transit by sea or inland transit incidental thereto;
 - (f) breakdown of refrigeration equipment;
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 Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe, Malawi and Mozambique;
 - (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.

SPECIFIC EXTENSIONS

1. Fire extinguishing charges extension

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

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

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (a) above;

provided that this extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;

- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General exception 1(A)(ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

BUSINESS ALL RISKS

DEFINED EVENTS

Loss of or damage to the whole or part of the property described in the schedule while anywhere in the world by any accident or misfortune not otherwise excluded

provided that the insured shall be responsible for the first amount payable stated in the schedule or as per specific exceptions below in respect of each and every event except a claim resulting from fire, lightning or explosion.

SPECIFIC EXCEPTIONS

The company shall not be liable for

1. Loss of or damage to property resulting from or caused by
 - (a) theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;
 - (b) its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration;
 - (c) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - (d) the dishonesty of any principal, partner, director or employee of the insured whether acting alone or in collusion with others;
 - (e) detention, confiscation or requisition by customs or other officials or authorities;
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded;
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;
4. loss of or damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
5. loss of or damage to goods consigned under a bill of lading;
6. the first amount payable of:
 - (a) 10% of claim subject to a minimum of R5 000 when claiming for any power surge damage, regardless of whether the insured property is protected against electrical supply fluctuations or not;
 - (b) 10% of claim subject to a minimum of R1 000 when claiming for lightning strike damage;
7. notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by Power surge, provided that this cover will not apply where the Power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

SPECIFIC CONDITIONS

Average

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

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

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

the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new

or

the repair of the property to a condition substantially the same as, but not better than, its condition when new

provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the property had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the commencement of the loss or damage, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

SPECIFIC EXTENSIONS

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

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

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

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of

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

provided that this extension does not cover:

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

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

ACCIDENTAL DAMAGE

DEFINED EVENTS (I)

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

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum stated, and

notwithstanding General condition 2, this section shall not be called into contribution for any defined event for which more specific insurance has been arranged.

SPECIFIC EXCEPTIONS

The Company shall not be liable for:

- (a) any peril excluded or circumstance precluded from any other insurance available from the Company at inception hereof or for any excess payable by the Insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;
- (b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;
- (c) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
- (d) unexplained disappearance or shortage only revealed during or after an inventory, or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information;
- (e) loss of or damage to insured property caused by:
 - (i) any fraudulent scheme, trick, device or false pretence practised on the Insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the Insured;
 - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
 - (iii) breakdown, electrical, electronic and/or mechanical derangement;
 - (iv) altering, bleaching, cleaning, dyeing, manufacturing, repair, restoring, servicing, renovating, testing or any other work thereon;
 - (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
 - (vi) denting, chipping, scratching or cracking not affecting the operation of the item;
 - (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
- (f) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property;
- (g)
 - (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
 - (ii) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;

- (h) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;
- (i) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms);
- (j) loss or damage caused by power surge.

DEFINITION

Insured property

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

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

unless stated in the schedule to be insured.

DEFINED EVENTS (II) (if stated in the schedule to be included)

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

CLAUSES AND EXTENSIONS

Restricted cover clause

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

Additional costs clause

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

- (a) any costs incurred, due to the necessity to comply with building or other regulations of any public authority, in repair or reinstatement following an insured event, provided that such costs do not include:

- (i) anything for which notice had been served on the Insured prior to the insured event;
 - (ii) anything connected with undamaged property or undamaged portions of property;
 - (iii) rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
- (b) fees for the examination of municipal or other plans;
- (c) costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding; provided that the Company shall not be liable for any costs and 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;
- (d) the professional fees of architects, quantity surveyors and other consultants;
and the sum insured on all insured property includes:
- (e) charges levied by any authorised fire brigade for their services;
- but the Company shall not be liable under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay nor under (d) for any expenses in connection with the preparation of the Insured's claim.

Mortgagees clause

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

Railway and other subrogation clause

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

Tenants clause

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

MEMORANDA

1. Average (if stated in the schedule to be included)

If, on the occurrence of an insured event, the value of the insured property is greater than the sum insured thereon the Insured shall be considered his own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

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

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

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

3. Reinstatement (if stated in the schedule to be included)

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

- (a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section shall be made;
- (b) the Company shall not be liable for any payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section, until expenditure has been incurred by the Insured in replacing or reinstating the lost or damaged insured property;
- (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 lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the Insured shall be considered his own insurer for the difference and shall bear a rateable share of loss accordingly. Each item, if more than one, to which this memorandum applies shall be separately subject to this provision;
- (d) this memorandum shall not apply if:
 - (i) the Insured fail to intimate to the Company within 6 months of the insured event or such further time as the Company may allow in writing their intention to replace or reinstate the lost or damaged insured property;
 - (ii) the Insured are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

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

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

PUBLIC LIABILITY (CLAIMS MADE BASIS)

DEFINED EVENTS

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 (as stated in the Policy Schedule) 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.

DEFINITIONS

For the purposes of determining the indemnity granted by this Section the following terms shall mean:

1. Damage

Loss of or physical Damage to tangible property or wrongful interference with the enjoyment of rights over tangible property.

2. Employee

Person/s employed under a contract of service or apprenticeship with the Insured.

3. Injury

Death, bodily injury, mental injury, illness (mental or physical) or disease of or to any person.

4. Product

Any tangible property (including 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 by or on behalf of the Insured.

5. Pollution

The emission, discharge, release, dispersal, disposal, seepage or escape of solid, liquid, gaseous or thermal contaminants or irritants, including vapours, smell, odours, humidity, fumes, smoke, soot or other airborne particulates, acids, alkalis, chemicals and waste, electromagnetic waves, noise, vibrations, other emission of effluent or noxious substances into or upon the soil, the atmosphere or any watercourse or body of water.

6. Costs and Expenses

Costs, charges, expenses and legal costs recoverable from the Insured by a claimant or any number of claimants or incurred by the Company or incurred by the Insured with the Company's prior consent:

- (a) in the defence or settlement of any claim under this Section of the Policy or any action or prosecution brought against the Insured in respect of Injury or Damage or other liability as insured in terms of this Section of the Policy.
- (b) in the representation at any inquest or accident inquiry in respect of Injury which may form the subject of indemnity under this Section of the Policy and/or in defending any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this Section of the Policy.

LIMIT OF INDEMNITY

The amount payable, inclusive of any Costs and Expenses, for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed the Limit of Indemnity stated in the Schedule.

In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one extension of this Section, each extension shall apply separately and be subject to its own separate Limit of Indemnity provided always that the total amount of the Company's liability shall be limited to the highest Limit of Indemnity available under any one of the Extensions affording indemnity for the claim or series of claims.

Where more than one Period of Insurance of this Policy, following its renewal or replacement may apply to an originating cause or source, the Company's liability will be limited to the maximum Limit of Indemnity for any one such Period of Insurance. If the premium is paid monthly by debit order, the words "for any one such Period of Insurance" are amended to read "for any one period of 12 consecutive months from the inception or anniversary date".

TERRITORIAL LIMITS

Anywhere in the world but not in connection with:

(a) any business carried on by the Insured at or from premises outside

or

(b) any contract for the performance of work outside

the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

The Company will not indemnify the Insured in respect of:

1. Employees

liability consequent upon Injury to any Employee arising from and in the course of employment by the Insured.

2. Property

Damage to:

(a) (i) property belonging to the Insured;

(ii) property in the custody or control of the Insured or any Employee of the Insured but this exception shall not apply to premises (or the 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. Professional advice, vehicles, watercraft, locomotives, aircraft and products

liability consequent upon Injury or Damage

(a) **Professional advice or treatment**

caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured.

(b) Vehicles, watercraft, locomotives

caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft (other than non-motorized watercraft not exceeding 6 metres in length and used only on inland waterways), locomotive or rolling stock, provided that this exception shall not relieve the Company of liability to indemnify the Insured in respect of liability consequent upon Injury or Damage caused or arising beyond the limits of any carriage-way or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such Injury or Damage is not insured by any other insurance policy.

(c) Aircraft

caused by or through or in connection with:

- (i) the refueling or defueling of aircraft;
- (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline;
- (iii) the ownership, hire or leasing of any airport, airstrip or helicopter pad.

(d) Products

caused by or through or in connection with any Product other than food and drink provided for consumption on the premises of the Insured.

4. Vibration and removal of support

Damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure.

5. Pollution

- (a) liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by Pollution, provided always that this exception shall not apply where such Pollution is caused by a sudden, unintended and unforeseen occurrence;
- (b) the cost of removing, nullifying or cleaning up substances resulting from Pollution unless the Pollution 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.

6. Fines, penalties and similar Damages

finer, penalties, punitive, exemplary or vindictive Damages.

7. USA and Canada judgements, awards or settlements

Damages in respect of judgements, awards or settlements made within the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part). For the purpose of this specific exception "Damages" shall be deemed to include Costs and Expenses of litigation recovered by any claimant from the Insured.

8. Events known to the Insured

any claim arising from an event known to the Insured:

- (a) which is not reported to the Company in terms of General Condition 6;
- (b) prior to inception of this Section or inception of any extension under this Section.

9. First amount payable

first amount payable. The Insured shall be responsible for the first amount payable as stated in the Schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or originating cause or source. The provisions of this clause shall apply to claims arising from Damage or Injury and shall apply to Costs and Expenses.

10. Deliberate or intentional acts

liability consequent upon Injury or Damage arising out of the deliberate, conscious and intentional disregard by the Insured's management of the need to take reasonable precautions to prevent any event or circumstance which may give rise to a claim.

11. Unlawful competition

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 no. 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 Insured's liability arose.

MEMORANDUM

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

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

SPECIFIC CONDITIONS

1. Claims first made in writing against the Insured

Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General condition 6 (hereinafter termed "reported event") shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.

2. Reporting of events after cancellation or non-renewal of policy

In the event of cancellation or non-renewal of the policy, the Insured may report an event in terms of General condition 6 to the Company within 30 days after expiry of the Period of Insurance provided such event occurred during the Period of Insurance.

3. Series of claims from one originating cause

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 originating cause or source shall be treated as if they all had first been made against the Insured:

(a) on the date that the event was reported by the Insured in terms of General condition 6;

or

(b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.

4. Manifestation clause

When 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 purposes of determining the indemnity granted:

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

EXTENSIONS

1. Extended reporting option

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

- (a) this option may only be exercised in the event of the Company cancelling or refusing to renew this Section;
- (b) this option must be exercised by the Insured in writing within 30 days of cancellation or non-renewal;
- (c) once exercised, the option cannot be cancelled by either the Insured or the Company;
- (d) the Insured has not obtained insurance equal in scope and cover to this Section as expiring;
- (e) the Company shall only be liable for a Defined Event which occurred after the Retroactive Date but prior to date of cancellation or non-renewal;
- (f) claims first made against the Insured or any reported 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.

2. 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 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.

3. Cross liabilities

Where more than one Insured is named in the Schedule, the Company will indemnify each Insured separately and not jointly, and any liability arising between such Insureds shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the Limit of Indemnity stated in the Schedule.

4. 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.

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. Transnet and other government departments

Notwithstanding the provisions of Specific exceptions 2(a)(ii) and 3(b), this Section extends to indemnify the Insured:

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

7. Unattached trailers

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

- (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.

8. Emergency medical expenses

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

9. 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.

10. 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.

11. 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 (including wrongful delivery and delivery of incorrect Products).

The amount payable under this extension, inclusive of any Costs and Expenses, for any claim or number of claims for any one event or series of events with one originating 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. If the premium is paid monthly by debit order, the words "any one (annual) Period of Insurance" are amended to read "any one period of 12 consecutive months from the inception or anniversary date".

Additional specific exceptions (applicable to Products Liability extension)

This extension does not cover liability:

- (i) for the cost of repair, alteration, recall, reconditioning or replacement of the Product or part thereof (including containers and labels) causing Injury or Damage and/or the loss of use of any Product or part thereof.
For the purposes of this additional specific exception the term "replacement" shall be deemed to include any credit or refund granted or alternative Product provided by or on behalf of the Insured in lieu of replacement of the defective Product;
- (ii) for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the Product and any other property essential to such repair, alteration or replacement unless physically damaged by the Product;
- (iii) 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;
- (iv) arising from Products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft;
- (v) in respect of Injury or Damage happening in the United States of America or Canada caused by or through or in connection with any 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;
- (vi) for any defect in any Product or any part thereof of which the Insured was aware prior to the inception of this extension.

12. Statutory legal defence costs (if stated in the Schedule to be included)

If the Insured so requests, the Company will indemnify the Insured or any Employee, partner or director of the Insured against Costs and Expenses not exceeding the amount stated in the Schedule incurred by or on behalf of the Insured or any Employee, partner or director of the Insured with the consent of the Company in the defence of any prosecution of the Insured or any Employee, partner or director of the Insured arising from an alleged contravention of any statute in the course of the Business during the Period of Insurance.

Provided that:

- (i) in the case of an appeal, the Company shall not indemnify such person unless a senior counsel approved by the Company shall advise that such appeal should, in his opinion, succeed;
- (ii) the Company shall not indemnify such person in respect of any fine or penalty imposed 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;
- (iv) if the prosecution arises from or in connection with any Product, the Company will only indemnify the Insured or any Employee, partner or director of the Insured if the extension for Products Liability is stated in the Schedule to be included.

13. Wrongful arrest and defamation (if stated in the Schedule to be included)

The Defined Events are extended to include Damages:

- (i) resulting from wrongful arrest (including assault in connection with such wrongful arrest);
- (ii) in respect of defamatory statements whether written or verbal;

provided always that the Limits of Indemnity shall not exceed the amount stated in the Schedule.

14. 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;
- (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 excess over and above the amount payable by such other insurance.

15. Acquisitions and new businesses

The indemnity granted by this section of the Policy extends to any company formed and/or acquired by the Insured during the Period of Insurance for a period of 90 days of such formation and/or acquisition.

Provided always that:

- (1) the Retroactive Date in respect of such new company shall be deemed to be the date when a newly formed and/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 event of no such declaration, the Retroactive Date shall be the date of such acquisition;
- (2) the Insured's business activities remain unchanged;
- (3) the annual turnover of all newly formed and/or acquired companies does not exceed 5% (five percent) of the estimated annual turnover of the Insured as advised to the Company at inception hereof;
- (4) the Insured shall advise the Company of such formations and/or acquisitions before the expiry of 90 days thereof and the Company may amend the terms of this section of the Policy accordingly.

PUBLIC LIABILITY (OCCURRENCE BASIS)

DEFINED EVENTS

Damages which the Insured shall become legally liable to pay consequent upon Injury or Damage occurring within the Territorial Limits during the Period of Insurance in the course of or in connection with the Business.

DEFINITIONS

For the purposes of determining the indemnity granted by this Section the following terms shall mean:

1. Damage

Loss of or physical damage to tangible property or wrongful interference with the enjoyment of rights over tangible property.

2. Employee

Person/s employed under a contract of service or apprenticeship with the Insured.

3. Injury

Death, bodily injury, mental injury, illness (mental or physical) or disease of or to any person.

4. Product

Any tangible property (including 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 by or on behalf of the Insured.

5. Pollution

The emission, discharge, release, dispersal, disposal, seepage or escape of solid, liquid, gaseous, or thermal contaminants or irritants, including vapours, smell, odours, humidity, fumes, smoke, soot or other airborne particulates, acids, alkalis, chemicals and waste, electromagnetic waves, noise, vibrations, other emission of effluent or noxious substances into or upon the soil, the atmosphere or any watercourse or body of water.

6. Costs and Expenses

Costs, charges, expenses and legal costs recoverable from the Insured by a claimant or any number of claimants or incurred by the Company or incurred by the Insured with the Company's prior consent:

- (i) in the defence or settlement of any claim under this section of the Policy or any action or prosecution brought against the Insured in respect of Injury or Damage or other liability as insured in terms of this Section of the Policy;
- (ii) in the representation at any inquest or accident inquiry in respect of Injury which may form the subject of indemnity under this Section of the Policy and/or in defending any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this Section of the Policy.

LIMITS OF INDEMNITY

The amount payable, inclusive of any Costs and Expenses, for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed the Limit of Indemnity stated in the Schedule.

In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one extension of this Section, each extension shall apply separately and be subject to its own separate Limit of Indemnity provided always that the total amount of the Company's liability shall be limited to the highest Limit of Indemnity available under any one of the Extensions affording indemnity for the claim or series of claims.

Where more than one Period of Insurance of this Policy, following its renewal or replacement may apply to an originating cause or source, the Insurer's liability will be limited to the maximum Limit of Indemnity for any one such Period of Insurance.

TERRITORIAL LIMITS

Anywhere in the world but not in connection with:

- (i) any business carried on by the Insured at or from premises outside
or
- (ii) any contract for the performance of work outside

the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

The Company will not indemnify the Insured in respect of:

1. Employees

liability consequent upon Injury to any Employee arising from and in the course of employment by the Insured.

2. Property

Damage to:

- (a) (i) property belonging to the Insured;
- (ii) property in the custody or control of the Insured or any employee of the Insured but this exception shall not apply to premises (or the 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. Professional advice, vehicles, aircraft, products etc.

liability consequent upon Injury or Damage

(a) Professional advice or treatment

caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured.

(b) Vehicles, watercraft, locomotives

caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft (other than non-motorized watercraft not exceeding 6 metres in length and used only on inland waterways), locomotive or rolling stock, provided that this exception shall not relieve the Company of liability to indemnify the Insured in respect of liability consequent upon Injury or Damage caused or arising beyond the limits of any carriage-way or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such Injury or Damage is not insured by any other insurance policy.

(c) Aircraft

caused by or through or in connection with:

- (i) the refuelling or defueling of aircraft;
- (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline;
- (iii) the ownership, hire or leasing of any airport, airstrip or helicopter pad.

(d) Products

caused by or through or in connection with any Product other than food and drink provided for consumption on the premises of the Insured.

4. Vibration and removal of support

Damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure.

5. Pollution

- (a) liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by Pollution, provided always that this exception shall not apply where such Pollution is caused by a sudden, unintended and unforeseen occurrence;
- (b) the cost of removing, nullifying or cleaning up substances resulting from Pollution unless the Pollution 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.

6. Fines, penalties etc.

fines, penalties, punitive, exemplary or vindictive damages.

7. USA and Canada judgements, awards or settlements

damages in respect of judgements, award or settlement made within the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part). For the purpose of this specific exception "Damages" shall be deemed to include costs and expenses of litigation recovered by any claimant from the Insured.

8. First amount payable

the first amount payable. The Insured shall be responsible for the first amount payable as stated in the Schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or originating cause or source. The provisions of this clause shall apply to claims arising from Damage or Injury and shall apply to Costs and Expenses.

9. Deliberate or intentional acts

liability consequent upon Injury or Damage arising out of the deliberate, conscious and intentional disregard by the Insured's management of the need to take reasonable precautions to prevent any event or circumstance which may give rise to a claim.

10. Unlawful competition

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 no. 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 Insured's liability arose.

MEMORANDUM

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

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

SPECIFIC CONDITION

Manifestation clause

When the facts do not speak for themselves and the Insurer and the Insured cannot mutually agree when the Injury or Damage occurred, then for the purposes of determining the indemnity granted:

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

EXTENSIONS

1. Additional Insured

The Company will also, as though a separate policy has 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 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.

2. Cross liabilities

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

3. 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.

4. 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.

5. Transnet and other government departments

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

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

6. Unattached trailers

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

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

7. Emergency medical expenses

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

8. 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.

9. 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.

10. 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 (including wrongful delivery and delivery of incorrect Products).

The amount payable under this extension, inclusive of any Costs and Expenses, for any claim or number of claims for any one event or series of events with one originating cause or source or during any one (annual) Period of Insurance, shall not exceed in the aggregate the Limit of Indemnity for this extension stated in the Schedule.

Additional specific exceptions (applicable to Products Liability extension)

This extension does not cover liability:

- (i) for the cost of repair, alteration, recall or replacement of the Product or part thereof (including containers and labels) causing Injury or Damage and/or the loss of use of any Product or part thereof;
For the purposes of this additional specific exception the term "replacement" shall be deemed to include any credit or refund granted or alternative Product provided by or on behalf of the Insured in lieu of replacement of the defective Product.
- (ii) for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the Product and any other property essential to such repair, alteration or replacement unless physically damaged by the Product;
- (iii) 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;
- (iv) arising from Products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft;
- (v) in respect of Injury or Damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to the order of the Insured, if such goods or products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured;
- (vi) for any defect in any Product or any part thereof of which the Insured was aware prior to the inception of this extension.

11. Statutory legal defence costs (if stated in the Schedule to be included)

If the Insured so requests, the Company will indemnify any employee, partner or director of the Insured against costs and expenses not exceeding the amount stated in the Schedule incurred by or on behalf of such person with the consent of the company in the defence of any prosecution of such person in the course of his occupation with the Insured arising from an alleged contravention of any statute in the course of the Business during the period of insurance.

Provided that:

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

- (iv) if the prosecution arises from or in connection with any Product, the Company will only indemnify the Insured or any employee, partner or director of the Insured if the extension for Products Liability is stated in the Schedule to be included.

12. Wrongful arrest and defamation (if stated in the Schedule to be included)

The Defined Events are extended to include damages

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

provided always that the limits of indemnity as stated shall not exceed the amount stated in the Schedule.

13. 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
- (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 excess over and above the amount payable by such other insurance.

14. Acquisitions and new businesses

The indemnity granted by this section of the Policy extends to any company formed and/or acquired by the Insured during the Period of Insurance for a period of 90 days of such formation and/or acquisition.

Provided always that:

- (1) the Insured's business activities remain unchanged;
- (2) the annual turnover of all newly formed and/or acquired companies does not exceed 5% (five percent) of the estimated annual turnover of the Insured as advised to the Company at inception hereof;
- (3) the Insured shall advise the Company of such formations and/or acquisitions before the expiry of 90 days thereof and the Company may amend the terms of this section of the Policy accordingly.

EMPLOYERS' LIABILITY

DEFINED EVENTS

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

THE LIMIT OF INDEMNITY

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

TERRITORIAL LIMITS

Anywhere in the world but not in connection with:

(a) any business carried on by the Insured at or from premises outside

or

(b) any contract for the performance of work outside

the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of 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 Republic of South Africa, Namibia, Botswana, Lesotho and Kingdom of 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 company in terms of General condition 6
 - (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) 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, any benefit that may be payable under the Compensation for Occupational Injuries and Diseases Act No 130 of 1993 (as amended) in South Africa; the Employees' Compensation Act 30 of 1941 (as amended) in Namibia; or any similar legislation;

This exclusion applies regardless of whether the applicable legislative fund is unable or incapable of paying compensation, or whether or not such compensation has been claimed, paid or received in terms of the relevant Acts.

SPECIFIC CONDITIONS

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

EXTENSIONS

1. Extended reporting option

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

provided that:

- (a) this option may only be exercised in the event of the Company cancelling or refusing to renew this section;
- (b) this option must be exercised by the Insured in writing within 30 days of cancellation or non-renewal;
- (c) once exercised, the option cannot be cancelled by either the Insured or the Company;
- (d) the Insured has not obtained insurance equal in scope and cover to this section as expiring;
- (e) the Company shall only be liable for a defined event which occurred after the retroactive date but prior to date of cancellation or non-renewal;

- (f) claims first made against the Insured or any reported events by the Insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal;
- (g) the total amount payable by the Company for claims made or reported events during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal;
- (h) any claim made, following a reported event during the extended reporting period, which is first made against the Insured in writing more than 48 months after the last day preceding cancellation or non-renewal, shall not be subject to indemnification by this extension. If the claimant is a minor, the period of 48 months is extended until the expiry of 12 months after the attainment of majority by the claimant.

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 Company will, notwithstanding the aforementioned Specific exception (a) above, indemnify the principal in like manner to the Insured but only so far as concerns the liability of the principal to an employee as aforementioned for death or bodily injury to or illness of such person resulting from the negligence of the Insured or the Insured's employees

provided that:

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

MEMORANDUM

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

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

STATED BENEFITS

DEFINED EVENTS

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the Insured (hereinafter in this section referred to as "Such Person") specified in the Schedule.

The Company will pay to the Insured, on behalf of Such Person or his estate, the compensation stated in the Schedule in the event of accidental bodily injury to any Such Person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the Schedule under the heading "Circumstances".

DEFINITIONS

Permanent disability shall mean:

	Percentage of capital sum
(a) loss by physical separation at or above the wrist or ankle of one or more limbs	100
(b) permanent and total loss of whole eye	100
sight of eye	100
sight of eye except perception of light	75
(c) permanent and total loss of hearing	
both ears	100
one ear	25
(d) permanent and total loss of speech	100
(e) Injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which Such Person is fitted by knowledge or training	100
(f) loss of four fingers	70
(g) loss of thumb	
both phalanges	25
one phalanx	10
(h) loss of index finger	
three phalanges	10
two phalanges	8
one phalanx	4
(i) loss of middle finger	
three phalanges	6
two phalanges	4
one phalanx	2
(j) loss of ring finger	
three phalanges	5
two phalanges	4
one phalanx	2

(k)	loss of little finger	
	three phalanges	4
	two phalanges	3
	one phalanx	2
(l)	loss of metacarpals	
	first or second (additional)	3
	third, fourth or fifth (additional)	2
(m)	loss of toes	
	all on one foot	30
	great, both phalanges	5
	great, one phalanx	2
	other than great, if more than one toe lost, each	2

MEMORANDA

- (i) Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part.
- (iii) 100% 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.

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

Emergency expenses: The reasonable costs incurred within 24 months of the defined event by Such Person in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses):

- resulting from a Disability Event caused by an accident; or
- on the happening of a health event other than a Disability Event to cover the cost of emergency medical treatment; and

In both cases including the cost of emergency evacuation or transport to a medical treatment facility including freeing Such Person if trapped or bringing Such Person to a place of safety.

Disability Event means any event resulting in –

- (a) The loss of a limb or sense organ, or the use thereof by a person; or
- (b) A person becoming so physically or mentally impaired, whether totally or partially, or temporarily or permanently, that the person is unable to –
 - (i) continue their employment or own occupation, profession or trade;
 - (ii) participate in any employment, occupation, profession or trade that is reasonably suitable for that person given, amongst other matters, their education, skills, experience or age; or
 - (iii) carry on the functions required for normal activities of life.

Health Event means an event relating to the health of the mind or body of a person or an unborn, other than a disability event.

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

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

BUSINESS LIMITATION (if stated in the Schedule to be applicable)

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

PROVISOS

It is declared and agreed that:

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one Such Person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and emergency expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any Such Person under 15 or over 70 years of age;
4. any compensation payable by the Company for any period of temporary total disability or for emergency expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of Such Person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of emergency expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this section, Such Person shall, when reasonably required by the Company to do so, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General conditions 2 and 9 do not apply to this section;
7. in respect of this section only, General exception 1 is deleted and replaced by the following:
"This section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."

EXTENSIONS

1. 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.

2. Disappearance

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

3. Burns disfigurement (if stated in the Schedule to be included)

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

	Percentage of capital sum
(k) permanent disfigurement resulting from accidental external burns to the combined surface area of the	
(i) face and neck	
100% surface area disfigurement	50
less than 100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
(ii) remaining parts of the body other than the face and neck	
100% surface area disfigurement	25
less than 100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement

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

4. 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 3 consecutive days, of life support machinery, equipment or apparatus.

SPECIFIC EXCEPTIONS

The Company shall not be liable to pay compensation for death, disability or emergency expenses in respect of Such Person:

- (a) 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;
- (b) by his suicide or intentional self-injury;
- (c) caused solely by an existing physical defect or other infirmity of Such Person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon Such Person unless administered by a member of the medical profession (other than himself) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- (e) as a result of his participation in any riot or civil commotion;
- (f) in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof;
- (g) while he is, or as a result of his, engaging in
 - (i) motor cycling (whether as a driver or passenger) other than on the business of the insured;
 - (ii) racing of any kind involving the use of any power-driven
 - (a) vehicle
 - (b) vessel
 - (c) craft;
 - (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

GROUP PERSONAL ACCIDENT

DEFINED EVENTS

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

The Company will pay to the Insured, on behalf of Such Person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to any Such Person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule under the heading "Circumstances".

DEFINITIONS

Permanent disability shall mean:

Percentage of compensation

(a)	loss by physical separation at or above the wrist or ankle of one or more limbs	100
(b)	permanent and total loss of	
	whole eye	100
	sight of eye	100
	sight of eye except perception of light	75
(c)	permanent and total loss of hearing	
	both ears	100
	one ear	25
(d)	permanent and total loss of speech	100
(e)	injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which Such Person is fitted by knowledge or training	100
(f)	loss of four fingers	70
(g)	loss of thumb	
	both phalanges	25
	one phalanx	10
(h)	loss of index finger	
	three phalanges	10
	two phalanges	8
	one phalanx	4
(i)	loss of middle finger	
	three phalanges.....	6
	two phalanges	4
	one phalanx	2

(j)	loss of ring finger	
	three phalanges	5
	two phalanges	4
	one phalanx	2
(k)	loss of little finger	
	three phalanges	4
	two phalanges	3
	one phalanx	2
(l)	loss of metacarpals	
	first or second (additional)	3
	third, fourth or fifth (additional)	2
(m)	loss of toes	
	all on one foot	30
	loss of one toe or part thereof	5
	great, one phalanx	2
	other than great, if more than one toe lost, each	2

MEMORANDA

- (i) Where the Injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part.
- (iii) 100 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.

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

Emergency expenses: The reasonable costs incurred within 24 months of the defined event by such person in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses):

- resulting from a Disability Event caused by an accident; or
- on the happening of a health event other than a Disability Event to cover the cost of emergency medical treatment; and

In both cases including the cost of emergency evacuation or transport to a medical treatment facility including freeing such person if trapped or bringing such person to a place of safety.

Disability Event means any event resulting in –

- (a) The loss of a limb or sense organ, or the use thereof by a person; or
- (b) A person becoming so physically or mentally impaired, whether totally or partially, or temporarily or permanently, that the person is unable to –
 - (i) continue their employment or own occupation, profession or trade;
 - (ii) participate in any employment, occupation, profession or trade that is reasonably suitable for that person given, amongst other matters, their education, skills, experience or age; or
 - (iii) carry on the functions required for normal activities of life.

Health Event means an event relating to the health of the mind or body of a person or an unborn, other than a disability event.

BUSINESS LIMITATION (if stated in the schedule to be applicable)

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

PROVISOS

It is declared and agreed that

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one Such Person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and emergency expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the Injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any Such Person under 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 Company to do so, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
5. General conditions 2 and 9 do not apply to this section;
6. in respect of this section only, General exception 1 is deleted and replaced by the following:
"This section does not cover death or Injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power".

EXTENSIONS

1. 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.

2. Disappearance

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

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

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

	Percentage of compensation
(n) permanent disfigurement resulting from accidental external burns to the combined surface area of the	
(i) face and neck	
100% surface area disfigurement	50
less than 100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
(ii) remaining parts of the body other than the face and neck	
100% surface area disfigurement	25
less than 100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement

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

3. Life support machinery

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

SPECIFIC EXCEPTIONS

The Company shall not be liable to pay compensation for death, disability or emergency expenses in respect of Such Person:

- (a) 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;
- (b) by his suicide or intentional self-injury;
- (c) caused solely by an existing physical defect or other infirmity of Such Person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon Such Person unless administered by a member of the medical profession (other than himself) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- (e) as a result of his participation in any riot or civil commotion;
- (f) in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof;
- (g) while he is, or as a result of his, engaging in
 - (i) motor cycling (whether as a driver or passenger) other than on the business of the Insured;
 - (ii) racing of any kind involving the use of any power-driven
 - (a) vehicle
 - (b) vessel
 - (c) craft
 - (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football or hang-gliding.

MOTOR

SUB-SECTION A – LOSS OR DAMAGE

DEFINED EVENTS

Loss of or damage to any vehicle described in the Schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the insurer will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the insurer to the extent of but not exceeding R2 000, provided that a detailed estimate is first obtained and immediately forwarded to the insurer. The insurer will also pay the reasonable cost of delivery to the Insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe, Malawi or Mozambique;

provided that:

1. the limit of indemnity for each type of vehicle is as stated in the Schedule and shall be the maximum amount payable by the insurer in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage;
2. the insurer may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage;
3. if, to the knowledge of the insurer, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the insurer in respect of such loss or damage;
4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this sub-section, the Insured shall be responsible for the first amounts payable stated in the Schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), and of any expenditure by the insurer in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the insurer shall include any first amount payable for which the Insured is responsible, such amount shall be paid by the Insured to the insurer forthwith;
5. the insurer shall not be liable for more than the amount stated in the Schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of radios, compact disc (CD) players, digital versatile discs (DVD) players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.

EXCEPTIONS TO SUB-SECTION A

The insurer shall not be liable to pay for:

- (a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages;
- (b) damage to tyres by application of brakes or by road punctures, cuts or bursts;
- (c) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;
- (d) detention, confiscation or requisition by customs or other officials or authorities.

SUB-SECTION B – LIABILITY TO THIRD PARTIES

DEFINED EVENTS

Any accident caused by or through or in connection with any vehicle described in the Schedule or in connection with the loading and/or unloading of such vehicle in respect of which the Insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of:

- (i) death of or bodily injury to any person, but excluding death of or bodily injury to 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 will also, in terms of and subject to the limitations of and for the purposes of this sub-section:

- 1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this sub-section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that the total of the insurer's liability under both this extension and sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B;
- 2. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission provided that:
 - (a) such person shall, as though he were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply;
 - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer;
 - (c) 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 him and not leased or hired to him under a lease or suspensive sale agreement, provided the Insured is an individual and has insured hereunder a vehicle described under definition (a) or (b) and provided the 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.

EXCEPTIONS TO SUB-SECTION B

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

- (a) which compensation 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;

- (b) where compensation 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) death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition (b), (c), (d) or (e) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger-carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1500kg);
- (d) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

LIMITS OF INDEMNITY

Unless otherwise stated, the liability of the insurer under this sub-section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the Schedule.

SUB-SECTION C – EMERGENCY EXPENSES

DEFINED EVENTS

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily injury by violent, accidental, external and visible means, the insurer will pay to the Insured the emergency expenses incurred as a result of such injury up to R1 000 per injured occupant but not exceeding R20 000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this sub-section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation or any other insurance.

The term "emergency expenses" is limited to any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

Defined vehicle but only if it is insured sub-section A of this section

1. Any private type motor car or motorised caravan
2. Any other type of insured vehicle other than a bus or taxi

Specified part of vehicle in which the under injury must occur

- Anywhere inside the vehicle
- The permanently enclosed passenger carrying compartment

DEFINITIONS

1. Occurrence

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

2. Vehicle

The term "vehicle" shall mean:

- (a) private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 9 persons including the driver);

- (b) commercial vehicles and special type vehicles as described in the Schedule;
- (c) motor cycles (including motor scooters and 3-wheeled vehicles);
- (d) buses (including any vehicle used for business purposes and designed to seat more than 9 persons, including the driver);
- (e) trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto;

any such vehicle being owned by or hired or leased to the Insured, including any such vehicle temporarily operated by the Insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the insurer's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the Schedule.

NO CLAIM REBATE PROVISIONS (applicable to specified vehicle basis)

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

Definitions (a)

Period of insurance	Claim-Free Group
the preceding year	1
the preceding two consecutive years	2
the preceding three consecutive years	3
the preceding four consecutive years	4
the preceding five or more consecutive years	5
Otherwise than above no discount applies.	

If one or more claims are made or arise under this policy during a period of insurance for which the premium is based on Claim-Free Group 4 or 5, then the next renewal premium will be based respectively on Claim-Free Group 2 or 3 and for subsequent renewals as follows

(i) CLAIM-FREE GROUP 4

Period of insurance during which no claim is made or arises	Claim-Free Group
the preceding year	3
the preceding two consecutive years	4
the preceding three consecutive years	5

(ii) CLAIM-FREE GROUP 5

Period of insurance during which no claim is made or arises	Claim-Free Group
the preceding year	4
the preceding two consecutive years	5

Otherwise than above, Claim-Free Group 0 applies.

DEFINITIONS (b) and (e)

Period of insurance	No Claim Discount
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years	40%

Otherwise than above no discount applies.

DEFINITIONS(c)and(d)

Period of insurance	No Claim Discount
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years	35%
Otherwise than above no discount applies.	

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

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

EXTENSIONS

Subject otherwise to the terms, exclusions and conditions of sub-section A and B, (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under these extensions are amended or extended as set out below (but where applicable as indicated below, only if the extensions and clauses are stated as included in the Schedule).

1. Contingent liability extension (if stated in the Schedule to be included)

The indemnity under sub-section B includes claims made against:

- (a) the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the Insured, while being used by any partner or director or employee of the Insured (hereinafter in this extension referred to as Such Person);
- (b) any Such Person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him or to the Insured or leased or hired by either of them, but only in so far as Such Person has not been refused any motor insurance or continuance thereof by any insurer;

provided that:

- (i) all the words in (c) of the exceptions to sub-section B are deleted;
- (ii) the insurer shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above;
- (iii) the payment by the Insured of subsidies or travelling allowances to Such Person for the use of his own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension;
- (iv) if, at the time of the occurrence of any accident giving rise to a claim under this extension, the Insured or Such Person is entitled to indemnity under any other policy in respect of the same occurrence, the 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.

2. Passenger liability extension (if stated in the Schedule to be included)

Exception (c) to sub-section B shall not apply to vehicles described in definition (b), other than special types, or in definitions (c), (d) or (e). The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

3. Unauthorised passenger liability extension (if stated in the Schedule to be included)

The indemnity under sub-section B, notwithstanding exception (c) thereto, extends to cover the Insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the Insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

4. Parking facilities and movement of third party vehicles extension (if stated in the Schedule to be included)

This section extends to indemnify the Insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased to the Insured) by any person in the employ of the Insured or acting on the Insured's behalf, provided always that such vehicle was being moved

- (a) with the authority of any tenant, customer or visitor of the Insured; or
- (b) in connection with the Insured's parking arrangements; or
- (c) to facilitate the carrying out of the Insured's business;

and provided further that this extension shall not apply in respect of damage to vehicles which are parked for reward.

For the purpose of this extension, such vehicle (and its contents) shall not be deemed to be held in trust by, or in the custody or control of, the Insured.

5. Windscreen extension (if stated in the Schedule to be included)

The provisions of this section relating to first amount payable and No Claim Rebate shall not apply to any payment for damage to windscreen glass, side or rear glass forming part of any vehicle.

Provided that:

- (a) no other damage has been caused to the vehicle giving rise to a claim under the policy;
- (b) the Insured shall be responsible for the first amount payable (applicable to glass) stated in the Schedule of each and every loss.

6. Waiver of subrogation rights

For the purposes of this section, the insurer waives all rights of subrogation or action which they may have or acquire against any other person to whom the indemnity hereunder applies, and each such person shall observe, fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this insurance in so far as they can apply.

7. Principals

Notwithstanding Specific exception 2 of this section, the indemnity under sub-section B extends to indemnify, to the extent required by the conditions of any contract of the Building Industries Federation of South Africa, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the Insured for the purposes of the business, provided that the liability of the insurer shall not exceed the limit of indemnity stated in the Schedule.

8. Cross liabilities

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 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 Schedule.

9. Riot and strike extension (if stated in the Schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

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

provided that this extension does not cover:

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

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

10. Locks and keys extension (if stated in the Schedule to be included)

The insurer will indemnify the insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, following upon the disappearance of any key or alarm controller of such vehicle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that

- (i) the insurer's liability shall not exceed, in respect of any one event, the amount stated in the Schedule;
- (ii) such amount shall be reduced by the first amount payable stated in the Schedule.

The provisions of this section relating to first amount payable and No Claim Rebate shall not apply to this extension.

11. Fire extinguishing charges extension

Any costs (not exceeding R5 000) 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.

12. Wreckage removal extension (if stated in the Schedule to be included)

The cover provided under sub-section A of this section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a defined event, provided that, in addition to the limit of indemnity under sub-section A of this section, the limit of the insurer's liability under this extension shall not exceed, in respect of any one occurrence, the limit stated in the Schedule to apply to this extension.

13. Credit shortfall extension (if stated in the Schedule to be included)

If any total loss settlement under sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the insurer will pay to the Insured an additional amount equal to the shortfall less:

- (a) any arrears instalments or rentals including interest payable on such arrears;
- (b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle;
- (c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled;
- (d) the first amount payable under sub-section A.

Provided always that:

- (i) the amounts payable shall not exceed the maximum indemnity less the first amount payable under sub-section A;
- (ii) this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% from any other instalment;
- (iii) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.

MEMORANDA

1. Premium adjustment clause

If this section is issued on a non-specified vehicle basis, the Insured shall submit to the insurer at the end of each period of insurance a declaration of the total number of vehicles owned, hired or leased at such expiry date. The insurer shall, upon receipt of this declaration, make a premium adjustment of 50 per cent of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

2. War clause

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

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

3. Description of use clause

Use for social, domestic and pleasure purposes and use for the business or occupation of the insured

excluding

hiring, carriage of passengers for hire or carriage of fare paying passengers, racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair.

OPTIONAL LIMITATIONS

Third party only limitation (if stated in the Schedule to be applicable)

Sub-sections A and C and the No-Claim Rebate provisions are cancelled.

Third party, fire and theft only limitation (if stated in the Schedule to be applicable)

The liability of the insurer under sub-section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, sub-section C and the No-Claim Rebate provisions are cancelled.

SPECIFIC EXCEPTIONS

1. The insurer shall not be liable for any accident, injury, loss, damage or liability
 - (a) whilst the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the description of use clause
 - (b) incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe and Malawi, but the insurers will indemnify the insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit
 - (c) incurred while any vehicle is being driven by
 - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while not licensed to drive such vehicle
 - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or who is not licensed to drive such vehicle, but this shall not apply 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 his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

Provided that any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories referred to under Specific exception (b), or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal, or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners.

2. 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.

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 he or 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.

ELECTRONIC EQUIPMENT

SUB-SECTION A – MATERIAL DAMAGE

DEFINED EVENTS

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

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

EXCEPTIONS TO SUB-SECTION A

The Company will not be liable to indemnify the Insured irrespective of the original cause in respect of:

1. the first amount payable as stated in the schedule in respect of sub-section A, of each and every event giving rise to a claim. Where more than one item of property insured suffers physical loss or damage in any one event, the first amount payable shall be the highest single amount applicable to such property insured;
2. derangement unless accompanied by physical damage otherwise covered by this section;
3. loss or damage recoverable in terms of any maintenance and/or leasing agreement effected by or on behalf of the Insured covering the insured equipment;
4. faults or defects known to the Insured (or their responsible employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Company or any consequences thereof;
5. wastage of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching of painted or polished surfaces of a cosmetic nature;
6. parts having a short life such as (but not limited to) bulbs, valves, contacts, X-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of physical loss or damage as provided for by this sub-section to other parts of the property insured, the Company shall indemnify the Insured for the residual value prior to the loss of such exchangeable parts;
7. the cost of reproducing data and/or programs whether recorded on cards, tapes, discs or otherwise unless specifically provided for in sub-section B hereof;
8. loss of use of the property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein;
9.
 - a. loss by theft or by disappearance of the property insured unless accompanied by forcible and violent entry into or exit (or any attempt thereat) from that part of the building occupied by the Insured at the insured premises described in the schedule or as a result of theft or any attempt thereat, following violence or threat of violence;
 - b. loss of the property insured by theft during transit or whilst temporarily removed from the insured premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Company.

The Company shall not indemnify the Insured for the theft of the property insured from any motor vehicle where the property insured has been

- i. left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit;
- ii. contained in a compartment of the motor vehicle and is visible to passers-by

provided that

(i) and (ii) above shall not apply to theft of the property insured where the transport vehicle

- has been hijacked; or
- has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

BASIS OF INDEMNIFICATION

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

1. Partial loss

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

- (a) the value of damaged parts which can be used will be deducted;
- (b) the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this sub-section;
- (c) if, without the consent of the Company, temporary repairs are carried out by the Insured in the interests of safety or to minimize further loss or damage to the property insured, the cost of such temporary repairs will be borne by the Company. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the property insured, any additional costs so incurred or consequence arising therefrom will be for the account of the Insured;
- (d) where the damage is restricted to a part or parts of an insured item, the Company shall not be liable for an amount greater than the value of such part or parts which are lost or damaged allowed for within the sum insured.

2. Total loss

- A. In cases where the New Property (as defined hereafter) insured is totally lost or destroyed, the basis of indemnification shall be the cost of replacing or reinstating on the same site New Property of equal performance and/or capacity or, if such be impossible, its replacement by New Property having the nearest equivalent performance and/or capacity to the property lost or damaged provided always that:
 - (i) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the Market Value of the property insured immediately before the damage shall be made;
 - (ii) until expenditure has been incurred by the Insured in replacing or reinstating the property insured, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
 - (iii) these conditions shall be without force or effect if:
 - (a) the Insured fails to intimate to the Company within six (6) months of the date upon which the damage occurred (or such further time as the Company may in writing allow) his intention to replace or reinstate the property insured;
 - (b) the Insured is unable or unwilling to replace or reinstate the property insured on the same or another site;

- (iv) at the sole option of the Company, following commercial and technical appraisal by a representative of the Company, the period referred to in the definition of New Property may be extended (on an annual basis from renewal date) subject always to such extension of the period being admitted by memorandum to this section.

Definition of new property insured

New property shall mean property purchased no more than seven (7) years (or such extended period as may be approved by the Company in writing) prior to the defined event, it being expressly agreed that in applying this definition upgrades and enhancements will be taken into account in arriving at an indemnifiable amount and the age of the property insured.

- B. In respect of property insured not provided for in (2)(A)(Total loss) above, the basis of indemnification shall be:

the Market Value (as defined hereafter) of the property insured immediately before the loss or damage. At the option of the Company, the property insured shall be regarded as totally destroyed if the repair costs as defined in (1)(Partial loss) above equal or exceed its Market Value immediately before the damage.

Definition of Market Value

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

- (a) 20% (twenty per cent) for the first year after the date of purchase
and
(b) 10% (ten per cent) per year for each succeeding year

subject always to a minimum indemnity of 40% (forty per cent) of the current new replacement value of the nearest equivalent property.

Average

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

Limits of liability

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

(a) Architects' and other professional fees

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

(b) Clearance costs

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

(c) Express delivery and overtime

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

CLAUSES AND EXTENSIONS

1. Power surge or lightning strikes

All loss or damage to the property insured by power surges or lightning strikes will be subject to a first amount payable of 10% of the net amount payable for the items so damaged subject to a minimum of R1 000 for lightning strikes and 10% of the claim subject to a minimum of R5 000 for power surge.

Notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by power surge, provided that this cover will not apply where the power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

2. Fire brigade charges

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

3. Tenants

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

4. Hire purchase/finance agreements

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

SUB-SECTION B – CONSEQUENTIAL LOSS

DEFINED EVENTS

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

(i) Increased cost of working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the Indemnity Period in consequence of the Accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the Insured

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the Accident.

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

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

(ii) Reinstatement of data/programs

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

Provided that:

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

DEFINITIONS

Indemnity period

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

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

Accident

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

Special conditions applicable to failure of the public supply of electricity

- (i) The liability of the Company shall not exceed the sum insured by this sub-section.
- (ii) The Indemnity Period shall commence 12 hours after the failure and end not later than 45 days after such failure.

The limit of liability

The liability of the Company shall not exceed the amounts specified in the schedule (relating to sub-section B) in respect of any one Accident or series of accidents arising out of or in connection with any one event.

In the event of the payment by the Company of any sum or sums in discharge of the Company's liability in terms of this sub-section, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance.

The Insured shall pay to the Company the additional premium required by the Company calculated pro rata from the day of the Accident to the end of the period of insurance.

SPECIFIC EXCEPTIONS TO SUB-SECTION B

Unless specifically provided for:

1. Fines and penalties

The Company shall not be liable to indemnify the Insured in respect of fines or penalties for breach of contract for late or non-completion of orders or any penalties of whatsoever nature.

2. Loss of profit

The Company shall not be liable to indemnify the Insured in respect of loss of profit or consequential loss of whatsoever nature unless specifically provided for herein.

CLAUSES AND EXTENSIONS

1. Reinstatement

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

- (a) the Insured being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement within a reasonable time, or
- (b) additions, alterations or improvements being effected to the property insured on the occasion of its repair, the Company's liability under this section shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

2. Interruption of Telkom access lines (if stated in the schedule to be included)

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

Special conditions applicable to telecommunications services

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

GENERAL MEMORANDA

Memo 1 – Capital additions and currency fluctuations

The indemnity by this section shall include:

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

Provided that the increase shall not exceed, by more than 25%, the total sum insured for sub-section A specified in the schedule, it being agreed that the Insured will advise the Company of such alterations after the expiry of each period of insurance (or the 12 consecutive months from the inception or anniversary date if this policy is paid monthly by debit order) and pay the appropriate premium thereon but not exceeding 50% of the difference.

Memo 2 – Prevention of access

If, during the Indemnity Period, the business at the premises is interrupted or interfered with in consequence of the Insured being prevented from having access to the property insured situated at the premises caused by damage to property within a 15km radius of the insured premises as described in the schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, the Company shall indemnify the Insured for loss resulting from such interruption or interference in accordance with the provisions contained herein.

Provided that:

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

SPECIAL EXCEPTION (SUB-SECTIONS A & B)

Viruses, Trojans and worms

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

GENERAL EXTENSION

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

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

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

provided always that:

- (a) the costs provided for in (1), (2) and (3) above shall be necessarily and reasonably incurred to maintain normal working conditions;
- (b) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of sub-sections A or B (item (ii) of this section);
- (c) the cover afforded hereunder shall be restricted to:
 - (i) parts or components of the electronic system which are not indemnifiable under sub-section A hereof;
 - (ii) programs or data reinstated not indemnifiable under item (ii) of sub-section B hereof;
- (d) the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to twenty percent (20%) of the applicable total sum insured under sub-section A (The limit of indemnity) and sub-section B (item ii) or R25 000, whichever is the lesser.

MOTOR TRADERS INTERNAL RISKS

DEFINED EVENTS

Article I – Damage to the Insured Vehicle

The Company will indemnify the Insured against damage to any Insured Vehicle the property of the Insured occurring in or on the Premises.

Provided always that:

- (a) the Company may at its own option repair, reinstate or replace such Insured Vehicle or any part thereof or may pay in cash the amount of the damage;
- (b) the liability of the Company under Article 1 of this section is limited to the reasonable market value of such Insured Vehicle but not in any case exceeding the amount stated in respect of Article 1 under the heading "LIMITS OF LIABILITY" in the Schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence;
- (c) in the event of any part (which shall include any spare wheel, tool, accessory and spare part) needed to repair or replace damage (insured against under Article 1 of this section) to such Insured Vehicle being unobtainable in the Republic of South Africa as a standard (ready manufactured) article the liability of the Company shall be discharged by the payment of a sum equal to the value of such part (including the reasonable cost of freight other than by air) at the time of the accident but not in any case exceeding such part's price as stated in the manufacturer's last issued catalogue or price list.

Specific exceptions applicable to Article I

The Company shall not be liable under Article 1 of this section to pay for

- (a) loss of use, depreciation, wear and tear, mechanical or electrical breakdowns, failures or breakages;
- (b) damage to tyres unless caused by an accident involving damage to the Insured Vehicle itself for which indemnity is provided under Article 1 of this section.

Article II – Liability to third parties

The Company will indemnify the Insured against all sums, including claimant's costs and expenses, which the Insured shall become legally liable to pay in respect of:

- (a) accidental death of or bodily injury to any person;
- (b) accidental damage to any Insured Vehicle held in trust by or in the custody or control of the Insured;
- (c) accidental damage to any other property (that is, any property other than a vehicle held in trust by or in the custody or control of the Insured);

arising in or on the Premises, the situation of which is stated in the Schedule, from the activities of the Insured's Business.

Provided always that:

- (i) the Company will indemnify the Insured against all costs and expenses (which can be connected with the indemnity provided under Article II of this section) incurred with the Company's written consent;
- (ii) the liability of the Company under Article II of this section in respect of death, injury, damage, costs and/or expenses shall be limited to the sum specified in respect of Article II under the heading "LIMITS OF LIABILITY" in the Schedule of this section, in respect of any one accident or series of accidents due to or arising out of any one

event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance; except that in respect of death, injury, damage, costs and/or expenses directly or indirectly due to or in consequence of fire or explosion, the liability of the company under Article II of this section shall be limited to the sum specified in respect of Article II under the heading "LIMITS OF LIABILITY" in the Schedule, or the sum of R300 000 (Three Hundred Thousand Rand), whichever is the lesser, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance.

Specific exceptions applicable to Article II

The Company shall not be liable under Article II of this section in respect of:

- (a) death of or injury to any person in the employment of the Insured arising out of and in the course of such employment;
- (b) death of or injury to any person being a member of the same household as the Insured;
- (c) damage to property belonging to, held in trust by or in the custody or control of the Insured or belonging to a member of the same household as the Insured or belonging to an employee of the Insured;
- (d) damage to any Insured Vehicle the property of the Insured or a member of the same household as the Insured or an employee of the Insured.

DEFINITIONS

For the purposes of this section the expression:

"Schedule" used in this section shall mean – the Schedule of this section.

"Premises" used in this section shall mean – the Premises, the situation of which is stated in the Schedule.

"Insured's Business" used in this section shall mean – the Insured's Business as stated in the Schedule.

"Insured Vehicle" used in this section shall mean – any motor vehicle and/or trailer including the spare wheel(s) and standard issued tools, accessories and spare parts of such motor vehicle and/or trailer whilst thereon as well as other accessories and spare parts of such motor vehicle and/or trailer whilst attached thereto.

Clause regarding application of limits of indemnity

In the event of any accident involving indemnity to more than one person any limitation by the terms of this section and/or of any endorsement thereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the Insured.

Clause regarding first portion for which the Insured is responsible

In respect of each and every occurrence regarding Articles I and II of this section and notwithstanding anything to the contrary contained in such Articles the Insured shall be responsible for the first portion, as stated under the heading "First Portion Payable" in the Schedule, of any expenditure (or any less expenditure which may be insured) for which provision is made under the aforesaid Articles (including any payment in respect of costs, expenses and fees) and of any expenditure by the Company in the exercise of the Company's discretion under Article I of this section and General Condition 7(a)(ii) of this policy. If the expenditure incurred by the Company shall include the amount for which the Insured is responsible in terms of this clause, such amount shall be paid by the Insured to the Company forthwith.

For the purpose of this clause the expression "occurrence" used in this clause shall mean an occurrence or series of occurrences due to or arising out of one cause in connection with any one vehicle in respect of which indemnity is provided by this section.

Clause regarding No Claim Rebate

In the event of no claim being made or arising under this section during a term of insurance not less than twelve months immediately preceding the renewal date the premium for the renewal of this section shall be reduced by 10% which reduction shall not be cumulative.

Should the Company consent to a transfer of interest in this policy the No Claim Rebate earned by the transferor shall not accrue to the benefit of the transferee.

SPECIFIC EXCEPTIONS APPLICABLE TO ALL ARTICLES OF THIS SECTION

The Company shall not be liable under this section in respect of:

1. 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;
2. compensation which 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;
3. death, injury or damage directly or indirectly caused by fire, explosion or lightning, provided that this exception shall not apply to any claim under Article II (a) and II (b) of this section arising from death, injury or damage caused by fire or explosion resulting directly from the possession of any motor vehicle;
4. any consequence of theft or housebreaking or any attempt thereat;
5. damage to any vehicle or any other property sustained while it is being worked upon and directly resulting from such work;
6. any defective workmanship or any consequence thereof;
7. death, injury or damage caused by or through any demolition of or structural alteration or addition to the Premises or by or through the installation of any equipment;
8. death, injury or damage caused by or through or in connection with the use by or on behalf of the Insured of animals, power-driven cranes, elevators, lifts or hoists other than cranes or elevators forming part of any Insured Vehicle;
9. death, injury or damage resulting from the driving of the Insured Vehicle elsewhere than in or on the Premises;
10. damage to the Insured Vehicle caused by weather conditions;
11. any claim arising out of any contractual liability.

APPENDIX 1 – EXTENSIONS AND MODIFICATIONS

It is expressly declared and agreed that the following Extensions/Modifications (each individually) shall otherwise be subject to all the terms, exceptions and conditions of this section and all the terms, exceptions and conditions (in so far as they can apply) of this policy, as if they had been incorporated in such Extensions/Modifications.

1. Extension regarding work away from Premises (Only applicable if stated in the Schedule as being included)

In consideration of the payment of an additional premium which is included in the premium of this section it is hereby declared and agreed that the expression "Premises" as defined in the Definitions of this section shall be deemed to include any Premises at which the Insured is performing work provided that such Premises are not under the control of the Insured.

2. Extension regarding car hoists (Only applicable if stated in the Schedule as being included)

In consideration of the payment of an additional premium which is included in the premium on this section it is hereby declared and agreed that the words "and car hoists having a lift not exceeding two metres" are added at the end of Specific Exception (8) of the Specific Exceptions applicable to all Articles of this section.

3. Modification regarding third party only cover (Only applicable if stated in the Schedule as being included)

It is hereby declared and agreed that Article I and Article II(b) and the Clause regarding No Claim Rebate, are cancelled.

MOTOR TRADERS EXTERNAL RISKS

DEFINED EVENTS

The company will in accordance with the terms, exceptions and conditions of Articles I and II indemnify the Insured in respect of any accident, loss or damage occurring whilst any insured vehicle is elsewhere than in or on any business premises owned by or in the occupation of the Insured and such insured vehicle is being used in accordance with the terms of the Basis of insurance which is mentioned under the heading "BASIS OF INSURANCE" in the schedule.

ARTICLE I – LOSS OF OR DAMAGE TO THE INSURED VEHICLE

The company will indemnify the Insured against loss of or damage to any insured vehicle including the spare wheels and standard issued tools, accessories and spare parts of such insured vehicle whilst thereon as well as other accessories and spare parts of such insured vehicle whilst attached thereto.

Provided always that

- (a) the company may at its own option repair, reinstate or replace such insured vehicle or any part thereof and/ or the spare wheels, tools, accessories and spare parts as mentioned above thereof or may pay in cash the amount of the loss or damage;
- (b) the liability of the company under Article I of this Section is limited to the reasonable market value of the insured vehicle (including the spare wheels, tools, accessories and spare parts as mentioned above) but not in any case exceeding the amount stated in respect of Article I under the heading "LIMITS OF LIABILITY" in the schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence;
- (c) in the event of any part (which shall include any spare wheel, tool, accessory and spare part) needed to repair or replace damage (insured against under Article I of this Section) to such insured vehicle being unobtainable in the Republic of South Africa as a standard (ready manufactured) article the liability of the company shall be discharged by the payment of a sum equal to the value of such part (including the reasonable cost of freight other than by air) at the time of the accident but not in any case exceeding such part's price as stated in the manufacturer's last issued catalogue or price list;
- (d) if such insured vehicle is disabled by reason of any loss or damage insured against under Article I of this Section the company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the previous consent of the company to the extent of but not exceeding R2 000 on the understanding that a detailed estimate is first obtained and immediately forwarded to the company. The company will also pay the reasonable cost of delivery to the Insured after repair of the aforesaid loss or damage but not exceeding the reasonable cost of transport to the address of the Insured anywhere in the Republic of South Africa, Namibia, Lesotho, Botswana and Kingdom of eSwatini on condition, however, that the company's liability for the aforesaid cost in respect of protection, removal and delivery shall in any case be limited to R1 000 in total.

SPECIFIC EXCEPTIONS APPLICABLE TO ARTICLE I

The company shall not be liable under Article I of this Section to pay for

- (a) consequential loss arising in any way whatever, depreciation, wear and tear, mechanical, electrical or electronic breakdowns, failures or breakages;
- (b) damage to tyres by application of brakes or by road punctures, cuts or bursts;
- (c) damage to springs due to inequalities of the road or other surface or to impact with such inequalities;
- (d) loss or damage to accessories or spare parts by theft unless the vehicle is stolen at the same time.

ARTICLE II – LIABILITY TO THIRD PARTIES

The company will

- (1) indemnify the Insured in the event of an accident caused by or through or in connection with any insured vehicle, including the loading and/or unloading of such insured vehicle, against all sums, including claimant's costs and expenses, which the Insured shall become legally liable to pay in respect of:
 - (a) death of or bodily injury to any person
 - (b) damage to property
- (2) pay all costs and expenses (which be connected with the indemnity provided under Article II of this Section) incurred with the company's written consent
- (3) indemnify, in terms of and subject to the limitations of and for the purposes of Article II of this Section, any person who is driving any insured vehicle on the Insured's order or with the Insured's permission, on the understanding that:
 - (a) such person is not entitled to indemnity under any other policy or any other section of this policy;
 - (b) such person shall as though he were the Insured observe, fulfil and be subject to the terms, limitations, exceptions and conditions of this Section and of this policy in so far as they can apply;
 - (c) such person has not been refused any motor vehicle insurance or continuance thereof by any insurance company or underwriter.

Provided always that the liability of the company under Article II of this Section in respect of death, injury, damage, costs and/or expenses shall be limited to the sum specified in respect of Article II under the heading "LIMITS OF LIABILITY" in the schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence; except that in respect of death, injury, damage, costs and/or expenses directly or indirectly due to or in consequence of fire or explosion, the liability of the company under Article II of this Section shall be limited to the sum specified in respect of Article II under the heading "LIMITS OF LIABILITY" in the schedule or the sum of R300 000 (Three hundred thousand Rand), whichever is the lesser, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence.

SPECIFIC EXCEPTIONS APPLICABLE TO ARTICLE II

The company shall not be liable under Article II of this Section in respect of:

- (a) death, injury or damage caused by or arising out of the operation, demonstration or use for purposes other than maintenance or repair of any insured vehicle (unless it be a fork lift truck) of any tool or plant forming part of or attached to or used in connection with any insured vehicle or anything manufactured by or contained in any such tool or plant;
- (b) death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of a load to any insured vehicle for loading thereon or the taking away of a load from any insured vehicle after unloading therefrom;
- (c) death of or injury to any person in the employment of the Insured arising out of and in the course of such employment;
- (d) death of or injury to any person being carried in or upon or entering or getting on to or alighting from any motor scooter, motor cycle or side-car attached thereto at the time of the occurrence of the event out of which any claim arises;
- (e) death of or injury to any person being a member of the same household as the Insured;
- (f) damage to property belonging to, held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from any insured vehicle;
- (g) damage to any viaduct bridge or weighbridge or to any road and/or anything beneath by vibration or by the weight of any insured vehicle or load carried by such insured vehicle.

DEFINITIONS

For the purposes of this Section the expression

“schedule” used in this Section shall mean – the schedule of this Section.

“insured vehicle” used in this Section shall mean – any motor vehicle or trailer the property of or in the custody or control of the Insured (excluding any vehicle the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such vehicle is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises) and any vehicle (mechanically-propelled or otherwise) attached to any aforementioned vehicle for the purposes of being towed or salvaged.

APPLICATION OF LIMITS OF INDEMNITY

In the event of any accident involving indemnity to more than one person, any limitation by the terms of this Section and/or of any endorsement thereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the Insured.

FIRST PORTION FOR WHICH THE INSURED IS RESPONSIBLE

In respect of each and every occurrence regarding Articles I and II of this Section and notwithstanding anything to the contrary contained in such Articles the Insured shall be responsible for the first portion, as stated under the heading “First Portion Payable” in the schedule, of any expenditure (or any less expenditure which may be incurred) for which provision is made under the aforesaid Articles (including any payment in respect of costs, expenses and fees) and of any expenditure by the company in the exercise of the company’s discretion under Article I of this Section and General Condition 7(a)(ii) of this policy. If the expenditure incurred by the company shall include the amount for which the Insured is responsible in terms of this Clause, such amount shall be paid by the Insured to the company forthwith.

For the purpose of this Clause the expression “occurrence” used in this Clause shall mean an occurrence or series of occurrences due to or arising out of one cause in connection with any one vehicle in respect of which indemnity is provided by this Section.

DESCRIPTION OF USE

Use for the Insured’s business or occupation as stated in the schedule. EXCLUDING

Hiring; carriage of passengers for hire or carriage of fare paying passengers; driving instruction, for reward; racing; speed or other contests, rallies or trials; carriage of explosives; carriage of passengers in excess of the number for which the vehicle is licensed or authorised by law to carry; or carriage of any load in excess of that for which the vehicle is licensed to carry.

NO CLAIM REBATE

In the event of no claim being made or arising under this Section during a period of insurance of not less than twelve months immediately preceding the renewal date of this policy, the annual premium of this Section shall be reduced by 10% which reduction shall not be cumulative.

Should the company consent to a transfer of interest in this policy, the No Claim Rebate earned by the transferor shall not accrue to the benefit of the transferee.

SPECIFIC EXCEPTIONS

The company shall not be liable under this Section in respect of:

- (1) 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;

- (2) compensation which 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
- (3) any accident, injury, loss, damage, liability, costs and/or expenses caused, sustained or incurred outside the Republic of South Africa, Namibia, Lesotho, Botswana, Kingdom of eSwatini, Zimbabwe and Malawi provided, however, that the company will indemnify the Insured in terms of Article I of this Section against loss of or damage to any insured vehicle whilst in transit by sea between any ports in the aforementioned area including loading and unloading incidental to such transit;
- (4) any accident, injury, loss, damage, liability, costs and/or expenses caused, sustained or incurred while any insured vehicle in respect of or in connection with which insurance is granted under this Section
 - (a) is being used otherwise than in accordance with the terms of the DESCRIPTION OF USE CLAUSE of this section and the BASIS OF INSURANCE which is mentioned in the schedule;
 - (b) is being driven by the Insured or by any other person with the general knowledge and consent of the Insured unless duly and fully licensed to drive such vehicle in terms of the legislation applying to the area referred to in Specific Exception (3) of the Specific Exceptions applicable to this Section provided, however, that if such a licence be subject to renewal he has held and is not disqualified from holding or obtaining such a licence and provided further that this Exception shall not apply whilst the Insured or any such other person is driving such vehicle whilst leaning to drive it at such time he is complying with the laws and regulations in force relating to learners;
 - (c) is being driven by the Insured, a member or a director of the Insured whilst under the influence of any drug or intoxicating liquor;
 - (d) is being driven with the general consent of the Insured or of his representative by any person who to the knowledge of the Insured or of such representative is under the influence of any drug or intoxicating liquor;
 - (e) is being used for any unauthorised purpose by an employee of the Insured or by any other person with whom such employee is or was in collusion;
- (5) any claim arising out of any contractual liability.

SPECIFIC CONDITIONS

- (1) If during the currency of this Section any driver's licence in favour of the Insured or in favour of any authorised driver of the Insured be endorsed, suspended or cancelled or if he be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the company immediately the Insured has knowledge of such fact.
- (2) In addition to complying with General Condition 5 of this policy
 - (a) the Insured shall take all reasonable steps to maintain any insured vehicle in efficient and roadworthy condition;
 - (b) all reasonable steps shall in the event of any accident or breakdown be taken to prevent further damage or loss and if the insured vehicle which is involved be driven or used before the necessary repairs are effected, any extension of the damage or any further damage to such insured vehicle shall be entirely at the Insured's own risk.

PROVISIONS

Only the Basis which is mentioned under the heading "BASIS OF INSURANCE" in the schedule is applicable and such Basis is subject to all the terms, exceptions and conditions of this Section and all the terms, exceptions and conditions (in so far as they can apply) of this policy.

WAGES BASIS

- (1) The cover under this Section shall only be operative whilst the insured vehicle is being used
 - (a) for business purposes of the Insured by the Insured or a member, director or employee of the Insured excluding transit, delivery or conveying for or on behalf of the Insured by casual drivers or persons not wholly and regularly engaged in the employ of the Insured;
 - (b) for purposes of tuition provided that the person being taught to drive is complying with the law in force relating to learner-drivers and is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
 - (c) for purposes of demonstration which shall include driving by the person to whom the insured vehicle is being demonstrated provided that such person is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
 - (d) for social, domestic and pleasure purposes (whether such use is incidental to the business of the Insured or not) by any person other than the Insured or a member, director or employee of the Insured.
- (2) It is a condition precedent to any liability of the company under this Section that the Insured shall regularly record in a proper wage register the name of every employee together with the wages, salary, commission and other consideration paid or allowed to such employee and shall immediately record in such wage register the date of engagement and of discharge of each employee.

NAMED DRIVER BASIS

The cover under this Section shall only be operative whilst the insured vehicle is being driven by or is for the purpose of being driven by him/her in the charge of any person whose name is mentioned under the heading "NAMED DRIVERS" in the schedule provided that such person is the Insured or a member, director or employee of the Insured and the insured vehicle is being used

- (a) for business purposes of the Insured;
- (b) for purposes of tuition provided that the person being taught to drive is complying with the law in force relating to learner-drivers and is accompanied by any person whose name is mentioned under the heading "NAMED DRIVERS" in the schedule;
- (c) for purposes of demonstration which shall include driving by the person to whom the insured vehicle is being demonstrated provided that such person is accompanied by any person whose name is mentioned under the heading "NAMED DRIVERS" in the schedule;
- (d) for social, domestic and pleasure purposes (whether such use is incidental to the business of the Insured or not) by any person whose name is mentioned under the heading "NAMED DRIVERS" in the schedule.

TRADE PLATE BASIS

The cover under this Section shall only be operative whilst the insured vehicle carrying in the manner and for purposes prescribed by law a trade plate bearing any trade registration number which is mentioned under the heading "TRADE REGISTRATION NUMBERS" in the schedule and is being used

- (a) for business purposes of the Insured by the Insured or a member, director or employee of the Insured, excluding transit, delivery or conveying for or on behalf of the Insured by casual drivers or persons not wholly and regularly engaged in the employ of the Insured;
- (b) for purposes of tuition, provided that the person being taught to drive is complying with the law in force relating to learner-drivers and is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
- (c) for purposes of demonstration which shall include driving by the person to whom the insured vehicle is being demonstrated provided that such person is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
- (d) for social, domestic and pleasure purposes (whether such use is incidental to the business of the Insured or not) by any person other than the Insured or a member, director or employee of the Insured.

EXTENSIONS

It is declared and agreed that

- (a) only those Extensions which are specifically stated in the schedule as being included, shall apply to this Section;
- (b) the following Extensions (each individually) shall otherwise be subject to all the terms, exceptions and conditions of this Section and all the terms, exceptions and conditions (in so far as they can apply) of this policy, as if they had been incorporated in such Extensions.

(1) Use for social, domestic and pleasure purposes

In consideration of the payment of an additional premium which is included in the premium on this Section and notwithstanding anything contained to the contrary in this Section, the indemnity provided by this Section applies whilst any insured vehicle is being used for social, domestic and pleasure purposes by any person whose name is mentioned in respect of this Extension in the schedule.

(2) Loss of use of customers' vehicles

In consideration of the payment of an additional premium which is included in the premium on this Section in the event of the company being liable to indemnify the Insured under Article I of this Section in respect of loss of or damage to any insured vehicle the property of a customer whilst in the custody or control of the Insured the company will also indemnify the Insured notwithstanding anything contained to the contrary in Specific Exception (a) of the Specific Exceptions applicable to Article I of this Section against all sums which the Insured shall become legally liable to pay as compensation for loss of use of such vehicle. Provided that the liability of the company in respect of any one occurrence, shall not exceed the amount stated in the schedule in respect of this Extension.

(3) Unauthorised use of vehicles by employees

In consideration of the payment of an additional premium, which is included in the premium on this Section Specific Exception (4)(e) of the Specific Exceptions to this Section is cancelled.

(4) Legal liability of passengers for acts of negligence

In consideration of the payment of an additional premium which is included in the premium on this Section the company will at the request of the Insured indemnify in terms of Article II of this Section any person using the insured vehicle.

Provided always that such person

- (a) is not personally driving or in control of the insured vehicle;
- (b) is not entitled to indemnity under any other policy;
- (c) is not under the influence of intoxicating liquor or drugs;
- (d) shall as though he were the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this Section and of this policy in so far as they can apply.

(5) Legal liability in respect of passengers (applicable to motor cycles and motor scooters only)

In consideration of the payment of an additional premium which is included in the premium on this Section Specific Exception (d) of the Specific Exceptions applicable to Article II of this Section is cancelled.

Provided always that the liability of the company in respect of any one occurrence shall not exceed the amount stated in the schedule in respect of this Extension.

(6) Driving of motor cycles

In consideration of the payment of an additional premium which is included in the premium on this Section and notwithstanding anything to the contrary contained in this Section the indemnity provided by this Section is extended to apply whilst any insured motor cycle or insured motor scooter is being driven by a person for the purpose of tuition or demonstration without being accompanied by the Insured or a member, director or employee of the Insured.

MODIFICATIONS

It is declared and agreed that

- (a) only those Modifications which are specifically stated in the schedule as being included, shall apply to this section;
- (b) the following Modifications (each individually) shall otherwise be subject to all the terms, exceptions and conditions of this Section and all the terms, exceptions and conditions (in so far as they can apply) of this policy, as if they had been incorporated in such Modifications.

(1) Cover for motor cycles and motor scooters only

The expression "insured vehicle" used in this Section shall bear the following meaning and not as stated in the Definitions of this Section:

any two-wheeled motor cycle or motor scooter (including any side car attached thereto) the property of or in the custody or control of the Insured, excluding any motor cycle or motor scooter the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such motor cycle or motor scooter is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises.

(2) Cover for special type vehicles only

The expression "insured vehicle" used in this section shall bear the following meaning and not as stated in the Definitions of this section:

Any tractor, agricultural, horticultural or forestry vehicle of load and earth moving equipment, lift truck or mobile crane (hereafter termed "Special Type Vehicle") the property of or in the custody or control of the Insured (excluding any "Special Type Vehicle", the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such "Special Type Vehicle" is in the custody or control of the Insured at the time of the occurrence of the event out of which any claim arises) and any vehicle (mechanically-propelled or otherwise) attached to any aforementioned "Special Type Vehicle" for the purpose of being towed or salvaged.

(3) Exclusion of own vehicles

The expression "insured vehicle" used in this Section is deemed not to include any vehicle the property of the Insured.

(4) Exclusion of demonstration risk

The company shall be under no liability whilst any insured vehicle is being used for the purpose of demonstration.

(5) Exclusion of legal liability in respect of passengers

The company shall not be liable under Article II of this section in respect of death of or injury to any person being carried in or upon or getting onto or entering or alighting from any insured vehicle at the time of the occurrence of the event out of which any claim arises.

(6) Restricted cover (third party, fire and theft)

The policy is amended:

- (a) the liability of the company under Article I of this Section shall be restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion and to loss or damage by theft or any attempt thereat;
- (b) the Clause regarding No Claim Rebate is cancelled.

(7) Third party only cover

Article I and the Clause regarding No Claim Rebate of this Section are cancelled.

HOUSEOWNERS

DEFINED EVENTS

Loss of or damage to the whole or part of the Insured Property caused by any of the following perils:

1. Fire, lightning, explosion.
2. Storm, wind, water, hail or snow, but excluding any loss of or damage to any property:
 - a. arising from any process which necessitates the use or application of water;
 - b. in the open (other than insured buildings, structures and plant designed to exist or operate in the open);provided always that this defined event does not cover the following:
 - i. Wear and tear or gradual deterioration;
 - ii. Any loss or damage caused or aggravated by:
 - leakage or discharge from any sprinkler or drencher system in the insured buildings;
 - the Insured's failure to take all reasonable precautions for the maintenance and safety of the Insured Property and to prevent or minimise any loss or damage;
 - iii. Any loss of or damage to retaining walls.
3. Earthquake.
4. Falling trees or impact by rocks, stones or boulders (other than impact caused by landslip, the deliberate or wilful or wanton act of any person committed with the intention of causing such damage or impact by meteorites, asteroids or similar bodies entering the earth's atmosphere), vehicles, animals, aircraft and other aerial devices or anything that falls from them.
5. Bursting of water tanks, water apparatus or water pipes and the accidental leakage of oil from fixed oil-fired heating installations.
6. Theft or any attempt thereof of fixtures and fittings belonging to the owner of the insured buildings whilst such fixtures and fittings are in or on the insured buildings, but excluding theft or any attempt thereof whilst the insured buildings are lent, let or sub-let in whole or in part unless such theft (or any attempt thereof) is accompanied by breaking into or out of the insured buildings by actual, visible and forcible means. For the purposes of this defined event the accommodation of paying guests, boarders or lodgers not exceeding 3 in number shall not be deemed to be lending, letting or sub-letting of the insured buildings.
7. Breaking into or out of the insured buildings (or any attempt thereof) by actual, visible and forcible means.
8. Malicious damage.
9. The collapse or breakage of aerial systems, including damage to such aerial systems.

DEFINITIONS

Insured Property

The building of the private dwelling house which is constructed and situated as stated in the schedule of this section (such private dwelling house in this section called the 'private dwelling house') and all domestic rooms, private garages, private outbuildings, private tennis courts, private swimming pools (except portable swimming pools), swimming pool machinery, borehole machinery supplying water solely for domestic purpose, satellite dishes, boundary and other walls, gateposts, gates (including the machinery thereof), fences (other than hedges) and paved or surfaced areas (including driveways) of brick, concrete, asphalt or stone (not gravel) being on the same premises as and used solely in connection with the aforesaid private dwelling house, including fixtures and fittings belonging to the owner of the

aforesaid private dwelling house, domestic rooms, private garages, private outbuildings, boundary and other walls, gateposts, gates, private tennis courts and private swimming pools (but only whilst such fixtures and fittings are in or on the aforesaid private dwelling house, domestic rooms, private garages, private outbuildings, boundary and other walls, gateposts, gates, private tennis courts or private swimming pools), as well as the public supply or mains connections as mentioned in General extension B of this section, all the aforementioned which are being referred to in this section as "Insured Property", "insured buildings" and "insured building".

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

EXTENSIONS

1. General extensions

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

A. LOSS OF RENT

Loss of rent in respect of the private dwelling house as a result of the dwelling house being so damaged by any of the perils insured against under the defined events of this section as to be rendered uninhabitable but only in respect of the period necessary for reinstatement and for an amount not exceeding 20 per cent of the sum for which the aforesaid damaged private dwelling house is insured under this section. The basis of calculation shall be the annual rent (at the time of occurrence of the aforesaid damage) of the aforesaid private dwelling house unfurnished or its equivalent in rental value.

B. PUBLIC SUPPLY OR MAINS CONNECTIONS

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

C. GLASS AND SANITARY WARE

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

D. ADDITIONAL COSTS

Costs necessarily incurred for demolition and clearing, erection of hoardings, municipal plan scrutiny, architects, quantity surveyors and consulting engineers, following damage to any insured building by any peril insured against under this section.

E. FIRE BRIGADE CHARGES

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

F. GUARDS

Employment of guards to protect the insured buildings following damage to the insured buildings by any peril insured against under this section. Provided always that the liability of the Company under this extension shall not exceed R2 000 in all.

G. POWER SURGE (if stated in the schedule to be included)

- i. The Company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed in the aggregate the amount stated in the schedule;
- ii. The Insured shall be responsible for a first amount payable of 10% of claim subject to a minimum of R5 000;

- iii. notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by power surge, provided that this cover will not apply where the power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

2. Liability extension

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

LEGAL LIABILITY TO THE PUBLIC, in which case

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

will be indemnified by the Company against:

- a. all sums which the Insured shall become legally liable to pay as compensation
and
 - b. all costs and expenses of litigation:
 - i. recoverable by any claimant from the Insured but on condition that such costs and expenses are in respect of a claim for compensation to which the indemnity afforded under this extension applies and on condition further that such costs and expenses were incurred before the date on which the Company shall have paid or offered to pay either the full amount of the aforesaid claim or any lesser amount for which the aforesaid claim can be settled or the maximum amount for which the Company is liable under this extension in respect of the aforesaid claim;
or
 - ii. incurred by the Insured with the written consent of the Company in respect of:
 - 1. accidental death of or bodily injury to or illness of any person other than a person
 - i. who is a member of the Insured's household or a member of the Insured's family
or
 - ii. who is in the employment of the Insured if such death, bodily injury or illness arises out of and/or in the course of the employment of such person by the Insured;
- and/or
- 2. accidental physical loss of or damage to tangible property other than property belonging to or leased, let, rented, hired to or held in trust by or in the charge or custody of or under the control of the Insured or any member of the Insured's household or any member of the Insured's family or any person in the Insured's service, occurring or arising in or on or at the insured buildings;

provided always that:

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

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

3. Optional extensions

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

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

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

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

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

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

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

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

SPECIFIC EXCEPTIONS

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

SPECIFIC CONDITIONS

1. Average

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

2. Reinstatement value conditions

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

CLAUSES

1. Capital additions clause

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

2. Mortgagee clause

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

3. Temporary removal clause

Except if and so far as otherwise insured, fixtures and fittings belonging to the owner of a building being insured under this section (provided that such fixtures and fittings form part of the insured property) are covered whilst such fixtures and fittings are temporarily removed elsewhere on the same premises where the aforesaid building is situated or are temporarily removed to any other premises (including in transit) anywhere in the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe, Malawi and Mozambique.

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

4. Tenants clause

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

5. Public authorities requirements clause

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

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

HOUSEHOLDERS

DEFINED EVENTS

1. Loss of or damage to the whole or part of the insured property caused by any of the perils specified in sub-section A.
2. Loss and/or additional expenses described in sub-section B.

SUB-SECTION A – PROPERTY

1. Fire, lightning, explosion.
2. Storm, wind, water, hail or snow, but excluding any loss of or damage to any property:
 - (a) arising from its undergoing any process necessarily involving the use or application of water;
 - (b) in any structure not completely roofed.Provided always that this sub-section A2 does not cover:
 - (i) wear and tear or gradual deterioration;
 - (ii) any loss or damage caused or aggravated by:
 - a. leakage or discharge from any sprinkler or drencher system in any building in which the insured property is kept;
 - b. the Insured's failure to take all reasonable precautions for the maintenance and safety of the insured property and to prevent or minimise any loss or damage.
3. Earthquake
4. Falling trees or impact with any of the buildings by vehicles, animals, aircraft and other aerial devices or anything that falls from them.
5. Theft or any attempt thereat, but excluding:
 - (a) theft (or any attempt thereat) whilst the buildings or any part thereof be lent, let or sub-let unless such theft (or any attempt thereat) is accompanied by breaking into or out of the buildings by actual, visible and forcible means. For the purposes of this sub-section A5 (a) the accommodation of paying guests, boarders or lodgers not exceeding three in number shall not be deemed to be lending, letting or sub-letting of the buildings;
 - (b) theft (or any attempt thereat) from any domestic outbuildings unless such theft (or any attempt thereat) is accompanied by breaking into or out of such domestic outbuildings by actual, visible and forcible means.
6. Theft (or any attempt thereat) from any domestic outbuildings which theft (or any attempt thereat) is not accompanied by breaking into or out of such domestic outbuildings by actual, visible and forcible means, provided always that the liability of the Company under this sub-section A6 shall not exceed R1 000 or 2 per cent of the sum insured which is stated in the Schedule (whichever is the greater).
7. Malicious damage.
8. Collapse or breakage of aerial systems (including satellite dishes).
9. Leakage of oil from oil heaters.

SUB-SECTION B – RENT

Loss of rent actually incurred by the Insured in consequence of the Insured's private residence being so damaged by any of the perils specified in sub-section A as to be rendered uninhabitable and reasonable additional expenses necessarily incurred by the Insured at a hotel or boarding house, but only in respect of the period necessary for reinstatement. Provided always that the liability of the Company under this sub-section B shall not exceed 20 per cent of the sum insured which is stated in the Schedule.

DEFINITIONS

Insured property shall mean

- (a) contents whilst contained in the Insured's private residence and domestic outbuildings, provided always that if the contents of two or more of the Insured's private residences and their respective domestic outbuildings are insured under this section, the terms, limitations, exceptions and conditions contained in this section shall apply separately to the contents of each of such private residences and their respective domestic outbuildings as if the contents of each of such private residences and their respective domestic outbuildings had been insured under a separate policy.
- (b) personal effects belonging to visitors of the Insured and/or co-insureds whilst such personal effects are contained in the Insured's private residence, provided always that:
 - (i) such personal effects are not otherwise insured;
 - (ii) the liability of the Company in respect of loss of or damage to personal effects of visitors shall not exceed R1 000 or 2% of the sum insured which is stated in the Schedule (whichever is the greater).
- (c) personal effects belonging to any servant in the full-time employment of the Insured or co-insureds whilst such personal effects are contained in the buildings, provided always that:
 - (i) loss or damage by theft (or any attempt thereat) shall be excluded unless such theft (or any attempt thereat) is accompanied by breaking into or out of the buildings by actual, visible and forcible means;
 - (ii) the liability of the Company in respect of loss of or damage to the personal effects of all servants shall not exceed R1 000 or 2% of the sum insured which is stated in the Schedule (whichever is the greater).

Co-insureds shall mean the spouse of the Insured and any other member of the family of the Insured or member of the family of the spouse of the Insured, provided the aforesaid member is normally residing with the Insured.

Insured's private residence shall mean the building of the Insured's private dwelling house/flat which is constructed and situated as stated in the Schedule.

Domestic outbuildings shall mean the building(s) of all domestic rooms, private garages and private outbuildings being on the same premises as and used solely in connection with but not directly communicating with the Insured's private residence.

Buildings shall mean the Insured's private residence and domestic outbuildings.

Stated premises shall mean the premises on which the Insured's private residence is situated.

Contents shall mean household goods and personal effects of every description, the property of the Insured and co-insureds or for which they are responsible, and fixtures and fittings the property of the insured and co-insureds or for which they are legally responsible but excluding fixtures and fittings belonging to the owner of the buildings.

Disability event means any event resulting in –

- (a) The loss of a limb or sense organ, or the use thereof by a person; or
- (b) A person becoming so physically or mentally impaired, whether totally or partially, or temporarily or permanently, that the person is unable to –
 - (i) continue their employment or own occupation, profession or trade;
 - (ii) participate in any employment, occupation, profession or trade that is reasonably suitable for that person given, amongst other matters, their education, skills, experience or age; or
 - (iii) carry on the functions required for normal activities of life.

EXTENSIONS

1. General extensions

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

A. LOSS OF OR DAMAGE TO THE CONTENTS OF REFRIGERATORS AND DEEP-FREEZERS

The Company will indemnify the Insured following accidental spoiling of the contents of refrigerators or freezers (including freezing-rooms and cold stores) inside the Insured's Private Residence or Domestic Outbuildings caused by a change in temperature provided that the Company shall not be liable for:

1. spoiling as a result of a total or partial interruption, interference, suspension, blackout, failure, of any electricity supply irrespective of the duration thereof or its geographical extent;
2. spoiling caused by someone adjusting the temperature control;
3. spoiling as a result of a power cut due to non-payment for any power supply or the non-purchase of power or any type of fuel.

Provided always that the liability of the Company under this extension shall not exceed R1 000 or 2% of the sum insured which is stated in the Schedule (whichever is the greater).

B. LOSS OF MONEY

Loss of or damage to the Insured's or a co-insured's money whilst inside the Insured's private residence and caused by any of the perils specified in sub-section A. Theft of money must be accompanied by breaking into or out of the aforesaid private residence by actual, visible and forcible means. Provided always that the liability of the Company under this extension shall not exceed R1 000 in all.

C. ACCIDENTAL BREAKAGE OF MIRRORS AND CERTAIN GLASS

Accidental breakage of mirrors or plate glass tops of furniture and, if not otherwise insured, glass forming part of a stove, oven or other article of furniture belonging to the Insured or a co-insured and which is inside the Insured's private residence. Glass of television sets is not insured.

D. EMERGENCY EXPENSES

Emergency expenses, not otherwise insured, up to R2 000 per person for accidental bodily injury sustained by:

- (a) any person, excluding the Insured or a co-insured or a person in the Insured's service, caused directly by the Insured's or a co-insured's domestic animal kept on the Insured's premises;
- (b) the Insured's or a co-insured's guest or visitor, caused directly by a defect in the buildings or premises;
- (c) the Insured's or a co-insured's domestic employee which results from and in the course of their service.

E. FIRE BRIGADE CHARGES

Reasonable costs charged by any authorised body for extinguishing a fire to prevent or lessen damage to the Insured's contents.

F. COMPENSATION FOR DEATH OF THE INSURED

Compensation of R10 000 if the Insured or the Insured's spouse die within ninety days due to an injury sustained in the Insured's buildings or on the Insured's premises through fire or attack by thieves.

G. STORAGE COSTS FOR CONTENTS AFTER DAMAGE

Necessary storage costs incurred by the Insured to safeguard the Insured's contents after the occurrence of a peril specified in sub-section A. Provided always that the liability of the Company under this extension shall not exceed R1 000 or 2% of the sum insured which is stated in the Schedule (whichever is the greater).

H. TRAUMA

Emergency expenses, not otherwise insured for trauma treatment following a disability event by a psychologist if the Insured or a co-insured needs treatment due to theft, fire or farm attacks which occurs in the Insured's buildings or on the Insured's premises. Provided always that the liability of the Company under this extension shall not exceed R2 000 in all.

I. TEMPORARY INCREASE OF THE INSURED AMOUNT

The sum(s) insured for contents under this section will be increased annually by 10% from 15 December to the 31 January.

J. GUARDS

Employment of guards to protect the Insured's contents after the occurrence of a peril specified in sub-section A. Provided always that the liability of the Company under this extension shall not exceed R2 000 in all.

K. POWER SURGE (if stated in the schedule to be included)

- i. The Company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed in the aggregate the amount stated in the schedule;
- ii. The Insured shall be responsible for a first amount payable of 10% of claim subject to a minimum of R5 000;
- iii. notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by power surge, provided that this cover will not apply where the power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

2. Liability extensions

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

A. TENANT'S LIABILITY, in which case

the Company will indemnify the Insured against all sums for which the Insured as tenant or occupant of the buildings, and not as owner, shall become legally liable to pay as compensation in respect of the following:

1. loss of or damage to the aforementioned rented or occupied buildings and/or fixtures and fittings therein, directly caused by
 - a. storm or tempest (but excluding loss or damage caused by flood) or bursting or overflowing of water tanks, water apparatus or water pipes
 - b. theft or any attempt thereof
 - c. fire or explosion
 - d. impact by animals or vehicles
 - e. loss of or damage to keys, locks and remote control units.

Provided always that in respect of any one occurrence or series of occurrences arising out of or attributable to any one source or original cause the liability of the Company under this extension shall not exceed R3 000 000 in all but in respect of A (1) (e) shall not exceed R1 000.

2. accidental breakage, but only whilst the private residence forming part of the aforementioned rented buildings is furnished and occupied by the Insured in their capacity as tenant, of
 - a. glass in windows, skylights, doors, fanlights, greenhouses, conservatories and verandahs;
 - b. baths, wash basins, sinks, lavatory pans, cisterns, pedestals and splash backs (but excluding chipping, scratching and other disfiguration); all the aforesaid forming fixed parts of the buildings.

3. accidental damage to underground water, gas and sewerage pipes and underground electricity and telephone cables, all the aforesaid extending from the public mains to the buildings.

B. LEGAL LIABILITY TO THE PUBLIC, in which case

- (a) the Insured in their capacity as householder occupying the buildings or
- (b) the Insured's personal legal representatives (in the event of the death of the Insured) in respect of liability incurred by the Insured, on condition, however, that such legal representatives shall as though they were the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this section and of this policy in so far as they can apply, and/or
- (c) the co-insureds on condition, however, that such co-insureds
 - i. are not entitled to indemnity under any other insurance and
 - ii. each shall as though they were the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this section and of this policy in so far as they can apply,

will be indemnified by the Company against:

- a. all sums which the Insured and/or co-insureds shall become legally liable to pay as compensation and
- b. all costs and expenses of litigation
 - i. recoverable by any claimant from the Insured and/or co-insureds but on condition that such costs and expenses are in respect of a claim for compensation to which the indemnity afforded under this extension (2)B applies and on condition further that such costs and expenses were incurred before the date on which the Company shall have paid or offered to pay either the full amount of the aforesaid claim or any lesser amount for which the aforesaid claim can be settled or the maximum amount for which the Company is liable under this extension (2)B in respect of the aforesaid claim, or
 - ii. incurred by the Insured and/or co-insureds with the written consent of the Company, in respect of
 1. accidental death of or bodily injury to or illness of any person other than a person
 - i. who is the Insured or any of the co-insureds or who is a boarder, lodger and/ or a paying guest of the Insured or co-insureds or
 - ii. who is in the employment of the Insured or co-insureds if such death, bodily injury or illness arises out of and/or in the course of the employment of such person by the Insured or co-insureds, and/or
 2. accidental physical loss of or damage to tangible property other than property belonging to or leased, let, rented, hired or lent to or held in trust by or in the charge or custody of or under the control of the Insured or any of the co-insureds or a boarder, lodger and/or a paying guest of the Insured or co-insureds, or a person in the Insured's or co-insureds' service, occurring or arising on the stated premises.

Provided always that:

1. the liability of the Company under this extension (2)B for all costs and expenses of litigation and all compensation payable (irrespective of the number of claimants claiming compensation) in respect of or arising out of any one occurrence or series of occurrences arising out of or attributable to any one source or original cause shall not exceed R3 000 000 in all.
2. the indemnity afforded under this extension (2)B shall not apply to or include claims for compensation and costs and expenses of litigation in respect of:
 - a. liability assumed by the Insured or co-insureds by agreement unless such liability would have attached to the Insured or co-insureds notwithstanding such agreement;

- b. death of or bodily injury to or illness of any person or loss of or damage to property caused by or through or in consequence of or arising out of or incidental to or attributable to:
 - i. the business, trade, occupation or profession of the Insured or co-insureds;
 - ii. the ownership or possession or use of lifts, elevators, escalators, cranes, vehicles of any kind (including inter alia trailers and caravan trailers but excluding pedestrian controlled gardening implements), vessels or watercraft of any kind or aircraft and other aerial devices of any kind;
 - iii. the ownership or possession or use or handling of any fire-arms or airguns or any animals (other than dogs and cats);
 - iv. vibration or the removal or weakening of or interference with support to land, buildings or any other property;
- 3. the indemnity afforded under this extension (2)B shall not apply to or include any fines or penalties or punitive, exemplary or vindictive damages, but on condition, however, that nothing contained in this proviso shall extend this section to cover any liability which would not have been covered under this section in the absence of this proviso;
- 4. the indemnity afforded under this extension (2)B shall not apply to or include:
 - a. claims for compensation and costs and expenses of litigation in respect of death or any injury, illness, loss or damage directly or indirectly caused by or through or in consequence of or arising out of or attributable to seepage, pollution or contamination. This proviso shall, however, not apply to claims for compensation and costs and expenses of litigation in respect of accidental death of or bodily injury to or illness of any person or accidental physical loss of or damage to tangible property where the aforesaid seepage, pollution or contamination is directly caused by a sudden unintended and unexpected happening;
 - b. any cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is directly caused by a sudden, unintended and unexpected happening.

On condition, however, that nothing contained in this proviso (4) shall extend this section to cover any liability which would not have been covered under this section in the absence of this proviso (4).
- 5. the indemnity afforded under this extension (2)B shall not apply to or include claims for compensation and costs and expenses of litigation in respect of death or any injury or illness attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event.

C. LEGAL LIABILITY TO DOMESTIC SERVANTS, in which case

- (a) the Insured in their capacity as householder and/or
- (b) the co-insureds on condition, however, that such co-insureds
 - i. are not entitled to indemnity under any other insurance and
 - ii. each shall as though they were the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this section and of this policy in so far as they can apply,
 will be indemnified by the Company against
 - a. all sums which the Insured and/or co-insureds shall become legally liable to pay as compensation and
 - b. all costs and expenses of litigation
 - i. recoverable by any claimant from the Insured and/or co-insureds but on condition that such costs and expenses are in respect of a claim for compensation to which the indemnity afforded under this extension (2)C applies and on condition further that such costs and expenses were incurred before the date on which the Company shall have

paid or offered to pay either the full amount of the aforesaid claim or any lesser amount for which the aforesaid claim can be settled or the maximum amount for which the Company is liable under this extension (2)C in respect of the aforesaid claim, or

- ii. incurred by the Insured and/or co-insureds with the written consent of the Company, in respect of accidental death of or bodily injury to any domestic servant employed by the Insured or co-insureds on condition, however, that such death or bodily injury results solely and directly from an accident arising out of and in the course of the employment of such servant by the Insured or co-insureds

Provided always that the liability of the Company under this extension (2)C for all costs and expenses of litigation and all compensation payable (irrespective of the number of claimants claiming compensation) in respect of or arising out of any one occurrence or series of occurrences arising out of or attributable to any one source or original cause shall not exceed the sum of R3 000 000 in all.

1. Extension regarding cover whilst the contents are removed from the buildings

If and in so far as the contents insured under this section are not otherwise insured, this section extends, subject to all the terms, exceptions and conditions of this section and all the terms, exceptions and conditions (in so far as they can apply) of this policy, to cover such contents as follows whilst such contents are removed from the Insured's private residence and domestic outbuildings but remaining within the territorial limits of the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe, Malawi and Mozambique:

- A. Against loss or damage caused by any of the perils specified in sub-section A whilst:
 - (a) in any private dwelling house/flat, hotel, inn, boarding house, club, nursing home, hospital, school or college or university or other similar educational institution, all the aforementioned in which the Insured or co-insureds may be temporarily residing at the time of the loss or damage
 - (b) deposited for safe custody in any hotel, inn, boarding house, club (other than lock-up premises), bank, safe deposit, or furniture depository which is registered for the storage of goods
 - (c) temporarily in the residential section of any occupied private dwelling house/flat
 - (d)
 - i. in the building of any laundry or other trade for the purpose of making up, alteration, renovation, repair, cleaning or dyeing
 - ii. in the building of any office, business or trade where the Insured or co-insureds are employed provided always that theft (or any attempt thereat) from any building mentioned in this extension is not insured unless such theft (or any attempt thereat) is accompanied by breaking into or out of such building by actual, visible and forcible means
 - (e) outside the Insured's private residence and domestic outbuildings but on the premises on which the Insured's private residence is situated. This extension covers inter alia laundry, garden furniture, gardening implements (except gardening implements normally being controlled by a driver), gardening tools and automatic swimming pool cleaning apparatus, provided, however, that the liability of the Company under this extension shall not exceed R1 000 or 2% of the sum insured which is stated in the Schedule (whichever is the greater). If the Insured is the tenant of the residence, the Insured's satellite dish which is installed on the premises is covered for the full replacement value.
- B. Against loss or damage caused by any of the perils of fire, lightning, and explosion whilst in transit or temporarily elsewhere than the places mentioned in extension 3A a. to e. above.
- C. Against loss or damage caused by the peril of theft during the process of removal consequent upon permanent change of residence or whilst in transit to or from any bank, safe deposit, or furniture depository which is registered for the storage of goods.
- D. Against loss or damage caused by the peril of theft out of a vehicle. This cover is not applicable if the vehicle is left unattended and unlocked. Property which is insurable under "clothing and personal effects" of All Risks is not covered here. The Company's liability under this extension shall not exceed R1 000.

2. Optional extensions

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

A. ACCIDENTAL DAMAGE (if stated in the Schedule to be included)

Loss of or damage to contents whilst in the Insured's private residence or on the premises on which the aforesaid private residence is situated.

Provided always that the Company shall not be liable under this extension in respect of;

- (a) loss of or damage
 - i. which is payable under sub-section A;
 - ii. due to depreciation or gradual causes such as wear and tear, rust, mildew, corrosion and decay;
 - iii. caused by household pests such as rodents, ants and moths or a cleaning, repairing or restoration process;
 - (iv) of or to tools, gardening implements, garden furniture or automatic swimming pool apparatus;
 - (v) of or to portable computer equipment or cellular telephones;
 - (b) damage to glass, glassware or other brittle articles due to cracking or scratching, unless caused by theft or attempted theft or fire. Jewellery, cameras or fixed glass of television sets are not excluded;
 - (c) the cost of reproduction or repair of data;
 - (d) mechanical, electrical or electronic breakdown, unless "mechanical/electrical/electronic breakdown" is stated in the Schedule under "accidental damage";
- Average is not applicable to this extension.

B. SUBSIDENCE AND LANDSLIP (if stated in the Schedule to be included)

Loss of or damage to contents caused by subsidence or landslip, excluding loss or damage following:

- (a) faulty design or construction of any building;
- (b) the removal or weakening of supports of any building;
- (c) architectural alterations, additions or repairs;
- (d) excavations above or below ground, except excavations in the course of mining operations.

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

SPECIFIC EXCEPTIONS

1. The following property shall not be deemed to be insured property and shall therefore not be covered under this section
 - (a) property more specifically insured;
 - (b) any property, irrespective of whether it will be processed or not, which was obtained or is being obtained with the sole purpose of such property later being disposed of in a business transaction;
 - (c) any property consigned under a bill of lading;
 - (d) any property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Kingdom of eSwatini, Zimbabwe, Malawi and Mozambique;

- (e) money, securities for money, deeds, bonds, bills of exchange, promissory notes, cheques, postal and money orders, negotiable and other documents of any kind, stamps of any kind (including inter alia stamp collections), manuscripts, rare books, medals and coins of any kind (including inter alia coin collections);
 - (f) vehicles of any kind (including inter alia self-propelled gardening implements normally being controlled by a driver but excluding pedal cycles which are not mechanically or electrically driven/ assisted) and any part (including inter alia any spare wheel, tool, spare part and accessory) of such vehicles whilst in or on or attached to such vehicles;
 - (g) vessels or watercraft of any kind (including inter alia canoes) and any part (including inter alia any tool, spare part, accessory and outboard motor) thereof;
 - (h) aircraft and other aerial devices of any kind and any part (including inter alia any tool, spare part and accessory) thereof;
 - (i) animals.
2. This section does not cover:
- (a) any consequential or indirect loss or damage of any kind or description whatsoever, except loss of rent as expressly provided in sub-section B;
 - (b) any loss or damage or liability or claim directly or indirectly occasioned by or through or in consequence of subsidence or landslip;
 - (c) any loss or damage resulting from or caused by detention, confiscation or requisition by customs or other officials or authorities;
 - (d) any loss or damage resulting from any exchange, cash or credit sale agreement, including theft under false pretence and/or fraud.
3. The Company shall not be liable under this section in respect of loss or damage for which provision is made in any guarantee or service contract or in any purchase or hire/lease or hire-purchase or financing agreement or any other agreement of whatever nature regarding the insured property or any part thereof.

SPECIFIC CONDITIONS

1. Replacement value and Average

In the event of loss of or damage to the insured property by any of the perils insured against under this section, the basis upon which indemnity is to be calculated shall be the cost of replacing the lost or damaged property or part of it with similar new property, limited to the sum insured as stated in the Schedule.

Special provisions

- (a) If at the time of the commencement of any loss of or damage to the insured property by any of the perils insured against under this section the sum representing the cost which would have been incurred for reinstatement if the whole of the insured property had been damaged beyond repair, exceeds the sum insured which is stated in the Schedule, 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 provision.
- (b) The Company will afford indemnity under this section by, at the Company's own option,
 - (i) either paying the value of the lost or damaged insured property to the Insured in cash
 - (ii) or replacing the lost or damaged insured property
 - (iii) or repairing the damaged insured property
 - (iv) or applying any combination of (i), (ii) and (iii) above.
- (c) For the purposes of this specific condition only, the personal effects of any servant in the full-time employment of the Insured or co-insureds shall not be deemed to be insured property.

MACHINERY BREAKDOWN

DEFINED EVENTS

Unforeseen and sudden fortuitous physical damage to the insured property (or any part thereof) whilst on the premises from any cause not specifically excluded whilst at work or at rest or being dismantled for the purpose of cleaning, inspection, repair, overhaul or removal to another position within the premises or in the course of these operations and subsequent re-erection by, but not restricted to, defects in casting, defects in material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit or from any other cause not specifically excluded in terms of any exception that is applicable to this policy as a whole or this section in particular that necessitates repair or replacement of the insured property.

Provided always that this insurance shall only apply to the insured property after successful completion of their performance acceptance tests whether they are at work or rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection.

SPECIFIC EXCEPTIONS

The Company shall not be liable for:

1. the first amount payable to be borne by the insured in any one occurrence stated in the schedule. If more than one item is lost or damaged in one occurrence the insured shall not be called upon to bear more than the highest single first amount payable applicable to such items;
2. loss of or damage to exchangeable tools (for example but not restricted to dies, moulds, engraved cylinders), parts that by their use and/or nature suffer a high rate of wear and depreciation (for example, but not restricted to, refractory linings, crushing hammers), objects made of glass, belts, ropes, wires, rubber tyres, and operating media (for example but not restricted to lubricants, fuels, catalysts);
3. loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, wind, storm, water, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
4. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
5. loss or damage caused by any faults or defects within the knowledge of the insured or his representatives existing at the time of commencement of this section, whether such faults or defects were known to the company or not;
6. loss or damage as a direct consequence of the continual influence of operation (for example but not restricted to wear and tear, cavitation, erosion, corrosion, rust, boiler scale);
7. consequential loss or liability of any kind or description;
8. damage resulting from the misapplication of tools or from experiment, overhauls or tests requiring the imposition of abnormal conditions;
9. the first amount payable of 10% of claim subject to a minimum of R5 000 when claiming for any power surge damage, regardless of whether the insured property is protected against electrical supply fluctuations or not;
10. notwithstanding the Electricity grid failure or interruption exclusion, this policy will cover loss or damage caused by Power surge, provided that this cover will not apply where the Power surge occurs upon the resumption of the supply of electricity following a scheduled interruption in supply which exceeds 12 consecutive hours.

BASIS OF INDEMNITY

1. Partial loss

Where damage to the insured property can be repaired the company will pay the expenses necessarily incurred to restore the damaged insured property to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent that such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the insured the company shall pay the costs of materials and wages incurred for the purposes of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of the parts replaced, but the value of any salvage shall be taken into account if the cost of repairs equals or exceeds the actual value of the insured property immediately before the occurrence of the damage, the property shall be regarded as destroyed and settlement shall be made on the basis provided for in (2) below.

2. Total loss

- (a) If equipment not exceeding 3 years from date of manufacture is totally damaged the basis of calculating the amount payable shall be the cost of replacing or reinstating the equipment with equipment of the same kind or type but not superior to or more extensive than the insured equipment when new including freight and erection costs customs duties and the cost of removing the destroyed equipment less the value of the remains subject to provisos (a), (b) and (c).
- (b) If equipment exceeding 3 years from date of manufacture is totally damaged the basis of calculating the amount payable shall be the cost of replacement at market value and the cost of removing the destroyed equipment less the value of any salvage subject to provisos (a), (b), (c), (d) and (e).

The insured item shall be regarded as totally damaged if the repair costs (as defined under partial loss) equal or exceed the value as defined in 2 (b) above immediately before the insured event

Provided that:

- (a) the cost of any alterations, additions, improvements or overhauls carried out at the time of repair shall not be recoverable;
- (b) the cost of any provisional repairs shall be borne by the company if such repairs constitute part of the final repairs and do not increase the total cost of repairs;
- (c) the company shall make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be;
- (d) the work of replacement or reinstatement (which may be carried out at other premises and in any manner suitable to the requirements of the Insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made;
- (e) In either event (1) or (2) the amount claimable shall not exceed the amount specified in the Machinery Insurance schedule.

SUM INSURED AND AVERAGE

It is a requirement of this section that the sum insured is equal to the cost of replacement of the insured property by new property of the same kind and capacity, which means its cost of replacement including freight, dues and customs duties, if any, and cost of erection. If the sum insured is less than the amount required to be insured, the company shall pay only in such proportion as the sum insured bears to the amount required to be insured. Every item (if more than one) shall be separately subject to the foregoing stipulation.

DEFINITIONS

For the purposes of this section the following expressions mean:

“Insured property” – the property described in the schedule of this section under the heading “Description of Insured Property”;

“Premises” – the Premises, the situation of which is stated in the schedule of this section.

CLAUSES AND EXTENSIONS

Overtime, night work, work on public holidays and express freight

The insurance under this section covers extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight).

Provided that such extra charges are incurred in connection with damage to the insured property recoverable under this section.

Provided further that the amount payable in respect of this extensions shall not exceed the sum insured set opposite the applicable item and not exceeding in all the total sum insured stated in the schedule of this section.

Capital additions

This section covers alterations, additions and improvements (but not appreciation in value in excess of the sum insured) to the insured property for an amount not exceeding 20% of the sum insured under the applicable item, it being understood that the insured undertakes to advise the company each quarter of such alterations, additions and improvements and pay or agree to pay the additional premium thereon.

SPECIFIC CONDITIONS

1. The due observance and fulfillment of the terms of this section and of this policy in so far as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Company.
2. In the event of any material alteration in the risk undertaken by the Insured, the Insured shall as soon as possible give notice in writing to the Company. The premium, terms and conditions shall thereupon be subject to adjustment accordingly. Any claim in respect of loss or damage that may arise before such notice is given shall be handled in accordance with the Company's normal conditions, exceptions and first amount payable for risks of a similar nature, provided the Insured agrees to pay the increased premium that may be required in respect of the altered risk.
3.
 - (a) On the happening of any damage the Insured shall in addition to complying with General condition 6 of this policy:
 - (i) take all reasonable steps to minimise the extent of such damage;
 - (ii) preserve any damaged or defective parts for inspection by the Company.
 - (b) On notification being given to the company in terms of general condition 6 of this policy the insured may carry out the repairs or replacement of any minor damage; in all other cases a representative of the company shall have the opportunity of inspecting the loss or damage before any repairs or replacements or alterations are effected. If a representative of the company does not carry out the inspection within a period of time that could be considered adequate under the circumstances, the insured is entitled to proceed with the repairs or replacement.
 - (c) The liability of the Company under this section in respect of the Insured Property shall cease if such Insured Property is kept in operation after a claim without being repaired to the satisfaction of the Company, or if temporary repairs (other than in terms of 3(b) above) are carried out without the Company's consent.

4. The Insured shall, in addition to complying with General condition 5 of this policy:
- (i) take all reasonable steps to maintain the insured property in efficient working order and to ensure that no part of the insured property is habitually or intentionally overloaded;
 - (ii) fully observe the manufacturer's/agent's instructions for the operation, inspection and maintenance of the insured property and fully observe government regulations, statutory regulations, municipal regulations and all other binding regulations in force concerning the operation and maintenance of the insured property.

MACHINERY BREAKDOWN BUSINESS INTERRUPTION

DEFINED EVENTS

If during the period of insurance any of the machinery and plant used by the insured at the premises for the purpose of the business be affected by an accident and the business carried on by the insured at the premises be in consequence thereof interrupted or interfered with, the company will (subject to the exceptions and conditions of this section and of this policy) pay to the insured as indemnity in respect of item 1 mentioned under the heading "Subject matter insured" in the schedule of this section, the amount of the loss resulting from the aforesaid interruption or interference in accordance with the provisions contained in Appendix 1 of this section, provided that

- (a) the machinery and plant shall during the currency of this section be insured against machinery breakdown;
- (b) the liability of the company in respect of the aforementioned item 1, shall in no case exceed the sum insured stated in respect of such item 1 in the schedule of this section.

SPECIFIC EXCEPTIONS

This section does not cover any loss or claim resulting from interruption of or interference with the business directly or indirectly attributable to any of the following causes:

1. Loss or damage to:
 - (a) foundations and masonry, unless specifically included and described in the list under the heading "List of machinery and plant" in the schedule of this section;
 - (b) exchangeable and replaceable parts such as, but not restricted to, bits, drills, knives, saw blades;
 - (c) dies, moulds, patterns, blocks, stamps, punches coatings or engravings on cylinders and rolls;
 - (d) parts which by their use and/or nature suffer a high rate of wear or depreciation such as, but not restricted to, crushing surfaces, balls, hammers, screens and sieves, engraved soft metal cylinders, wear plates, elevator and conveyor belts or bands, chains, flexible pipes, jointing and packing materials, filter cloths, parts made of glass, rubber, textile or synthetic, grinding wheels, ropes, belts, straps, cables other than electrical conductors, brushes, batteries, tyres, refractory materials, grate bars, burner jets;
 - (e) operating media such as, but not restricted to, fuels, chemicals, catalysts, filter substances, heat transfer media, cleansing agents, lubricants.
2. Loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, burglary or theft or attempts thereat, collapse of buildings, wind, storm, water, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes.
3. Loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract.

4. Loss or damage due to any faults or defects within the knowledge of the insured or his representatives existing at the time of commencement of this section, whether such faults or defects were known to the company or not.
5. Repair or replacement necessitated by direct damage due to wear and tear, corrosion, erosion, deposits of scale sludge or other sediment, rust, or by scratching of painted or polished surfaces, or by any other direct consequences or progressive or continuous influences from working or atmospheric or chemical action; but the company shall be liable for any loss resulting from interruption or interference caused by damage arising from such causes and otherwise insured by this section.
6. Loss or damage due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments.
7. Shortage, destruction, deterioration of or damage to raw materials, semi-finished or finished products or other materials required for proper operation, even if the consequence of material damage to an item described in the list under the heading "List of machinery and plant" in the schedule of this section is involved.
8. Any restrictions on reconstruction or operation imposed by any public authority.
9. The insured not having at his disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery.
10. Loss of or damage to machinery, mechanical installations and their additional installations or other items which are not described in the list under the heading "List of machinery and plant" in the schedule of this section, even if the consequence of material damage to an item described in the aforesaid list is involved.
11. Loss of business due to causes such as suspension, lapse or cancellation of a lease, license or order et cetera that occurs after the date when the machinery and plant affected by an accident is again in operating condition and the business could have been resumed if the aforesaid lease, license or order et cetera had not been suspended, lapsed or cancelled.
12. The company shall not be liable under this section in respect of the prolongation of any period of interruption of or interference with the business resulting directly or indirectly from the operation of:
 - (a) any gazetted law of the Republic South Africa, including any exchange control regulation, directed against any other country;
 - (b) any law of a foreign country or international law directed against the Republic of South Africa;
 - (c) any economic sanctions, conventions, trade embargoes, boycotts, strikes or actions directed against the Republic of South Africa, other than occurring within the borders of the Republic of South Africa.

If the company alleges that this clause is applicable by reason of any or all of stipulations (a), (b) or (c) above the burden of proving the contrary shall rest on the insured.

If the company alleges that by reason of any of the provisions of specific exceptions (3) and (4) above, any loss or claim is not covered by this section the burden of proving the contrary shall rest on the insured.

DEFINITIONS

For the purposes of this section the following mean:

"Premises" – the premises, the situation of which is stated in the schedule of this section

"Business" – the insured's business as stated in the schedule of this section

"Machinery and plant" – machinery and plant described in the list under the heading "List of machinery and plant" in the schedule of this section.

“Accident” – any unforeseen and sudden fortuitous physical damage to the machinery and plant necessitating its immediate repair or replacement due to causes such as but not restricted to defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, malice, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, storm, or any other cause not specifically excluded whilst such machinery and plant are:

- (a) working or at rest;
- (b) being dismantled, moved, or re-erected for the purpose of cleaning, inspection, repair or installation at another location within the premises, provided such machinery and plant have successfully completed its acceptance tests.

SPECIFIC CONDITIONS

1. The due observance and fulfillment of the terms of this section and of this policy insofar as they relate to anything to be done or complied with by the insured shall be a condition precedent to any liability of the company.
2.
 - (a) Representatives of the company shall at any reasonable time have the right to inspect and examine the risk and the insured shall provide the representatives of the company with all details and information necessary for the assessment of the risk
 - (b) The insured shall as soon as possible notify the company in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.
3. Should at any time after the commencement of this section
 - (a) the business be wound up or carried on by a liquidator, receiver, trustee or judicial manager or be permanently discontinued;
 - (b) the insured’s interest ceases other than by death,
 - (c) any alteration be made or admitted by the insured whereby the risk of accident is increased,
 - (d) the retention of standby or spare machinery or any other loss-minimising factors in existence when the insurance under this section was effected, be reduced or discontinued or such stand-by or spare machinery be not maintained in an efficient working condition and available for immediate use, then the insurance under this section shall, notwithstanding anything contained to the contrary in General condition 1 of this policy, cease unless and until the continuance of the insurance under this section is confirmed in writing by the company.
4. The insured shall exercise all reasonable care in the selection of employment and supervision of all employees and in the prevention of any loss or damage and in compliance with any statutory regulations and manufacturer’s recommendations. The stipulations of this specific condition 4 are applicable in addition to the stipulations of general condition 5 of this policy.
5. The insured shall be obliged to keep complete records. All records (for example, but not limited to, inventories, production and balance sheets) for the three preceding years shall be held in safe-keeping or (as a precaution against their being simultaneously destroyed) the insured shall keep separate sets of such records.
6. On the happening of any occurrence that may result in a claim under this section the insured shall, notwithstanding general condition 6:
 - (a) immediately notify the company by telephone or telegram of the aforesaid occurrence and send the company written confirmation thereof within 48 hours after the aforesaid occurrence;

- (b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimise or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting therefrom;
 - (c) as far as may be reasonable practicable without causing any increase in the period of interruption or interference with the business take precautions to preserve any things that might prove necessary or useful by way of evidence in connection with any claim;
 - (d) discontinue the use of any damaged machinery and plant unless the company authorised otherwise, and the company shall not be liable in respect of any further interruption or interference with the business arising out of the continued use of any damaged machinery and plant without the company having given its consent in writing to such use until the aforesaid machinery and plant have been repaired to the satisfaction of the company.
7. In the event of a claim being made under this section the insured shall, notwithstanding general condition 6, at the insured's own expense within 30 days after the expiry of the indemnity period (or within such further time as the company may in writing allow) submit to the company a written statement setting forth full particulars of the insured's claim together with details of all other insurances covering the accident or any part of it or consequential loss (of any kind whatsoever) resulting therefrom. The insured shall at his own expense also produce and furnish to the company such books of account and other business books, documents, proofs, information, explanation and other evidence as may be reasonably required by the company for the purpose of investigating or verifying the claim, together with (if required) a statutory declaration regarding the truth of the claim and of any matters connected with the claim.
8. If at the time of any accident resulting in a loss insured against under this section there be any other insurance effected by or on behalf of the insured covering the same loss or any part thereof the company shall not be liable to pay or contribute more than its rateable proportion of any sum payable in respect of the whole of such loss. Provided that the company shall not be liable to pay for or contribute to any loss that is insured by or would but for the existence of this section be insured by any business interruption or loss of profits or consequential loss policy or policies covering marine risks or fire and/or explosion risks.
9. The total amount of the indemnity that is provided under this section shall be payable two weeks after the final determination of such amount. If after the expiry of one month since the beginning of an interruption of or interference with the business and after the expiry of each further month it is possible to determine the minimum amount that the company is liable to pay in respect of the then elapsed period of the aforesaid interruption or interference the insured shall be entitled to demand that the aforesaid minimum amount be paid to the insured as an installment in respect of the total amount of the indemnity that is provided under this section.
- Provided that:
- (a) the company shall be entitled to postpone any payment
 - (i) if there is any doubt as to the insured's right to receive payment until the necessary proof is furnished;
 - (ii) if, as a result of any physical damage or any interruption of or interference with the business any police or penal investigation have been initiated against the insured, until the completion of such investigations.
 - (b) the company shall not be liable to pay interest other than interest for default.
10. In the event of an accident to any machinery and plant that may result in a claim under this section the company shall have the right to take over and control all necessary repairs or replacements.
11. On the happening of any occurrence in respect of which a claim is or may be made under this section the company and every person authorised by the company (without thereby incurring any liability and without diminishing the right of the company to rely upon any other conditions of this policy) enter any building where the loss has happened and may take possession of or require that any of the machinery and plant be surrendered to them and may keep possession of and deal with such machinery and plant for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the

leave and license of the insured to the company so to do. If the insured or anyone acting on his behalf does not comply with the requirements of the company or hinders or obstructs the company during the aforementioned acts, then all benefit under this section shall be forfeited.

DEFINITIONS

Gross Profit

The insurance under item 1 of this section is limited to loss of gross profit due to (a) reduction in turnover and (b) Increase in cost of working and the amount payable as indemnity thereunder shall be

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

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the accident, provided that the amount payable shall be proportionately reduced if the sum insured in respect of item 1 of this section be less than the sum produced by applying the rate of gross profit to the annual turnover.

For the purposes of the insurance under item 1 of this section the expression

“gross profit” used in this section shall mean: the amount by which

- (1) the sum of the value of the turnover and the value of the closing stock shall exceed
- (2) the sum of the value of the opening stock and the amount of the specified working expenses.

“Stock” – The values of the opening and closing stocks shall be arrived at in accordance with the insured’s normal accountancy methods, due provision being made for depreciation.

“Specified working expenses” – those variable expenses of the business that are specified under the heading “Specified working expenses” in the schedule of this section.

“Turnover” – the money (less discounts allowed) paid or payable to the insured for goods sold and delivered and for services rendered in the course of the business at the premises.

“Indemnity period” – the period, not exceeding the indemnity period stated in the column under the heading “Indemnity period limit” of the list under the heading “List of machinery and plant” in the schedule of this section, commencing with the occurrence of the accident during which the results of the business shall be affected in consequence of such accident, provided always that the company shall not be liable for the amount of the loss arising during the time excess, such time excess to commence as from the beginning of the interruption of or interference with the business resulting in a claim under this section.

“Time excess” – the period stated in the column under the heading “Time excess” of the list under the heading “List of machinery and plant” in the schedule of this section.

“Rate of gross profit” – the rate of gross profit earned on the turnover during the financial year immediately before the date of the accident, to which such adjustments shall be made as may be necessary to provide for the trend of the business and of variations in or special circumstances affecting the business either before or after the accident or that would have affected the business had the accident not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results that would but for the accident have been obtained during the relative period after the accident.

“Standard turnover” – the turnover during that period in the twelve months immediately before the date of the accident that corresponds to the indemnity period to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business either before or after the accident or that would have affected the business had the accident not occurred so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the result that but for the accident would have been obtained during the relative period after the accident.

“Annual turnover” – the turnover that but for the accident the insured would have been able to obtain during the 12 month period immediately before either the date when the business is no longer affected or when the indemnity period ends, whichever occurs first.

Other premises

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 during the indemnity period.

EXTENSIONS AND CLAUSES

1. Overhauls

In determining the amount payable as indemnity under this section due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption of or interference with the business.

2. Benefits after recommissioning

If during a period of 6 months immediately following the recommissioning of the machinery and plant after an accident the insured derives benefit from deferred sales or from increased production and/or profits as a consequence of an interruption of or interference with the business, such benefits shall be taken into account in determining the amount payable as indemnity under this section.

3. Reinstatement of sum insured

For the period following the occurrence of an accident up to the last day of any (annual) period of insurance the sum insured under this section shall be reinstated by payment of an additional premium on a pro rata basis, such additional premium to be calculated on that part of the aforesaid sum insured that corresponds to the amount paid as indemnity under this section. The sum insured shall, however, remain unaltered.

4. Return of premium

If the insured declares at the latest six months after the expiry of any (annual) period of insurance that the gross profit earned during the accounting period of 12 months most nearly concurrent with the aforesaid (annual) period of insurance, as certified by the insured’s auditors, was less than the sum insured thereon, a pro rata return of premium, not exceeding one third of the premium paid on such sum insured for such (annual) period of insurance, shall be made in respect of the difference. If any accident has occurred giving rise to a claim under this section the aforesaid return shall be made in respect only of so much of the aforesaid difference as is not due to such accident.

DETERIORATION OF STOCK

DEFINED EVENTS

Loss of or damage to the insured property specified in the schedule caused by deterioration due to unforeseen physical loss of or damage to the machinery specified in the machinery breakdown section and indemnifiable under the machinery breakdown section in force

Provided that the liability of the company during any one year of insurance shall not exceed the limit of indemnity stated in the schedule in respect of each item specified.

SPECIFIC EXCEPTIONS

The company shall not be liable for:

1. loss arising within the no-claim period stated in the schedule of goods stored in the refrigeration chambers due to deviation from the prescribed refrigeration temperature, unless deterioration is caused by contamination as a result of leakage of refrigerant or by accidental freezing of goods or unless fresh goods that have not yet reached the prescribed refrigeration temperature are affected thereby;
no-claim period is defined as the time period immediately following cessation of cooling during which, with the storage room left sealed, no deterioration would take place;
2. loss to the goods stored arising as a result of shrinkage, inherent defects or diseases, natural deterioration natural putrefaction;
3. loss arising from improper storage, damage to packing material, insufficient circulation of air, non-uniformity of temperature;
4. loss caused by temporary repair carried out without the company's consent of the refrigeration machinery specified in the insured's list of machinery;
5. penalties for delay, consequential loss or damage or liability of any nature whatsoever;
6. loss or damage directly or indirectly caused by, or arising out of, or aggravated by
 - (a) the wilful act or wilful negligence of the insured or his representatives;
 - (b) fire, lightning, chemical explosion, extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or other natural catastrophes.

SPECIFIC CONDITIONS

This section shall apply only if

1. the refrigeration machinery is insured under an in force machinery breakdown section;
2. the insured refrigeration machinery is connected to an automatic alarm system in an attended location;
3. the stock is not stored in "controlled atmosphere" chambers;

4. at the time of the loss or damage the goods are stored in the refrigeration chambers;
5. the insured maintains on a daily basis a stock book in which the type, quantity and value of the goods stored and the beginning and the end of the storage period are entered separately for each refrigeration chamber;
6. the sum insured is equal to the estimated maximum selling price obtainable for the stored goods during the period of this section. The insured shall be obliged to furnish the company not later than 10 days after the close of each month either with copies of the aforesaid stock books or with a duly completed declaration showing the average quantity and value per day of the goods stored during the preceding month (monthly declaration).

The monthly declaration shall be based on the selling price obtainable for the goods.

Stock book copies and monthly declarations shall be regarded as forming an integral part of this policy.

The sum insured shall be reduced by any indemnity paid under this section for the remaining policy period unless it has been reinstated by payment of a pro rata additional premium, from the date of the insured loss or damage for the remaining portion of the (annual) period of insurance;

7. all claims shall be settled on the basis of the value stated in the monthly declaration immediately prior to the occurrence of the loss or the selling price that would have been obtainable, whichever is the lesser. When determining the indemnity the company shall take into consideration all circumstances that may influence the amount of indemnity, such as proceeds from a sale of goods as well as storage costs saved due to the termination of the storage.

If after the occurrence of a partial loss it is found that the last monthly declaration preceding the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the insured shall be reduced in such proportion as the amount of the said last monthly declaration bears to the amount that ought to have been declared.

OPTIONAL CONDITIONS

Constant supervision (if stated in the schedule to be included)

The insured refrigeration machinery is under constant supervision by qualified personnel.

Temperature readings (if stated in the schedule to be included)

During the entire period of storage, the insured records in a logbook the condition of the insured goods and at least three temperature readings per day from each refrigeration chamber, the accuracy of the temperature readings being verified by means of a calibrated, independent reference thermometer at least every 14 days.

GREENS AND IRRIGATION SYSTEMS

SUB-SECTION I - FIRE

DEFINED EVENTS

Damage to the whole or part of the property (Greens and or irrigation systems on the course and/or at the premises) situated as stated and described in the schedule by:

1. fire
2. lightning or thunderbolt
3. explosion
4. earthquake (as defined in the extensions)
5. special perils (as defined in the extensions)
6. malicious damage (as defined in the extensions)
7. fertilizers, chemicals and/or contaminated water (as defined in the extensions)
8. failure of water supply (as defined in the extensions)

SPECIFIC EXCEPTIONS

1. This section does not cover volcanic eruption or other convulsion of nature (other than subterranean fire). Any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be damage which is not covered by this insurance, except to the extent that the insured shall prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the insurer alleges that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary shall rest on the insured.
2. Unless specifically included, this insurance does not cover
 - (i) damage to property occasioned by its undergoing any heating or drying process
 - (ii) damage to property which at the time thereof is insured by or would, but for the existence of this insurance, be insured by any marine policy(ies), except in respect of any excess beyond the amount that would have been payable under the marine policy(ies) had this insurance not been effected.

DEFINITION

Greens

Any area on a golf course or at a bowling club described in the schedule and designated as a green, T-box and fairway for the game of golf and/or bowls owned by and under the control of the insured.

EXTENSIONS APPLICABLE TO SUB-SECTION I

Earthquake extension

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

Special perils extension

Damage caused by

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

This extension does not cover

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

Malicious damage extension

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

1. property which is
 - (a) stolen
 - (b) damaged in an attempt to remove it or part of it from the premises

Provided that this extension does not cover

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

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

Fertilizers, chemicals and/or contaminated water extension

The insurance under Sub-section I includes damage to the whole or part of the property insured (Greens on the course and/or at the premises situated as stated and described in the schedule) by fertilizers, chemicals and/or contaminated water provided that the total amount recoverable under any item for such damage shall not exceed 25% of the sum insured on the property affected.

Failure of water supply extension

The insurance under Sub-section I includes damage caused by total or partial failure of the supply of water to the premises of the insured provided that this extension does not cover loss resulting from damage directly or indirectly caused by:

- (i) drought
- (ii) shortage of fuel or water
- (iii) the exercise of an authority empowered by law to supply water of its power to withhold or restrict supply
- (iv) mechanical or electrical or electronic breakdown unless such total or partial failure extends beyond 7 days from commencement thereof.

SUB-SECTION II – ACCIDENTAL DAMAGE

DEFINED EVENTS

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

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

SPECIFIC EXCEPTIONS

The insurer shall not be liable for

- (a) the first amount payable
- (b) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process
- (c) loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract
- (d) loss of or damage to insured property caused by
 - (i) any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the insured;
 - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;

- (iii) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
 - (iv) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
 - (v) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
- (e)
- (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from their container
 - (ii) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- (f) failure of and/ or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant.

SPECIFIC CONDITIONS APPLICABLE TO SUB-SECTIONS I AND II

1. Average

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

2. Reinstatement

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

- (a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to requirements of 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 that would have been payable if this memorandum had not been incorporated in this section shall be made;
- (b) the insurer shall not be liable for any payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section, until expenditure has been incurred by the insured in replacing or reinstating the damaged property;
- (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 lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the insured shall be considered their own insurer for the difference and shall bear a rateable share of loss accordingly. Each item, if more than one, to which this memorandum applies shall be separately subject to this provision;
- (d) this specific condition shall not apply if

- (i) the insured fails to intimate to the insurer within six months of the insured event or such further time as the insurer may allow in writing their intention to replace or reinstate the lost or damaged insured property
- (ii) the insured is unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

CLAUSES AND EXTENSIONS

Architects' and other professional fees clause

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

Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property for an amount not exceeding 15 per cent of the sum insured thereon, it being understood that the insured undertakes to advise the insurer each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

Cost of demolition and clearing clause

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

The insurer will not pay for any costs or expenses

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

Fire extinguishing charges clause

Any costs relating to the extinguishing or fighting of fire, shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the 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 and further provided that the total amount recoverable shall not exceed the sum insured on the property affected.

Municipal plans scrutiny fee clause

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

Public authorities' requirements clause

The insurance under this section includes such additional cost of repairing or rebuilding the damaged property incurred solely by reason of the necessity to comply with any regulations under or framed in pursuance of any act of Parliament or ordinance of any provincial, municipal or other local authority provided that

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

SANTAM UMBRELLA LIABILITY

DEFINED EVENTS

1. Damages, costs, fees and expenses which the insured shall become legally liable to pay consequent upon Injury, Damage, Malice or Negligent Advice which occur in the course of or in connection with the Business within the Territorial Limits.
2. All costs incurred with the company's consent in defending or settling such claims.

LIMITS OF INDEMNITY

The amount payable and recoverable under Defined events 1 and/or 2 for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the schedule.

DEFINITIONS

the **Business** is defined in the schedule, but also includes all organisations or functions operated for the benefit of the insured's employees or visitors or for the protection or promotion of the insured's activities;

Damage shall mean loss of or damage to tangible property, conversion, trespass, nuisance or wrongful interference with the enjoyment of rights over tangible property;

Injury shall mean death, injury, illness (mental or physical), disease, false imprisonment or arrest of or to any person;

Malice shall mean malicious legal proceedings, malicious falsehood, defamation, unfair competition or infringement of copyright, title, slogan or idea;

Negligent advice shall mean incorrect or inadequate advice given in the promotion of the insured's Products, but without expectation of any other reward;

Product shall mean any article 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 by or on behalf of the insured;

Territorial limits shall mean anywhere in the world but not in respect of any judgment, award or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part);

Underlying insurance shall mean cover in force in terms of:

(i) the Public Liability section of this policy

or

(ii) Motor third party liability of this policy

or

(iii) any liability extension on any section of this policy providing cover to property, including the Building Combined section; the House owners section and the Householders section

or

(iv) the Employers Liability section.

BASIS OF INDEMNIFICATION

This section provides indemnity as defined hereunder in the following circumstances:

Excess Layer Protection provides indemnity within the operative clause where the claim is prima facie covered by the terms of the Underlying Insurance only to the extent that the claim is not met by such Underlying Insurance solely because of the inadequacy of the underlying indemnity limit;

Additional Risks Protection provides indemnity where the claim is outside the scope of the operative clause of any Underlying Insurance to the extent of this section's operative clause;

Difference in Conditions provides indemnity within the operative clause where the claim is within the operative clause of the Underlying Insurance only where such claim is rejected by because of a policy term, condition or exclusion;

1. Excess layer protection

- 1.1 This section is subject to the same terms, exceptions and conditions as the Underlying Insurance.
- 1.2 The excess layer protection provides indemnity:
 - 1.2.1 in excess of the limit of indemnity stated to apply to the Underlying Insurance, except where such limit has been reduced or exhausted by reason of claims, in which case this insurance pays in excess of the first amount payable (if any
 - 1.2.2 for those costs defined in Defined Events 2, provided that these are not recoverable from the Underlying Insurance. In the event of the wording of the Underlying Insurance contradicting this clause, the company's maximum liability under this clause shall be the same proportion of incurred costs as the settled claim bears to the respective limits of indemnity.
- 1.3 Where the limit of indemnity of the Underlying Insurance is exhausted by previous claims and as a consequence this section operates as a primary policy, in respect of any claim which would otherwise have been indemnified by the Underlying Insurance, the company will interpret this section as if the Underlying Insurance had still been in force.
- 1.4 Where the Underlying Insurance states that generally or in respect of specified claims the limit of indemnity is the aggregate of all indemnifiable claims occurring or made during the period of the Underlying Insurance, then the limit of indemnity under this section is declared to be on an identical basis as the Underlying Insurance.

2. Difference in conditions protection

- 2.1 If a claim is covered in terms of the operative clause of the Underlying Insurance, but is then excluded by a policy term, exclusion or condition, then this section will indemnify the insured in accordance with the Defined Events.
- 2.2 If a claim is covered in terms of the operative clause of the Underlying Insurance, but such Underlying Insurance is exhausted by reason of other claims and where, in the opinion of the company, such claim would have been excluded by the Underlying Insurance by reason of a term, exclusion or condition, then the provisions of this Difference in conditions protection will apply.
- 2.3 The company will follow the provisions of the operative clause of the Underlying Insurance in determining the basis on which the insured is indemnified by this clause of this section, being either:
 - 2.3.1 in respect of Injury, Damage or Malice occurring or Negligent Advice during the period of this section (losses occurring), or

- 2.3.2 in respect of claims made against the insured during the period of this section following Injury, Damage, Malice or Negligent Advice (claims made).
- 2.4 If the Underlying Insurance is on a claims made basis, then the company will deal with any claim arising out of an event or circumstance first notified by the insured to the company during the period of insurance of this section even if the Underlying Insurance contains no similar provision.
- 2.5 If a claim is repudiated in terms of an Underlying Insurance on the basis of an exclusion relating to the failure or a product to perform as specified, warranted or guaranteed, or to fulfill its intended purpose and such Underlying Insurance is on a losses occurring basis and the circumstances of the claim is such that the insured or the company cannot mutually agree when the loss occurred, then the company will deal with the claim on the basis that the loss occurred when the claimant first notified the insured of a circumstance or an event which subsequently gave rise to an indemnifiable claim.
- 2.6 The difference in conditions protection does not provide indemnity where a claim is excluded by the wording of the operative clause of the Underlying Insurance, except where a claim is excluded by the Underlying Insurance:
- 2.6.1 solely on the grounds that the Injury or Damage was not accidental by nature, or did not arise out of an accident;
- 2.6.2 solely on the grounds that temporary loss of use of property or reduction in value of property did not constitute damage within the operative clause of the Underlying Insurance.

3. Additional Risks protection

- 3.1 Additional risks protection will indemnify the Insured in respect of any claim which is not the subject of indemnity by any other policy of insurance, is not indemnifiable (either in whole or in part) by the excess layer protection or the difference in conditions protection and which forms the subject of indemnity by the Defined Events.
- 3.2 The indemnity granted by the additional risks protection is limited to claims made against the insured during the period of this section, or events or circumstances notified by the insured to the company during such period which subsequently give rise to claims being made.
- 3.3 The indemnity limit of this section in respect of cover granted by the additional risks protection is limited to the aggregate of all claims made during the period of this section, or event or circumstances notified by the insured to the company during such period which subsequently give rise to claims being made.
- 3.4 No indemnity is provided by additional risks protection where the company decline to grant indemnity in terms of Underlying Insurance in respect of a claim on the grounds that the Injury, Damage, Malice, Negligent Advice or event did not occur or the claim was not made during the policy period (as the case may be).

EXTENSIONS

Indemnity to others

The indemnity granted shall extend at the insured's option and subject to the company's consent which consent shall not be unreasonably withheld to include:

1. directors, partners or employees of the insured in that capacity or in their private capacity arising out of any temporary engagement (undertaken with the insured's consent) of the insured's employees;

2. any person or party to the extent that any contract entered into by the insured requires that such indemnity is given;
3. the personal representative of any person or party indemnified.

Provided always that all such persons or parties shall observe, fulfill and be subject to the terms, exceptions and conditions of this policy.

Cross liability

The insured and persons or parties indemnified by the Extension "Indemnity to others" are indemnified 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.

SPECIFIC EXCEPTIONS

The company will not indemnify the insured in respect of

1. fines, penalties, punitive, exemplary or vindictive damages;
2. pollutions arising out of:
 - (a) 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 unexpected happening;
 - (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 unexpected happening.

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;
3. any Injury, Damage, Malice or Negligent Advice which occurs prior to the Retroactive Date which is applicable to the Underlying Insurance;
4. liability arising out of any circumstance or event known to the insured:
 - (a) which is not reported to the company in terms of General condition 6 and/or
 - (b) prior to inception of this section
5. liability arising out of any deliberate or intentional failure of the insured or the insured's management to take reasonable precautions to prevent Injury, Damage, Malice or Negligent Advice;
6. any fine imposed or penalty incurred as a consequence of the commission of a criminal offence;
7. any benefits for which the insured is liable under any relevant workmen's compensation, unemployment compensation or disability benefits law and/or similar law and/or scheme;
8. so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected;
9. any costs necessary to repair, replace, recondition or modify any Product or part thereof and/or for the loss of use of any Product or part thereof;
10. any liability arising out of the recall of any Product or part thereof;

11. any liability arising out of performance warranties or guarantees or clauses stipulating liquidating damages or penalties, except to the extent that it is proved that such liability would have existed in the absence of such contractual provision;
12. any liability for personal Injury caused or contributed to by prolonged exposure to substances, factors or circumstance peculiar to any particular employment or occupation;
13. any liability for motor balance of third party liability unless such liability is in excess of the Underlying Insurance and is indemnifiable there under;
14. any liability arising out of the carriage of passengers for hire or reward or the carriage of fare paying passengers;
15. liability for loss or damage including detrimental change and any consequence there from to any electronic data;
16. liability for any unfair labour practice including but not limited to unfair dismissal within the meaning of the Labour Relations Act No. 66 of 1995 as amended, or any Act passed in substitution therefore;
17. Injury or Damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to the order of the insured, if such goods or products have, to the insured's knowledge, been exported to the United States of America or Canada by or on behalf of the insured or such sale or resale should reasonable be contemplated by the insured;
18. any liability if the transport of hazardous substances was not in compliance with chapter VIII of the Road Traffic Act 1996 (Act 93 of 1996);
19. liability arising out of any deliberate or intentional act of the insured, any employee of the insured or any person for whom the insured would be vicariously liable;
20. **Additional specific exceptions** (only applicable to 2. Difference in conditions protection and 3. Additional Risks protection).
The Difference in Conditions protection and Additional Risks extensions do not cover liability for or arising out of:
 - 20.1 the ownership, hire purchase or leasing of any aircraft, watercraft or hovercraft (other than watercraft not exceeding 15,25 metres in length and then only whilst on inland waterways) by or on behalf of the insured;
 - 20.2 the repair, maintenance, refuelling or defuelling of any aircraft, watercraft or hovercraft undertaken by or on behalf of the insured as revenue producing activity;
Exceptions 20.1 and 20.2 do not apply to liability for death, injury, illness or disease of or to employees of the insured arising out of such employment;
 - 20.3 acts, errors or omissions of the directors or officers of the insured when acting in their capacity as such or in the provision by the insured of professional services which shall include giving advice, any action taken or work done by the insured when carrying on their functions in any capacity involving special skill or knowledge in their calling or the failure to discharge any obligations pursuant thereto. This exception does not apply to Negligent Advice;
 - 20.4 seepage, pollution or contamination being the natural consequence of the operation or existence of the Business;
 - 20.5 Damage to property owned, leased or hired by or under hire purchase or on loan to the insured or otherwise in the insured's care, custody or control other than premises (or the contents thereof) temporarily occupied by the insured for work therein or other property temporarily in the insured's possession for work thereon (but no indemnity is granted for Damage to the property on which the insured is working and which arises out of such work).

SPECIFIC CONDITIONS

1. Any dispute between the insured and the company in connection with or arising out of this section shall be decided exclusively in accordance with the law of the Republic of South Africa and exclusively by a competent court of the Supreme Court of South Africa;

The insured undertakes that they will not institute action against the company nor bring joint proceeding against the company in the Court of any country other than the Republic of South Africa;

2. The insurance under this section shall cease if the Business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the company;

3. The indemnity granted by this policy is conditional upon the Underlying Insurance remaining in force throughout the Period of Insurance and that the limits of indemnity in terms of the Underlying Insurance shall not be less than:

(a) the Public Liability section:	R1,000,000
(b) the Employers Liability section:	R1,000,000
(c) any liability extension on any section of this policy providing cover to property, including the Building Combined section; the House owners section and the Householders section:	R1,000,000
(d) Motor third party liability:	R2,500,000

If, at the date of loss, the limit of indemnity in terms of the Underlying Insurance, is less than the limits indicated above, then the insured shall be considered as being their own insurer for the difference.

4. If, at the time of any event giving rise to a claim under this section, indemnity is also provided under any other insurance, other than a policy to specifically provide indemnity in excess of this policy, this section shall not be drawn into contribution with such other insurance. The provisions of this condition shall apply notwithstanding that the aforesaid policy be voidable or that the insurer be entitled to avoid liability for an occurrence which has given rise to a claim under such other policy.