



the personal touch

Hospitality and Tourism Insurance Policy Wording



Hollard.

Underwritten by The Hollard Insurance Company Limited
(Reg. No. 1952/003004/06), a Licensed Non-Life Insurer
and an authorised Financial Services Provider

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GENERAL EXCEPTIONS, CONDITIONS, PROVISIONS AND EXTENSIONS

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

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

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

GENERAL EXCEPTIONS

1. War, Riot and Terrorism

- (A) This 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 (as defined under (C) 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 all;

- (i) to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or
- (ii) to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such 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 the 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 sections are 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;
2. aircraft and other aerial devices or articles dropped therefrom;
3. impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

Unless so described and specifically insured as a separate item

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. **Asbestos** (Applicable to any Section, or part of this Policy that provides any form of legal liability insurance.)

Notwithstanding any Provision of this Policy including any Exclusion, Exception or Extension or other Provision which would otherwise override a General Exception, this Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from, in consequence of, in anyway involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

GENERAL CONDITIONS

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

3. **A. Cancellation**

This policy or any section may be cancelled at any time by the company giving 31 days' notice in writing (or such other period as may be mutually agreed) or by the insured giving immediate notice. On cancellation by the insured, the company shall be entitled to retain the customary short period

or minimum premium for the period the policy or section has been in force. On cancellation by the company, the insured shall be entitled to claim a pro-rata proportion of the premium for the remainder of the period of insurance from the date of cancellation, subject to general condition 4.

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

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

Due date will be the first day of every calendar month where premium is payable monthly, 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 insurance, furnish the company with such particulars and information as the company may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the insured as the case may be.

5. Prevention of loss

The insured shall take all 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 proofs, information and sworn declarations as the company may require and forward to the company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to the claim.
- (b) No claim (other than a claim under the business interruption, fidelity, stated benefits or group personal accident section or the personal accident (assault) extension under the money section, if applicable) shall be payable after the expiry of 24 months or such further time as the company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the insured's legal liability to a third party.
- (c) 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 proofs, 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.”

GENERAL PROVISIONS

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:

- (a) Any costs arising from the use of the insured’s own staff are excluded.
- (b) Costs for fees incurred for services of a Public Adjuster are excluded.
- (c) The liability of the company for such costs in respect of any one claim shall not exceed in respect of a particular section R10 000 or 10 percent 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.

GENERAL EXTENSIONS

I. **EMPLOYEES – Compensation for accidental death or injury.**

In the event of an employee or employees of the insured being killed or injured as a result of an accident whilst on duty and acting within the course and scope of his/her/their employment, the insurer will pay the following compensation:

- a) In the event of the death of an employee that ensues within six months of the date of the accident; an amount of R5 000
- b) Medical expenses incurred by an employee within six months of the date of the accident and that are not otherwise recoverable from any other source; an amount not exceeding R5 000

provided that the insurer's maximum liability shall not exceed R20 000 in respect of any one event.

II. **TRAUMA COUNSELING – Employees**

The insurer agrees to pay to the insured an amount of up to R20,000 for fees charged by a bona fide professional counselor following an incident involving Hi-jacking, Hold-up or Animals that results in traumatic stress to the insured's Staff, provided that such an incident occurs on or within the precincts of the insured's premises and the insurer's total liability in respect of any one event shall not exceed R20 000.

III. **EMERGENCY ASSISTANCE for GUESTS**

Insured events:

- 1. Any medical emergency resulting from accidental bodily injury sustained by guests within the precincts of the insured premises.
- 2. Trauma counseling as a result of stress suffered by guests following an incident of Hold-up, Robbery, Kidnap, Hijack, Mauling by animals or Rape occurring within the precincts of the insured premises.

3. Communication costs incurred by guests following an Insured event 1 or 2 (above).

Limits of the insurer's liability:

Insured event 1. R50 000

Insured event 2. R25 000

Insured event 3. R5 000

Provisos:

- a. Payment of claims shall be made directly to the guest for costs necessarily incurred and any amount recoverable by guests under a Travel Insurance policy or Medical Aid scheme shall be deducted from such payments.
- b. The insurer's liability shall not exceed the specified limits per single event.

IV. THIRD PARTY EMERGENCY ASSISTANCE

In the event of the insured receiving emergency assistance (on or within the precincts of the insured's business premises) from any non-professional third party, the insurer will pay up to R10 000 to such individual helpers or assistants for:

- a) Medical expenses (not otherwise recoverable from any other source) incurred for hospital charges and arising from an injury sustained by the assistant in the emergency.
- b) Damage caused to the assistant's personal equipment used in attending to the emergency

provided that the insurer's total liability shall not exceed R10 000 for any one person or R20 000 in total arising from any one event.

V. GUESTS EFFECTS – Damage caused by animals

The insurer agrees to compensate the insured's guests for any damage to guests' personal effects caused by animals and occurring on or within the precincts of the insured's business premises, provided that the insurer's total liability in respect of any one event shall not exceed R20 000.

VI. ALCOHOLIC BEVERAGE

Loss or damage as a result of fermentation within or leakage or overflow from fixed installations containing alcoholic beverages, provided that in respect of any claim giving rise to a single event;

- i) the insured shall bear the first R500
- ii) the insurer's liability shall not exceed R20 000.

VII. FISH STOCKS – Contamination and pollution

Financial loss to the insured resulting from the death of fish stocks due to contamination or pollution of water in dams or ponds located on the insured's property, provided that in respect of any claim giving rise to a single event;

- a) the insured shall bear the first R500
- a) the insurer's liability shall not exceed R20 000.

FIRE & ALLIED PERILS

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. earthquake but excluding damage to property in the underground workings of any mine.
5. 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
6. aircraft and other aerial devices or articles dropped there-from
7. impact by domestic animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

Unless so described and specifically insured as a separate item

NB: *In respect of Defined events 5, 6 and 7 cover specifically excludes:*

- wear and tear or gradual deterioration.
- damage caused or aggravated by:
 - (a) leakage or discharge from any sprinkler or drencher system or other fire extinguishing installations or appliances in the buildings insured hereby or in buildings containing property insured hereby
 - (b) subsidence or landslip
 - (c) the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.
- 8. malicious 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 movable property which is stolen or damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured

NB: *Defined event 8 specifically excludes loss of or damage to moveable or immovable property;*

- (a) caused by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured
- (b) consequential or indirect damage of any kind or description whatsoever, other than loss of rent if specifically insured
- (c) damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation
- (d) damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
- (e) damage related to or caused by any occurrence referred to in General exception 1 (A) (i), (ii), (iii), (iv), (v) 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.

Specific exception

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 of 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.

Policy Extensions, Clauses and Conditions

Collapsed shelving extension

Damage to property as a result of the collapsing of shelves installed at the insured premises, provided that:

- a) the insurer's liability shall not exceed R10 000 in respect of any one event
- b) the insured shall be responsible for the payment of the first R500 of each claim.

Wild animals extension

Damage caused to insured buildings and/or insured contents as a result of any actions of wild animals, provided that the insurer's liability shall not exceed the Sums insured specified in the schedule.

Debris and silt extension

Costs necessarily incurred for the removal of debris and/or silt within an area of 10 meters from the insured property, provided that:

- a) the cause of the debris and/or silt was as a direct result of a Defined event
- b) the total cost of the debris and/or silt removal shall not exceed R20 000 in respect of any one event.

Fatal injury extension

In the event of fatal injury of a director (or, in the case of a close corporation, a member) of the insured company the insurer will pay to the executors or administrators of the deceased's estate the sum of R10 000, provided that:

- a) death occurs as a direct result arising from an insured peril described in the Defined Events in this section of the policy
- b) death ensues within three months from the time of the occurrence of the Defined Event
- c) the insurer's liability shall not exceed R20 000 in respect of any one event.

Signs, shades and canopies extension

The insurance provided by this section of the policy is extended to include fixed signs, shades and canopies, provided that:

- a) the insured shall bear the first R500
- b) the insurer's liability shall not exceed R20 000.

Change of Temperature extension

The insurance extends to cover damage to stocks of food and/or beverages as a direct cause of a Defined Event that results in a change by change of temperature and the total or partial malfunction of the insured's refrigeration plant.

Leakage extension

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

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.

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.

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.
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.
4. normal settlement, shrinkage or expansion of the building
5. active soils, except where professional engineering design precautions have been implemented during construction
6. the densification of made up ground or infill or by inadequate compaction of filling
7. damage from a cause which existed prior to the commencement of the policy
8. solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundations supporting the external walls of the building are damaged by the same cause at the same time
9. work necessary to prevent further destruction or damage due to subsidence or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto
10. sudden and Unforeseen damage caused as a result of the contraction and or expansion of soil as is experienced in clay and other similar types of soil
11. sudden and Unforeseen Loss or damage occasioned by happening through, or in consequence of coastal, river, dam or watercourses erosion.

Definitions

1. **Subsidence:** the downward movement of a site on which buildings may or may not stand, from causes unconnected with the building (if present).
2. **Landslip:** the downward and/or sideways movement of sloping ground resulting from the action of self weight stresses and imposed loadings exceeding the available strength of the ground.
3. **Settlement:** the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and is unpredictable.
4. **Active Soils:** a soil that changes in volume to varying degrees in response to changes in moisture content, i.e. the soil may increase in volume (heave or swell) upon wetting and decrease in volume (shrink) upon drying out.

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.

Landscaped gardens extension (If stated in the schedule to be included)

The insured will be indemnified for the cost of restoring landscaped gardens damaged as a result of any Defined Event in this section of the policy, provided that in respect of any occurrence arising from a single event;

- (a) the insured shall bear the first R5 000
- (b) the insurer's liability shall not exceed the Sum insured specified in the schedule.

Escalator extension (if stated in schedule to be included)

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

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

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

Inflation (Further Period) Extension (If stated in the schedule to be included)

The company will pay the additional costs of reinstatement or replacement incurred between the time of the loss and actual reinstatement or replacement, which are due to escalation in cost. Provided always that:

- (i) the indemnity herein shall be without force or effect if the insured is unable or unwilling to reinstate or replace the property damaged on the same or another site
- (ii) any amounts payable which may be indemnified in terms of any other policy shall be deducted from any amount payable in terms of this policy
- (iii) this extension is limited to the percentage specified in the schedule based on the replacement value at the time of loss.

In consideration of the foregoing it is agreed that the insured shall pay an additional premium as agreed.

Disposal of Salvage extension (if stated in the schedule to be included)

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

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

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.

Designation of property clause

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

All other contents clause

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

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

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.

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 agree to pay additional premium if required.

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 percent of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the insured's claim.

Capital additions clause

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

Cost of demolition and clearing and erection of hoardings clause

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

The company will not pay for any costs or expenses:

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

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.

Mortgagee clause

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

Municipal plans scrutiny fee clause

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

Public authorities' requirements clause

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

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.

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.

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 condition apply shall be separately subject to this provision.
4. these conditions shall be without force or effect if:
 - (a) the insured fail 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 are unable or unwilling to replace or reinstate the property on the same or another site.

Alternative replacement conditions (design capacity) clause

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

provided that:

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

Temporary removal clause

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

1. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the company shall not exceed 15 percent 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.

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.

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.

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 percent 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 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 insurance, the premium shall be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium shall differ 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 percent 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.

BUILDINGS AND STRUCTURES

Defined events

Your policy provides cover for:

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 situate as stated in the schedule.
2. Loss of rent as provided in sub-section C.
3. Legal liability as may be provided for in sub-section D.

Sub-section A (Property)

Insured perils

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.

NB: PLEASE NOTE: Your policy does not provide cover where there is no proven forcible and violent entry or exit into the building and there is not cover for Theft of External fixture and fittings.
7. 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 percent of the claim before deduction of any first amount payable.
8. Accidental damage to sanitaryware, but the amount payable will be reduced by R250 for each and every such damage.
9. Deliberate or wilful or wanton act of any person committed with the intention of causing such loss or damage but excluding loss or damage caused by or arising from theft or any attempt thereat.

Provided that this does not cover:

- (a) Consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
 - (b) Loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
 - (c) Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - (d) 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 provisos (a), (b), (c) or (d) loss or damage is not covered by this section, the burden of proving the contrary shall rest on the insured.
10. Bursting, overflowing or escape of water or oil from tanks, apparatus or pipes including any fixed water or oil-fired heating installation including damage to such tanks, apparatus or pipes but excluding damage as a result of wear and tear and gradual deterioration.

Average (Specific condition) – Not applicable to 7 above

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, 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 percent 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) Not applicable if section 13 Public Liability is in operation

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 judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
 - (b) costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and **recoverable in the area** described in 6(a) above.

Memoranda to sub-section D

1. Where more than one insured is named in the schedule the company will indemnify each insured separately and not jointly and any liability arising between such insured 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 are entitled to indemnity under this insurance.
3. In respect of this sub-section only, General exception 1 is deleted and replaced by the following:

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

Clauses and extensions

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

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

1. 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.

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

- 1.1 damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- 1.2 damage caused by or attributable to:
 - 1) faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises
 - 2) workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises
 - 3) excavation on or under land other than excavations in the course of mining operations
- 1.3 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. normal settlement, shrinkage or expansion of the building,
3. active soils, except where professional engineering design precautions have been implemented during construction,
4. the densification of made up ground or infill or by inadequate compaction of filling,
5. damage from a cause which existed prior to the commencement of the policy,
6. solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundations supporting the external walls of the building are damaged by the same cause at the same time,
7. work necessary to prevent further destruction or damage due to subsidence or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto.
8. Sudden and Unforeseen damage caused as a result of the contraction and or expansion of soil as is experienced in clay and other similar types of soil
9. Sudden and Unforeseen Loss or damage occasioned by happening through, or in consequence of coastal, river, dam or watercourses erosion.

Definitions

1. **Subsidence:** the downward movement of a site on which buildings may or may not stand, from causes unconnected with the building (if present).
2. **Landslip:** the downward and/or sideways movement of sloping ground resulting from the action of self weight stresses and imposed loadings exceeding the available strength of the ground.
3. **Settlement:** the downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and is unpredictable.
4. **Active Soils:** a soil that changes in volume to varying degrees in response to changes in moisture content, i.e. the soil may increase in volume (heave or swell) upon wetting and decrease in volume (shrink) upon drying out.

Landscaped gardens extension (if stated in the schedule to be included)

The insured will be indemnified for the cost of restoring landscaped gardens damaged as a result of a Defined event. Provided that:

- a) The insured shall bear the first R5 000 of every claim
- b) The insurer's liability shall not exceed the Sum Insured specified in the schedule

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

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein 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 providing the contrary shall rest on the insured.

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 percent of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this extension applies.

Inflation (Further Period) Extension (If stated in the schedule to be included)

The company will pay the additional costs of reinstatement or replacement incurred between the time of the loss and actual reinstatement or replacement, which are due to escalation in cost. Provided always that:

- (i) the indemnity herein shall be without force or effect if the insured is unable or unwilling to reinstate or replace the property damaged on the same or another site
- (ii) any amounts payable which may be indemnified in terms of any other policy shall be deducted from any amount payable in terms of this policy
- (iii) this extension is limited to the percentage specified in the schedule based on the replacement value at the time of loss.

In consideration of the foregoing it is agreed that the insured shall pay an additional premium as agreed.

Wild animals extension

Damage caused to insured buildings and structures as a result of any actions of wild animals. Provided that the insurer's liability shall not exceed the Sums insured specified in the schedule.

Debris and silt extension

Costs necessarily incurred for the removal of debris and/or silt within an area of 10 meters from the insured buildings and structures. Provided that:

- a) The cause of the debris and/or silt was as a direct result of a Defined event
- b) The total cost of the debris and/or silt removal shall not exceed R20 000 in respect of one event.

Fatal injury extension

In the event of fatal injury of a director (or, in the case of a close corporation, a member) of the insured company the insurer will pay to the executors or administrators of the deceased's estate the sum of R20 000. Provided that:

- a) Death occurs as a direct result arising from an occurrence of a Defined event
- b) Death ensues within three months from the time of the occurrence of a **Defined event**.

Signs, shades and canopies extension

The insurance provided by this section of the policy is extended to include fixed signs, shades and canopies.

Provided that:

- a) The insured shall bear the first R500 of every claim
- b) The insurer's liability shall not exceed R20 000 in respect of any one event

Prevention of access extension to sub-section C

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 percent 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.

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

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

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

Architects' and other professional fees clause

The insurance under sub-section A includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 15 percent 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 percent of the sum insured thereon, it being understood that the insured undertake to advise the company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

Cost of demolition and clearing and erection of hoardings clause

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

The company will not pay for any costs or expenses

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

Fire extinguishing charges clause

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

Mortgagee clause

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

Municipal plans scrutiny fee clause

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

Public authorities' requirements clause

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

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

Railway and other subrogation clause

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

Reinstatement value conditions

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

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

2. until expenditure has been incurred by the insured in replacing or reinstating the property, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision
4. these conditions shall be without force or effect if:
 - (a) the insured fails to intimate to the company within six months of the date of damage, or such further time as the company may in writing allow, their intention to replace or reinstate the property
 - (b) the insured are unable or unwilling to replace or reinstate the property on the same or another site.

Temporary removal clause

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

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.

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 situate 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. Theft or any attempt thereat other than by any principal, partner, director or employee of the insured

Specific Exception, Limitations and Condition (applicable to Sub-section A)

Exception

This sub-section does not cover

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

Limitation 1

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.

Limitation 2

The company's liability under peril 7 above is restricted to the First Loss sum insured stated in the schedule manuscripts, business books, plans, designs, patterns, models and

Condition of Average (not applicable to peril 6 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.

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 percent 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 un-cancelled 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.

Specific Exception and Limitation (applicable to Sub-section C)

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 percent of such amount or R1 000
 - (ii) vermin or inherent defect or by processing, copying or other work upon the documents
 - (iii) the dishonesty of any principal, partner or director of the insured whether acting alone or in collusion with the others. This exception shall not apply to any director who is also an employee of the insured and whom the insured have 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 re-shooting films and videos and re-recording audio tapes.

Limitation

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.

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.

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 therefore admitted by the company under sub-sections A or C. The indemnity under this sub-section shall not exceed 25 percent of the sum insured on all contents of the office premises affected.

Clauses and extensions**Alterations and misdescription clause**

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

Capital additions clause

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

Fire extinguishing charges clause

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

Locks 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:

- (i) the company's liability shall not exceed R1 000 in respect of any one event
- (ii) the company shall not be liable for the first R1 00 of each and every event.

New and additional premises clause

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

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

Removal of debris clause

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

The company will not pay for any costs or expenses:

- 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.

Temporary removal clause

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

Temporary repairs and measures after loss clause

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

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.

Replacement value condition

The basis upon which the amount payable for a claim in respect of contents is calculated shall be either the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new or

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

Malicious damage extension

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

1. moveable 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. moveable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured
3. immovable property owned or occupied by the insured occasioned by or through or in consequence of
 - (a) the removal or partial removal or any attempt thereof of
 - (b) the demolition or partial demolition or any attempt thereof of

the said immovable property or any part thereof with the intention of stealing any part thereof, provided that this extension does not cover:

- (a) damage related to or caused by fire or explosion
- (b) consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured
- (c) damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation

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

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

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

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

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

provided that this extension does not cover:

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

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

BUSINESS INTERRUPTION

Defined events

Loss following interruption of or interference with the business in consequence of:

1. Damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under the following sections of this policy:
 - (i) FIRE & ALLIED PERILS
 - (ii) BUILDINGS & STRUCTURES
 - (iii) OFFICE CONTENTS
 - (iv) THEFT
 - (v) GOODS IN TRANSIT

but only in respect of perils insured under the fire section hereof (hereinafter termed Damage).
2. Losses as described that result in the interruption of the business due to:
 - (i) Murder, rape or suicide occurring at the insured premises, subject to a maximum indemnity period of 7 days following the incident.
 - (ii) Poisoning directly attributable to food or drink sold or supplied at the insured premises, limited to a maximum of R100,000 per event.
 - (iii) Closure of the insured premises, on the specific directive of a competent local authority, due to defective sanitation, vermin or pests, subject to a maximum indemnity period of 14 days following the incident.

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 rental	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: <ul style="list-style-type: none"> (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 twelve months immediately before the date of the Damage which corresponds with the indemnity period

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

Annual turnover

Annual revenue

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

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

Rate of gross profit The rate of gross profit earned on the turnover during the financial year immediately before the date of the 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 twelve), the amount payable shall be proportionately reduced.

Deposit premium clause

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

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

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

Output (alternative basis) clause

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

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

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

Salvage sale clause

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

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

Other premises extensions

Subject to the Memorandum at the foot of the following extensions (a) to (f)

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

(a) Unspecified suppliers

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.

(b) Storage, transit and vehicle

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

(c) Contract sites

any situation not in the occupation of the insured where the insured are carrying out a contract.

(d) Prevention of access

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.

(e) Additional premises

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

(f) Public telecommunications

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

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

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

(g) Public utilities

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

- (i) drought
- (ii) pollution of water
- (iii) shortage of fuel or water
- (iv) a fault on any part of the installation belonging to the premises

- (v) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority
- (vi) any event described in General exception 1 and 2 but cover provided by the Malicious damage extension in the underlying material damage section of this policy is not excluded.

In respect of interruption of or interference with the business arising from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for interruption of or interference with the business unless such interruption or interference extends beyond 72 hours from commencement thereof.

Memorandum: Applicable to the geographical limits of Extensions to other premises

(a),(b), (c), (d), (f) and (g) of the extensions to other premises are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

(e) 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 or 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:

- (a) the difference between:
 - (i) the outstanding debit balances, and
 - (ii) the total of the amounts received or traded in respect thereof, plus
- (b) the additional expenditure incurred in trading 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 conditions 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 percent 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 percent 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 percent 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 percent of the highest amount stated in the schedule applicable to any one premises

2. Buildings – Increased Limit

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. Malicious Damage – Increased Limit

In addition to the limit of indemnity stated in the schedule the insurance under this section includes damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of a thief or thieves committed with the intention of causing such damage whilst in the course of perpetrating a theft at the insured premises, provided that:

- (a) Theft, as described, is accompanied by forcible and violent entry or exit from the insured premises
- (b) Damage to buildings and land lords fixtures and fittings is excluded
- (c) Consequential or indirect damages of any kind or description are excluded
- (d) Damage relating to or caused by fire, explosion or accidental damage is excluded.
- (e) The insurer's liability shall not exceed the greater of R5 000 or the amount stated in the schedule in respect of any one event.

4. Loss of Keys – Increased Limit

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.

5. All Contents – Personal Effects, Tools and Pedal Cycles

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.
- 5. Robbery or theft occurring away from the premises of the insured is excluded from this policy. Goods removed from the premises are not covered under this policy.

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 Africa, South of the Equator.

Provided that the liability of the company for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the schedule.

Definitions

- Money** shall mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage, revenue and holiday stamps, credit card vouchers and documents, certificates or other instruments of a negotiable nature, the property of the insured or for which they are responsible.
- Receptacle** shall mean any safe, strongroom, strongbox, 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 company will indemnify the insured in respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that the company'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 company will indemnify the insured in respect of the cost of replacing locks and keys to any receptacle at the insured premises following upon the disappearance of any key to such receptacle or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key, provided that:

- (i) the company's liability shall not exceed R2 000 in respect of any one event
- (ii) the company 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:

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

provided that this extension does not cover:

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

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

4. Skeleton keys

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

5. Personal accident (assault) extension – (included as stated in the schedule)

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

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

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 disability 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. The reasonable expenses incurred, up to the sum specified in the schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bring such person to a place of safety) incurred within 24 months of the defined event

Memoranda (applicable to permanent disablement benefits)

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

provided that:

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

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

Extensions to the personal accident (assault) extension

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

Specific exceptions

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

1. arising from dishonesty of any principal, partner, director or person or persons in the employ of the insured not discovered within 14 working days of the occurrence thereof;
2. arising from shortage due to error or omission;
3. arising from the use of keys to any safe or strongroom 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 company that the keyholder or such other person had used the keys to open the safe or strongroom;
4. in an unlocked safe or strongroom whilst the portion of the premises containing such safe or strongroom is unattended but this exception will not apply if it can be shown to the satisfaction of the company that the keyholder to the safe or strongroom deliberately left it unlocked with the intention of allowing the money to be stolen;
5. not contained in a locked safe or strongroom 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 company that the person(s) responsible for the money deliberately left it outside the safe or strongroom with the intention of allowing it to be stolen;
6. in any vehicle being used by the insured unless a principal, partner, director or employee of the insured is actually in such a 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 dishonesty of any principal, partner, director or person in the employ of the insured as 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 company shall not be liable under this section of the policy in respect of loss or damage arising from any event in respect of which a claim is payable, or would be payable but for any first amount payable or co-insured clause under the fidelity section of the policy or any other fidelity insurance.

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 the 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 the drawing and crossing of cheques" or any other superior method approved by the SAIA
or
 - (b) the cheque was dispatched to the Insured by certified post or any post where the 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 company or SAIA) on it recommending or requiring that the cheque be drawn in accordance with the undermentioned "Recommended SAIA procedure for the drawing and crossing of cheques".

Recommended procedure for drawing and crossing of cheques and printing of blank cheques (For the guidance of the policyholder)

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 rear 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 like 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:
 - (i) old ribbons
 - (ii) laser printers which do not make an impression into the paper
 - (iii) the "reverse printing technique"
 - (iv) 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 (C13S1 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.

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 the placement 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 twelve months after the termination of:
 - (i) this section, or
 - (ii) this section in respect of any insured employee concerned in a loss, or
 - (iii) the employment of the insured employee or the last of the insured employees concerned in a loss whichever occurs first;
- 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 twelve 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 of

any computer programme, 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 insureds' 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 insureds' 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 insureds' 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 purpose 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 sooner of 12 months of the termination of employment of the employee concerned or within 12 months of the expiry of this section.

Supersedes 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 sooner of 12 months of the termination of the employment of the employee concerned or within 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 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) that declared to the company at inception or renewal or 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 percent 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 percent of the net 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 percent to 20 percent 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 programme, system, data or software by any insured employee whose duties involve the managing, supervision, design, creation or alteration of computer systems or programmes.

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

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

1. it was committed
2. the first event in a series of events committed by one person or a number of persons acting in collusion

the percentages contained in the first amount payable clause are increased as follows;

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

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

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

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

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

If the insured shall sustain any loss to which this section applies which exceeds the sum insured hereunder, the company will, in addition to the sum insured, pay to the insured costs and expenses not exceeding the amount stated in the schedule necessarily incurred with the consent of the company (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in regard to 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)

- In consideration of the payment of an additional premium, Proviso 1 (a) of the defined events is restated to read:
 - (a) the company is not liable for all losses which occurred more than 36 months prior to discovery.
- 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 96 hours in the course of the journey) and end when off-loaded and delivered at any building or place of storage at the consignee's premises.
2. If any consignee shall refuse to accept property consigned, transit shall be deemed to continue and the insurance in respect of such property shall continue in force until the property is delivered at the premises of the consignor by any means of conveyance, provided that the insured shall take all reasonable steps to ensure that the property is returned as soon as is reasonably possible.
3. Where the means of conveyance is by specified vehicle, the insurance under this section shall apply to property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not the property of the insured or leased or hired by them under a lease or suspensive sale agreement.
4. In the event of breakdown of the means of conveyance during transit or if, for any reason beyond the insured's control, the property is endangered, nothing contained herein shall debar the utilisation of any other form of transport to assist completion of the transit and the insurance afforded shall not be affected thereby.

Extensions

Debris removal extension

The insurance under this section includes costs necessarily incurred by the insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R5 000 or the limit stated in the schedule, whichever is the greater, in respect of any one defined event.

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 policy 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, subject to a limit of R5 000 or the limit stated in the schedule, whichever is the greater, in respect of any one defined event.

Riot and strike extension

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.

Restricted cover

1. Fire, explosion, collision, derailment and overturning (if stated in the schedule to be applicable)

The insurance under this policy 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.

2. Fire, explosion, collision, derailment and overturning and theft following therefrom (if stated in the schedule to be applicable)

The insurance under this policy 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 and theft resulting therefrom.

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;
 - (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.

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 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.

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

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

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

or

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

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

Specific extensions

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

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

Riot and strike extension

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, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon
 - (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear
 - (vi) denting, chipping, scratching or cracking not affecting the operation of the item
 - (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, 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).

Definition

Insured property

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

- (a) current coin (including Krugerrands and similar coins), bank and currency notes, travellers and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, unused MVA tokens, 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 discs 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 include

- (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
 - (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.

Further, the company shall not be liable under (c) for any costs or expenses

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

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 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 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 six months of the insured event or such further time as the company may allow in writing their intention to replace or reinstate the lost or damaged insured property
 - (ii) the insured are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

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

Defined events

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

The limits of indemnity

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

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 territory of Africa, south of the Equator

Specific exceptions

The company will not indemnify the insured in respect of:

1. liability consequent upon injury to any person employed by the insured under a contract of service or apprenticeship and arising from and in the course of such employment by the insured
2. damage to:
 - (a)
 - (i) property belonging to the insured
 - (ii) property in the custody or control of the insured or any employee of the insured
 - (b) that part of any property on which the insured are or have been working if such damage results directly from such work
3. liability consequent upon injury or damage:
 - (a) caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the insured
 - (b) caused by or through or in connection with the ownership, possession or use by or on behalf of the insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock, provided that this exception shall not relieve the company of liability to indemnify the insured in respect of liability consequent upon injury or damage caused or arising beyond the limits of any carriage-way or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such injury or damage is not insured by any other insurance policy
 - (c) caused by or through or in connection with:
 - (i) the refuelling of aircraft
 - (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline
 - (iii) the ownership, hire or leasing of any airport, airstrip or helicopter pad
 - (d) caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by the insured other than food and drink supplied incidentally for consumption on the premises

- (e) occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work
- 4. damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure
- 5. liability assumed by agreement (other than under the insured's own standard conditions of contract) unless liability would have attached to the insured notwithstanding such agreement
- 6. (a) liability in respect of injury damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence
- (b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

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

- 7. fines, penalties, punitive, exemplary or vindictive damages
- 8. (a) damages in respect of judgements delivered or obtained - d in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
- (b) costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the area described in 8(a) above
- 9. 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
- 10. 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
- 11. the first amount payable.
The insured shall be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by the insured.
- 12. Any condition directly or indirectly caused by or associated with Human Immune Virus (HIV) or the mutants, derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome (AIDS) or any syndrome or condition of a similar kind howsoever it shall be named.

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. Any claim first made in writing against the insured as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the insured on the same day that the insured reported the event to the company
- 2. In the event of cancellation or non-renewal of the policy:
 - (a) any claim resulting from a reported event, first made in writing against the insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the insured on the same day that the insured reported the event. if the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant

- (b) the insured may report an event in terms of General condition 6 to the company for up to 15 days after cancellation or non-renewal, provided:
 - (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 he first claim of the series was first made in writing against the insured.

Extensions

Extended reporting option

At the option of the insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, the company agrees to extend the period during which the insured may report an event in terms of General condition 6 for a period to be agreed, but in no circumstances exceeding 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
- (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.

Additional insured

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

- (a) in the event of the death of the insured, any personal representative of the insured in respect of liability incurred by the insured
- (b) any partner or director or employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance
- (c) to the extent required by the conditions of any contract (and notwithstanding Specific exception 5), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the insured for the purpose 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 whom the indemnity hereunder applies shall observe, fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this insurance in so far as they can apply.

Security Firms

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

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

Cross liabilities

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

Tool of trade

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

Employees' property

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

Liability by agreement

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

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

Unattached trailers

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

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

Damage to public services

The indemnity provided herein extends to indemnify the insured against all sums for which the insured shall become legally liable for reinstating or repairing accidental damage to underground water supply pipes, underground gas pipes, electricity cables and telephone connections between the insured's premises and the public supply or mains

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.

Vehicles and their contents

Notwithstanding the provisions of Specific exception 2(a)(ii), the company will indemnify the insured against all sums which the insured may become legally liable to pay in respect of claims made by any visitor or guest at the insured's premises for loss or damage to vehicles of any description, cycles, horses whilst left at any garage and/or parking place and/or stable in connection with and on the insured's premises, including the contents of any such vehicle. Provided that:

- (a) Where a garage or vehicle parking facilities are provided a suitably worded notice disclaiming liability for all loss or damage howsoever caused is conspicuously displayed in such garage or parking facilities
- (b) The limit of the company's liability shall not exceed the amount stated in the schedule.

Tenant's liability

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

Products liability

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

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

Additional specific exceptions (applicable to products liability extension)

This extension does not cover liability:

- (i) for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage
- (ii) for the cost of demolition, breaking out, dismantling, delivery rebuilding, supply and installation of the goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products.

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

Defective workmanship liability

Specific exceptions 2(b) and 3(e) are deleted. The amount payable under this extension, inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and all other costs and expenses incurred with the company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

Additional specific exceptions (applicable to defective workmanship liability)

This extension does not cover liability:

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

Legal defence costs

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

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

The Statutes

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

The Mines and Works Act No. 27 of 1956 (as amended),

The Electricity Act No. 40 of 1987 (as amended),

The Liquor Act No 27 of 1989 (as amended)

The Tourism Act No 72 of 1993 (as amended)

The Health Act No 63 of 1977 (as amended)

all as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended).

Wrongful arrest and defamation

The defined events are extended to include damages:

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

provided always that the limited of indemnity as stated shall not exceed R50 000 under each of (i) and (ii) and R100 000 in any one (annual) period of insurance.

Liability to visitors or guests

This policy section is extended to indemnify the insured for legal liability arising from loss of or damage to any visitor or guest's property other than:

- (i) Animals
- (ii) Vehicles and contents of vehicles
- (iii) Money, jewellery or other valuables unless deposited with the insured for safekeeping and kept in a locked safe or strongroom.

Provided that:

- (a) The Company's limit of liability shall not exceed the amount stated in the schedule
- (b) The Insured and/or liquor licence holder shall comply with the requirements of the Liquor Act No 27 of 1989 or any amendment thereof.

Animals intruding onto neighbouring property (If stated in the Schedule to be included)

The indemnity provided by this policy extends to include claims arising from wild animals breaking out of perimeter fencing surrounding the premises owned or leased by the insured and recovery and relocation of the animals

Provided that:

- (a) The structure of the said fencing complies with standards and requirements of the National Parks Board and is regularly inspected and maintained by the insured.
- (b) The insurer's liability shall not exceed the Indemnity limit stated in the schedule.
- (c) The insured shall be responsible for the payment of the first R5 000 in respect of each claim or series of claims arising from a single event.

E C directive (If stated in the Schedule to be included)

Notwithstanding specific exception 5 of this policy section, the company will indemnify the insured in respect of liability pursuant to the European Community Directive 90/31/EEC Article 5, The Package Travel Regulations 1992, and any other subsequent legislation enacted with the European Community. Provided that:

- (a) The company's liability shall not exceed the limit of indemnity stated in the schedule
- (b) The insured shall be responsible for the first R5 000 of any claim.

Game hunting (If stated in the Schedule to be included)

Subject to agreement of terms and the payment of an additional premium, the company will indemnify the insured under the provisions of this policy section for liability arising from the activity of organised game hunting taking place at the property on which the insured premises are situated. Provided that:

- (a) All participant hunters have signed a Disclaimer in a manner and format prescribed by the company
- (b) All participant hunters are under the guidance and control of a professional game ranger or professional hunter employed or hired by the insured.
- (c) The company's liability shall not exceed the amount stated in the schedule.
- (d) The insured shall be responsible for the first amount payable stated in the schedule.

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:

- (i) any business carried on by the insured at or from premises outside
or
- (ii) any contract for the performance of work outside Africa, south of the Equator

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 countries situated in Africa, south of the Equator
 - (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.

Specific conditions

1. Any claim first made in writing against the insured as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the insured on the same day that the insured reported the event to the company
2. In the event of cancellation or non-renewal of the policy:
 - (a) any claim resulting from a reported event, first made in writing against the insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the insured on the same day that the insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant

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

Extensions

Extended reporting option

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

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

Principals

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

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

Memorandum

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

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

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

		Percentage of compensation
Permanent disability shall mean		
(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	6
	• three phalanges	4
	• 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	2

Memoranda

- (i) Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part
- (iii) 100 percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

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

Medical expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 months of the defined event.

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

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

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

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

Provisos

It is declared and agreed that:

1. the company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses,-
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any such person under 15 or over 70 years of age;
4. any compensation payable by the company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the company so to do, submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General conditions 2 and 9 do not apply to this section;
7. in respect of this section only, General exception 1 is deleted and replaced by the following:

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

Extensions

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

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

		Percentage of compensation
(A)	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 twenty four month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

Specific exceptions

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

- (a) while he 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 or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- (e) as a result of his 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 vehicle, vessel or craft
 - (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

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

		Percentage of compensation
Permanent disability shall mean:		
(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	6
	• three phalanges	4
	• 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	2

Memoranda

- (i) Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part
- (iii) 100 percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

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

Medical expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 months of the defined event.

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

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

Provisos

It is declared and agreed that:

1. the company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any such person under 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 so to do, submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
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

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

		Percentage of compensation
(A)	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 twenty four month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

Specific exceptions

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

- (a) while he 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 or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself).
- (e) as a result of his 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 vehicle, vessel or craft
 - (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, 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 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 R5 000, provided 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 such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured in Africa, south of the Equator, provided that:

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

Exceptions to sub-section A

The company 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.

Provided that if any open game viewing vehicle, as described under Vehicle definition 2 (a) (ii), is travelling on a public road such vehicle must be legally licensed to do so in terms of the National Roads Act No 54 of 1971 (as amended).

The company will also, in terms of and subject to the limitations of and for the purposes of this sub-section:

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this subsection, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that the total of the company's liability under both this extension and sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B
2. indemnify any person who is driving or using such vehicle on the insured's order or with the insured's permission, provided that:
 - (a) such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply
 - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer
 - (c) 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 company shall not be liable for damage to the vehicle being driven or used
4. indemnify the insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

Exceptions to sub-section B

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

- (a) so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected
- (b) death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition (b), (c), (d) or (e) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1 500kg)
- (c) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

Limits of indemnity

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

Sub-section C: Medical expenses

Defined events

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily injury by violent, accidental, external and visible means, the company will pay to the insured the medical expenses incurred as a result of such injury up to R10 000 per injured occupant but not exceeding R50 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.

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

Defined vehicle but only if it is insured under sub-section A of this section	Specified part of vehicle in which the injury must occur
1. Any private type motor car or motorised caravan or open vehicle specifically modified and used for game viewing.	Anywhere inside the vehicle but in respect of an open game viewing vehicle, anywhere on such vehicle where suitable seating is installed
2. Any other type of insured vehicle other than a bus or taxi	The permanently enclosed passenger carrying compartment

Definitions

1. Occurrence

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

2. Vehicle

The term vehicle shall mean:

- (a)
 - (i) private type motor cars including sport utility vehicles and similar vehicles designed to seat not more than 9 persons including the driver
 - (ii) open game viewing vehicles that are specifically manufactured or modified and designed to seat not more than 11 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.

Extensions

1. Contingent liability extension

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

- (a) the insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the insured, while being used by any partner or director or employee of the insured (hereinafter in this extension referred to as such person)
- (b) any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him or to the insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer, provided that:
 - (i) all the words in (b) of the exceptions to sub-section B are deleted
 - (ii) the company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above

- (iii) the payment by the insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension
- (iv) if, at the time of the occurrence of any accident giving rise to a claim under this extension, the insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy
- (v) the terms exceptions and conditions of the policy shall otherwise apply.

2. Passenger liability extension

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

3. Unauthorised passenger liability extension

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

4. Waiver of subrogation rights

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

5. Principals

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

6. Cross liabilities

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

7. Riot and strike extension

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.

8. Loss of keys extension

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

- (i) the company's liability shall not exceed, in respect of any one event, the amount of R2 500
- (ii) such amount shall be reduced by a first amount payable of R250 to be borne by the insured.

9. Fire extinguishing charges extension

All costs up to 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 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. Wreckage removal extension

The cover provided under sub-section A of this section is extended to include costs and expenses incurred by the insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a defined event, provided that, in addition to the limit of indemnity under sub-section A of this section, the limit of the company's liability under this extension shall not exceed, in respect of any one occurrence, R10 000.

11. Credit shortfall extension

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

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

provided always that:

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

12. Replacement as new extension

If, within 12 months of the date of purchase as new in the name of the insured, an insured vehicle is:

- (a) stolen and not recovered or
- (b) damaged to the extent that the Company regards it as uneconomical to repair,

the Company will pay the vehicle manufacturer's current list price of the vehicle as new at the date of the occurrence of the loss. Provided that the Company's liability shall not exceed the sum insured stated in the schedule.

13. Vehicle Hire Costs (If stated in the schedule to be included)

In consideration of the payment of an agreed additional premium, the company will indemnify the insured against costs incurred for the hire of a motor vehicle from any recognised garage, motor trader or vehicle hire firm during the period that the insured is deprived of the use of an insured vehicle as a result of it being disabled and undergoing repair or having been stolen. The company shall not be liable for hire charges:

- a) Unless the loss or damage is insured by the policy
- b) Exceeding the following amounts:
 - Motor cars (definition a) R 300 per day
 - Motor vehicles (definition b) R 400 per day
- c) Incurred for the first three days during which the vehicle is undergoing repair or after the theft has been reported to the company.
- d) Incurred for any period exceeding 21 days after the date of commencement of repairs or the date of theft.

(The expression "undergoing repair" shall include towing-in and railage where necessitated by any insured damage)

Memoranda

1. Premium adjustment clause

If this section is issued on a non-specified vehicle basis, the insured shall submit to the company at the end of each period of insurance a declaration of the total number of vehicles owned, hired or leased at such expiry date. The company shall, upon receipt of this declaration, make a premium adjustment of 50 percent 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 (other than passengers being conveyed in an insured vehicle that is being used directly in connection with the insured's business), racing speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair.

Optional limitations

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

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

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

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

Specific exceptions

1. **The company shall not be liable for any accident, injury, loss, damage or liability:**
 - (a) whilst the vehicle is being used 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, Swaziland, 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 company 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 company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the insured notwithstanding such contractual agreement.

Specific condition

If, during the currency of this section, any driver's 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 company immediately the insured have knowledge of such fact.

ELECTRONIC UTILITIES

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 the insured's premises as specified
- (b) in transit including loading and unloading or whilst temporarily stored at any premises en route
- (c) temporarily removed from the insured's premises to any other location.

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 occurrence giving rise to a claim. Where more than one item of property insured suffers physical loss or damage in any one occurrence, 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 programmes 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 to or exit from the insured premises/situation
 - (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.

Provided that 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 which is visible to passers-by

Provisos (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 indemnity

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 minimise 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 insured is totally lost or destroyed, the basis of indemnification shall be the cost of replacing or reinstating on the same site the 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 by 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) their intention to replace or reinstate the property insured
 - (b) the insured is unable or unwilling to replace or reinstate the property insured on the same or another site
 - (iv) at the sole option of the company, following commercial and technical appraisal by a representative of the company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this policy.

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 (A) above, the basis of indemnification shall be the market value of the property insured immediately before the loss or damage. At the option of the company, the property insured shall be regarded as totally destroyed if the repair costs as defined in (1) above equal or exceed its market value immediately before the damage.

Definition of market value

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

- (i) 20 percent for the first year after the date of purchase

and

- (ii) 10 percent per year for each succeeding year

subject always to a minimum indemnity of 40 percent of the current new replacement value of the nearest equivalent property.

Average

In respect of 1. "Partial Loss" and 2. "Total Loss" 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 accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision.

Limit of liability

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

(a) Architects' and other professional fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or damage, provided that the amount payable in respect of such fees does not exceed 15 percent 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 percent 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 percent of the amount which the repair or replacement would have cost had these additional costs not been incurred.

Clauses and extensions

Power surge or lightning strikes

All loss or damage to the property insured by power surges or lightning strikes will be subject to an additional excess of 10 percent of the net amount payable for the items so damaged subject to a minimum of R1 000, but not exceeding R2 000 per occurrence. However, should the property insured be appropriately and adequately protected by suitable safeguards against electrical supply fluctuations, then this additional excess will be waived.

Fire brigade charges

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

Tenants

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

Hire purchase/finance agreements

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

Sub-section B: Consequential loss**Defined events**

The insurance provided by this sub-section of the policy (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 of the policy
- (b) the intrinsic value (including reinstatement value) of the property insured by sub-section A of this policy.

(ii) Reinstatement of data/programmes

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

- (a) the indemnity shall not extend to nor include such costs incurred due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes
- (b) in respect of each and every occurrence or series of occurrences arising out of or in connection with any one event 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 programmes (software), a schedule of such programmes 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 the number of hours/days detailed in the schedule as the time exclusion 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 exclusion 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 of property insured from any cause as provided for under sub-section A of this policy, liability under which subsection shall, except for the provisions relating to the first amount payable or the maintenance/lease agreements, be a condition precedent to liability hereunder.
2. Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than:
 - (a) the deliberate act of the insured or any supply authority
 - (b) drought or shortage of fuel at any electricity utility.

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

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

The limit of liability

The liability of the company shall not exceed the amounts specified in the schedule (relating to sub-section B) in respect of any one accident or series of accidents arising out of or in connection with any one event.

In the event of the payment by the company of any sum or sums in discharge of the company's liability in terms of this sub-section of this policy, 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 damages**

The company shall not be liable to indemnify the insured in respect of fines or damages for breach of contract for late or non-completion of orders or any penalties of whatsoever nature
2. **Loss of profit**

The company shall not be liable to indemnify the insured in respect of loss of profit or consequential loss of whatsoever nature unless specifically provided for herein.

Clauses and extensions

Reinstatement

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

- (a) the insured being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement within a reasonable time, or
- (b) addition, alteration or improvements being effected to the property insured on the occasion of its repair, the company's liability under this section shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

Telkom access lines

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

Special conditions applicable to Telkom access lines

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

General memoranda**Memo 1. Capital additions and currency fluctuations**

The indemnity by this section shall include:

- (a) additional equipment or programmes 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 or mechanical 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 percent, 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 at the expiry of the period of insurance and pay the appropriate premium thereon but not exceeding 50 percent of the difference.

Memo 2. Prevention of access

If, during the indemnity period, the business at the premises be 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 10 km radius of the insured premises as described in the schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, the company shall indemnify the insured for loss resulting from such interruption or interference in accordance with the provisions contained herein

provided that:

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

Special exception (sub-sections A & 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**

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

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

provided always that:

- (1) the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions
- (2) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of sub-sections A or B (item ii) of this section of the policy
- (3) 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) programmes or data reinstated not indemnifiable under item (ii) of sub-section B hereof;
- (4) the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to 20 percent of the applicable total sum insured under sub-section A – The limit of indemnity and sub-section B – item (ii) hereof or R25 000, whichever is the lesser.

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.

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.

1. 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;
- (a) 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: 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: <ol style="list-style-type: none"> (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 minimize or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting therefrom;
 - (c) as far as may be 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 or 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 willful act or willful 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, landslip, 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.

DOMESTIC GENERAL

1. Definitions

- 1.1 You/yours/yourself means the policyholder named in the schedule, other insured(s) and/or other parties to whom cover in terms of these sections has been provided.
- 1.2 We/us/our means the insurers.
- 1.3 Headnotes are for reference and do not affect the interpretation of the policy.

2. Interpretation

The policy and schedule must be read as one document. Any word or expression given a specific meaning will have such meaning wherever it appears.

3. Observance of Policy Terms

Our liability is conditional on the observance of the policy terms by any person claiming indemnity or benefit.

4. Prevention of Loss

You must take all reasonable precautions to prevent a loss or damage, bodily injury and accidents, and should effect emergency repairs to your property to prevent further damage.

5. Claims Procedure, Requirements and Conditions

- 5.1 If an event giving rise to or likely to give rise to a claim comes to your knowledge, you must notify us within 30 days and as soon as reasonably possible give us :
 - 5.1.1 particulars of other insurance covering the same event
 - 5.1.2 written details of the event
 - 5.1.3 such proof, information and sworn declarations we may require from time to time
 - 5.1.4 any document or details of any communication received in connection with a claim.
- 5.2 No admission, statement, offer, promise, payment or indemnity may be made or accepted by you without our written consent.
- 5.3 The theft or loss or malicious damage to any insured article must be notified to the police as soon as is reasonably possible.
- 5.4 We may take over and conduct the defence or settlement of any claim and have the right to use your name for this purpose.
- 5.5 You must give all information, documentation and assistance required by us to obtain indemnity from other parties.
- 5.6 You must notify us immediately you become aware of any impending prosecution or inquest in respect of any event which may give rise to a claim.
- 5.7 If we deny liability for any claim made under this policy we will be relieved of liability unless summons is served on us within 90 days of repudiation.
- 5.8 If we deny liability for any claim made under this policy we will be relieved of liability unless summons is served on us within 90 days of repudiation.
- 5.9 We will not be liable under more than one section of this policy in respect of loss or damage arising from the same event in respect of the same liability, loss or damage.
- 5.10 In respect of any section of this policy under which indemnity is provided for liability to third parties, we may, upon the happening of any event pay you the limit of indemnity provided in respect of such an event or any lesser sum for which the claim or claims arising from such event can be settled and we shall thereafter not be under further liability in respect of such event.
- 5.11 If, after payment of a claim in respect of loss or stolen property, the property (the subject matter of the claim) or any part thereof is located, you will render all assistance in the identification and physical recovery of such property if called on to do so by us, provided that your reasonable expenses in rendering such assistance will be reimbursed by us. Should you fail to render such assistance in terms of this condition when called upon to do so, you will immediately become liable to repay us all amounts paid in respect of the claim.

- 5.12 the event of a claim for which we become liable to provide indemnity for the maximum amount payable under any item(s) or section of the policy, we are not obliged in law or otherwise to provide a refund of the premium for the unexpired period of insurance.

6. More Than One Policy

If the loss, damage or liability is covered by any other insurance we will not pay more than our rateable proportion.

7. Reinstatement of Sum Insured

The sum insured will not be reduced by the amount of any claim. We may request you to pay a premium on the amount of the claim from the date of the loss or damage to the expiry of the period of insurance. This condition applies to:

- 7.1 Household Goods (Section 1)
- 7.2 Building (Section 3)
- 7.3 All Risks (Section 4)

8. Cancellation/Premium Payment

8.1 Cancellation

- 8.1.1 This policy or section may be cancelled:

- 8.1.1.1 by you at any time given in writing and we will be entitled to retain the customary short term premium or minimum premium.
- 8.1.1.2 by us by 30 days notice given in writing to you at your last known or nominated address and we will retain prorata premium. Notice shall be deemed to have been received by you after 10 days of the dispatch of the notice unless proven by you to the contrary.

8.2 Premium Payment

8.2.1 Annual Policy

- 8.2.1.1 premium is payable on or before inception date or renewal date as the case may be. We shall not be obliged to accept premium tendered to us after 15 days from the inception date or renewal date as the case may be.

8.2.2 Monthly Premium

if the premium is not paid on the last date it was due to be paid:

- 8.2.2.1 as a result of payment having been stopped by you this policy will be cancelled at 16:00 on the date the premium was due to be paid.
- 8.2.2.1 for any reason other than as described in 8.2.2.1.1 we will redebit in the following month and should the outstanding premium not be paid when redebited, the policy will be cancelled from the date the first unpaid premium was due to be paid.

9. Automatic Increase Margin

The sums insured under Household Goods (Section 1), Building (Section 3) and All Risks general property (Section 5.2.1 General) will be increased automatically on the anniversary/renewal date of this policy by a percentage commensurate with price indices. This does not relieve you of your responsibility to ensure that the sums insured represent the full replacement value of the property at all times.

10. Change in Circumstances

We may decline to indemnify or compensate you for loss, damage, accident or liability under any item or section if the risk is materially increased without our consent or in the event of any material misdescription, omission, misrepresentation or non-disclosure.

11. Riot and Strike Extension (excluding cover that may be provided by the South African Special Risks Insurance Association)

Notwithstanding anything to the contrary contained in Exclusion 13.1.3

- 11.1 The policy is extended to cover loss or damage to property directly occasioned by or through or in the consequence of:

- 11.1.1 civil commotion, labour disturbances, riot, strike or lockout
- 11.1.2 the act of any lawfully established authority in controlling, preventing, suppressing in any other way dealing with any occurrence referred to in 11.1.1 above.

- 11.2 The extension does not cover loss or damage to property

- 11.2.1 occurring either within the territorial limits of the Republic of South Africa or Namibia or beyond the territorial limits specified in the policy.
- 11.2.2 resulting from total or partial cessation of work, or the retarding or cessation of any process or operation
- 11.2.3 occasioned by permanent or temporary dispossession resulting from confiscation
- 11.2.4 related to or caused by any occurrence referred to in exclusion 13.1.1.2, 13.1.3.3, 13.1.3.4, 13.1.3.5, 13.1.3.6 or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If we allege that by reason of 11.2.1, 11.2.2, 11.2.3, 11.2.4 loss or damage is not covered by this extension, the burden of proving the contrary will rest on you.

- 11.3 Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exclusion, this policy does not cover loss of or damage to property or expense, of whatever 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 way sequence to the loss, damage or expense.

For the purpose of this exclusion 11.3 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 organization 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 we allege that be reason of exclusion 11.3 loss of or damage to property is not covered by this policy, the burden of proving the contrary shall rest with you.

12. Jurisdiction

This policy is subject to the jurisdiction of the Republic of South Africa

13. Exclusions

- 13.1 We will not be liable for:

- 13.1.1 any claim which is in any respect fraudulent
- 13.1.2 loss, damage or bodily injury deliberately caused by you or any person acting in collusion with you
- 13.1.3 loss damage to property related to or caused by:
 - 13.1.3.1 civil commotion, labour disturbance, riot, strike lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing
 - 13.1.3.2 war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war
 - 13.1.3.3 (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

13.1.3.4 any act (whether on behalf any organization, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence

13.1.3.5 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

13.1.3.6 any attempt to perform any act referred to in exclusion 13.1.3.4 or 13.1.3.5 above

13.1.3.7 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in exclusions 13.1.3.1, 13.1.3.2, 13.1.3.3, 13.1.3.4, 13.1.3.5 and 13.1.3.6 above.

If we allege that by reason of exclusions 13.1.3.1, 13.1.3.2, 13.1.3.3, 13.1.3.4, 13.1.3.5 and 13.1.3.6 and 13.1.3.7 of this exclusion, loss of or damage to property is not covered by this policy, the burden of proving the contrary shall rest with you.

13.1.4 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.

13.2 Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exclusion, this policy does not cover loss or damage to property or expense, of whatever 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 exclusion 13.2 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 organization 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 we allege that by any reason of exclusion 13.2 loss of or damage to property is not covered by this policy, the burden of providing the contrary shall rest with you.

13.3 Except as regards the Personal Accident Section, this policy does not cover any legal liability, loss or damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from:

13.3.1 ionising, radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;

13.3.2 nuclear material, nuclear fission or fusion, nuclear radiation;

13.3.3 nuclear explosives or any nuclear weapon;

13.3.4 nuclear waste in whatever from;

regardless of any other cause or event contributing concurrently or in any other sequence to the loss

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

13.4 Computer Loss Exclusion

Notwithstanding any provision of this policy including any exclusion or extension or other provision not included herein which would otherwise override a general exclusion, 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 not at all
- (i) to treat any date as the correct date or true calendar date, or correctly or appropriately to recognize, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or
- (ii) to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such 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
- (iii) 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 unauthorized 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 your property or not.

Special Extension on the above General Exclusion 13.4

1. Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the insured events referred to in 2. Below or indemnified by Personal Accident, Motor, Motor cycle, Trailer/Caravan or Pleasure Craft section is not excluded by this General Exclusion
2. The insured events that are not excluded for the purpose of this Special Exclusion are damage caused by:
 - 2.1 Storm, flood, wind, rain, hail or snow excluding loss or damage to property in the open unless the property is designed to exist or operate in the open
 - 2.2 Sudden damage to any building caused by impact

These insured Events do not cover wear and tear or gradual deterioration.

3. The 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 Loss General Exclusion and this Special Extension.
4. This Special Extension shall not apply to any Personal Liability indemnity.

13.5 We will not be liable for consequential loss or damage except as specifically provided.

DOMESTIC HOUSEOWNERS

DEFINITION

For this section:

1. You/your/yourself means the policyholder named in the schedule.
2. The private residence shall mean the building and outbuildings, landlord's fixtures and fittings, water, sewerage, gas, electricity and telephone connections, paths and driveways constructed of brick, concrete, pavers, asphalt or stone (not gravel), walls, gates and fences (excluding hedges), swimming pools (other than pools that are built above ground level and vinyl lined pools), including fixed filtration plant, pool safety nets and covers, water-pumping machinery (not automatic pool cleaners), tennis courts, sauna and spa baths belonging to you and situated at the risk address shown in the schedule.
3. Reinstatement means, if the private residence is:
 - 3.1 destroyed, we will rebuilt it
 - 3.2 damaged, we will repair the damaged portion
 as nearly as possible to its condition when new.

COVER PROVIDED

1. INDEMNITY TO YOU

Following loss or damage to the private residence arising from or caused by an insured event:

We may choose by payment or by reinstatement or by repair to indemnify you provided if at the time of the loss or damage, the value of the private residence including the cost of demolition and professional fees insured by the section amount to more than the sum insured you will be your own insurer for the difference and will bear a rateable proportion of the loss

or

you may choose within six months of the date of loss or damage to personally reinstate the private residence on the same site (or on another site and in the way you want subject to our liability not being increased) as nearly as possible to its condition when new, provided:

- 1.1 the reinstatement must be started and finished in a reasonable time otherwise we will settle in terms of 1.1
- 1.2 we will not be liable for the costs of reinstatement exceeding the cost which would have been payable in terms of 1.1 until such cost has been incurred by you
- 1.3 if at the time of reinstatement the cost including the cost of demolition and professional fees insured by this section which would have been incurred in reinstating the private residence had it been totally destroyed exceeds the sum insured on the private residence

at the time of the loss or damage, you will be your own insurer for the difference and will bear a rateable proportion of reinstatement

2. INSURED EVENTS

The insured events are:

- 2.1 Fire, lightning, explosion
- 2.2 Deliberate or willful acts excluding loss or damage caused by or arising from theft or attempted theft
- 2.3 Storm or flood excluding loss or damage:
 - 2.3.1 to gates and fences other than metal palisades and any motor attaching thereto
 - 2.3.2 directly caused by movement of the land supporting the private residence even if such movement is directly or indirectly caused by storm or flood. This exclusion will not apply to the removal of land and supporting the private residence by flowing surface water
 - 2.3.3 caused by wear and tear or gradual deterioration

- 2.4 Earthquake
- 2.5 Bursting, leaking or overflowing of water apparatus or fixed oil-fired heating apparatus
- 2.6 Theft or attempted theft provided that if the private residence is vacant there is forcible, and violent entry or exit
- 2.7 Impact by animals, vehicles, trees or parts of trees, aircraft and other aerial devices or articles dropped therefrom
- 2.8 Breakage or collapse of fixed radio or television aerials, satellite dished or masts.

3. GLASS AND SANITARYWARE

In the event of accidental breakage in the private residence (except when it is vacant) of:

- 3.1 fixed glass
- 3.2 fixed sanitaryware excluding chipping, scratching or disfiguration.

4. RENT

If the private residence becomes temporarily uninhabitable as a result of an insured loss or damage we will pay for the period necessary for reinstatement and for an amount not exceeding 25% of the sum insured on the private residence. The amount payable will be based on the annual rent (at the time of occurrence of the foresaid damage) of the aforesaid private dwelling house unfurnished or its equivalent in rental value.

5. WATER-PUMPING MACHINERY

In the event of accidental loss or damage (not directly or indirectly due to wear and tear) to fixed filtration plant or water-pumping machinery (not automatic pool cleaners) in domestic use we will pay for or choose to repair or replace it up to a maximum amount of R5 000 any one claim.

6. PUBLIC SUPPLY OR MAINS CONNECTIONS

In the event of accidental loss or damage to water, sewerage, gas, electricity or telephone-connections belonging to you or for which you are responsible between your private residence and the public supply we will pay for or may choose to repair them.

7. PUBLIC AUTHORITIES REQUIREMENTS

We will pay cost necessarily incurred in repairing or rebuilding in accordance with the requirements of public authorities following loss of or damage to the private residence by an insured event excluding the requirements of public authorities relating to defective workmanship, design, plan or specification.

8. FIRE BRIGADE CHARGES

If the authorities charge you with the cost of fire extinguishing following fire damage to the private residence we will indemnify you.

9. DEMOLITION AND PROFESSIONAL FEES

We will pay cost necessarily incurred by you with our written consent:

- 9.1 in demolishing the private residence, removing debris from the site and erecting hoardings required for building operations
- 9.2 for architects' quantity surveyors' and consulting engineers' fees
- 9.3 for local authorities scrutiny fees

following loss of or damage to the private residence by an insured event.

10. SECURITY GUARD

We will indemnify you for costs reasonably and necessarily incurred in employing a security guard following loss or damage caused by an insured event up to R5 000 any one claim.

11. LOSS OF WATER BY LEAKAGE

We will indemnify you for cost of water lost through leakages from pipes in the private residence or on its grounds where you are responsible to pay the charge for such water subject to the following:

- 11.1 only in the event of the quarterly reading of water consumption exceeding the average of the last previous four quarterly readings by 50% or more we will indemnify you for the cost of such additional water consumed up to a limit of R5 000, If less than 50% no indemnity will be provided.

- 11.2 up to R5 000 shall be payable for not more than 2 separate incidents in any 12 month period of insurance
- 11.3 it shall be a condition precedent to liability under this extension that you shall upon discovery of a leak (by physical evidence or on receipt of an abnormally high water account) take immediate steps to repair the pipe(s) affected
- 11.4 this extension does not cover the cost of remedial action including repairs to the pipe(s) affected
- 11.5 we shall not be liable for claims:
 - 11.5.1 as a result of leaking taps, geysers, toilet systems and swimming pools
 - 11.5.2 whilst the private residence is unoccupied for a period in excess of 30 days
 - 11.5.3 where the water level of a swimming pool has to be topped up as a result of a leaking inlet or outlet pipe.

12. REMOVAL OF FALLEN TREES

We will pay cost necessary incurred by you with our written consent for the removal of fallen trees from the private residence following an insured event, up to R5 000 in any 12 month period of insurance.

13. PROPERTY OWNERS LIABILITY

INDEMNITY TO YOU

- 13.1 If you become legally liable to pay compensation as owner of the private residence for accidental death, bodily injury or illness or accidental loss of or damage to property occurring during the period of insurance we will indemnify you up to the amount shown in the schedule for any one accident or series of accidents arising out of one event including costs and expenses recoverable by any claimant from you and incurred with our written consent.

13.2 EXCLUSIONS

We will not indemnify you for:

13.2.1 compensation payable to:

- 13.2.1.1 you or any member of your family normally resident with you
- 13.2.1.2 any person acting in the course of their employment with you at the time of the accident other than domestic staff
- 13.2.1.3 your directors, members, trustees or beneficiaries or members of their families normally resident with them if you are a Company, Close Corporation or Trust

13.2.2 compensation payable for loss of or damage to property in the custody or control of:

- 13.2.2.1 you or any member of your family normally resident with you
- 13.2.2.2 any person acting in the course of their employment with you at the time of the accident
- 13.2.2.3 your directors, members, trustees or beneficiaries or members of their families normally resident with them if you are a Company, Close Corporation or Trust

13.2.3 compensation payable directly or indirectly due to:

- 13.2.3.1 your employment, business or profession
- 13.2.3.2 the ownership of land or buildings (other than the private residence insured by this Section and land upon which they are situated provided the land is used for residential purposes)
- 13.2.3.3 the occupation of land or buildings, other than your private residence
- 13.2.3.4 the use of any motor vehicle, caravan, trailer air or water craft (other than model aircraft, surfboard or paddle ski) owned by or in the custody and control of yourself or your domestic staff
- 13.2.3.5 liability accepted by agreement which would not have attached in the absence of the agreement.

SPECIAL CONDITIONS

1. FIRST AMOUNT PAYABLE

In respect of any occurrence giving rise to a claim in terms of this section other than Property Owners Liability you will be responsible for the First Amounts Payable shown in the schedule.

2. BUILDING OPERATIONS

While the private residence is being structurally altered cover provided by 3. Glass and Sanitaryware, 4. Rent and 13. Property Owners Liability will not apply to loss, destruction, damage or liability arising directly or indirectly from such an alteration.

3. MORTGAGEE

The interest of the mortgagee:

- 3.1 ranks prior to your interest
- 3.2 is limited to the amount owing to the mortgagee by you on the home loan account in respect to the insured private residence
- 3.3 will not be invalidated by any act or omission of yours if such act or omission occurs without the mortgagee's knowledge.

4. TENANTS

This insurance will not be invalidated by any act or omissions of a tenant of yours provided you notify us as soon as such act or omission comes to your knowledge.

OPTIONAL COVER – APPLIES WHEN INDICATED IN THE SCHEDULE

1. SUBSIDENCE

Damage caused by sudden and unforeseen, 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 as stated in the schedule.

This extension does not cover:

- 1.1 damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences.
- 1.2 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
- 1.3 consequential loss of any kind whatsoever except loss of rent,
- 1.4 normal settlement, shrinkage or expansion of the building,
- 1.5 active soils, except where professional engineering design precautions have been implemented during construction,
- 1.6 the densification of made up ground or infill or by inadequate compaction of filling,
- 1.7 damage from a cause which existed prior to the commencement of the policy,
- 1.8 solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundations supporting the external walls of the building are damaged by the same cause at the same time,
- 1.9 work necessary to prevent further destruction or damage due to subsidence or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto,
- 1.10 Sudden and Unforeseen damage caused as a result of the contraction and or expansion of soil as is experienced in clay and other similar types of soil,
- 1.11 Sudden and Unforeseen Loss or damage occasioned by happening through, or in consequence of coastal, river, dam or watercourses erosion.

DOMESTIC HOUSEHOLDERS

Definitions

For this section

1. You/your/yourself includes members of your family normally residing with you
2. For the purposes of this section the private residence means:
 - 2.1 a building situated at the risk address shown in the schedule and in which a person resides and excludes the grounds upon which the building is situated
 - 2.2 an outbuilding which means a separate building situated at the risk address shown in the schedule and which is not interleading to the building defined in 2.1, regardless of whether it is detached, attached to or forming part of the building defined in 2.1 and excludes the grounds upon which the outbuilding is situated
3. Property insured means:
 - 3.1 household goods and personal effects (including money and negotiable instruments up to R2 500)
 - 3.2 business goods and equipment inside the private residence (for which we will indemnify you up to R30 000 in any 12 month period of insurance)which belongs to you or are your responsibility.

COVER PROVIDED

1. INDEMNITY TO YOU

If the property insured is lost or damaged by an insured event we will pay or may choose to repair or replace it. The amount payable will be the replacement cost.

If at the time of loss or damage the cost of replacing of the property as new is greater than the sum insured you will be your own insurer for the difference and will bear a rateable proportion of the loss or damage.

2. INSURED EVENTS

The insured events are:

1. Fire, lightning, explosion
2. Deliberate or willful acts excluding loss or damage caused by or arising from theft or attempted theft
3. Storm, flood, wind, rain, hail, snow excluding loss or damage to property in the open unless the property is designed to exist or operate in the open
4. Earthquake
5. Bursting, leaking or overflowing of water apparatus, pipes or fixed oil-fired heating apparatus, excluding damage caused to the apparatus or pipes
6. Sudden damage caused by impact to the private residence
7. Theft or attempted theft from:
 - 7.1 the private residence referred to under Definition 2.1
 - 7.2 that part of the private residence referred to in definition 2 limited to R5 000 unless there is forcible and violent entry or exit.
 - 7.3 a building in which you are temporarily residing or occupying
 - 7.4 any building in which you are employed
 - 7.5 any furniture storage depot or a bank safe deposit
 - 7.6 any other building if there is forcible and violent entry or exit

8. Theft

- 8.1 of laundry, garden furniture and swimming pool furniture, implements and pool safety nets and covers from the grounds of the private residence up to R5 000 any one claim
- 8.2 while being moved by professional removers during a permanent change in the risk address
- 8.3 while in transit to or from a furniture storage depot or a bank safe deposit
- 8.4 or attempted theft while in transit in your custody to or from any place of purchase, repair or renovation following an accident to the conveying motor vehicle or theft following forcible violent entry into the vehicle up to an amount of R5 000 any one event
- 8.5 or attempted theft of household goods or personal effects from the grounds upon which the private residence described in the schedule is situated up to an amount of R5 000 any one event.

3. AUDIO VISUAL EQUIPMENT AND GLASS

If in or on the private residence:

- 3.1 any television set, video recorder, decoder, sound reproduction equipment, satellite dish or aerial is accidentally damaged (other than mechanical or electrical breakdown) mirror glass or sheet glass in or on furniture or on an appliance is accidentally damaged

we will indemnify you.

4. GUESTS

If household goods and personal effects excluding money and negotiable instruments not otherwise insured belonging to a guest temporarily residing with you are lost or damaged by an insured event specified in 2.1 to 2.6 or by theft from the private residence we will indemnify the guest up to R5 000 any one claim.

5. DOMESTIC STAFF PROPERTY

If household goods and personal effects excluding money and negotiable instruments belonging to your domestic staff are lost or damaged in the private residence by an insured event we will indemnify the domestic staff up to a limit of R5 000 any one claim.

6. REFRIGERATOR AND DEEP FREEZE CONTENTS

In the event of deterioration of food in any refrigerator/deep freeze unit in the private residence as a result of:

- (a) breakdown of or accidental damage to the unit
- (b) failure of power supplied by public authorities.

We will indemnify you for loss of food up to R5 000 any one claim.

7. KEYS AND LOCKS

We will indemnify you for cost reasonably and necessarily incurred as a direct consequence of any keys and locks for the private residence owned by you being lost or damaged up to R5 000 any one claim.

8. DOCUMENTS

We will indemnify you for loss or damage caused by an insured event to your personal documents up to R5 000 any one claim. We will only be liable for the value of the materials and the cost of labour in reinstating the documents or obtaining duplicates and not for the value to you of the content.

9. MEDICAL AND VETERINARY EXPENSES

If medical and veterinary expenses are incurred and paid for as a result of accidental bodily injury sustained by any:

- 9.1 person other than yourself caused by a domestic animal owned by you
- 9.2 guest or visitor arising from any defect in the private residence
- 9.3 domestic staff in the cause of their employment by you
- 9.4 domestic animal owned by you arising from a road accident.

We will pay the expenses up to R5 000 per person and R1 000 per animal if not otherwise insured.

10. ACCIDENTAL DEATH

If you sustain accidental bodily injury while in the private residence or its grounds and die as a direct result of the injury we will pay:

- 10.1 R5 000 for a person 18 years of age and under
- 10.2 R10 000 for a person over 18 and under 75 years of age

provided death occurs within 3 months of the injury.

11. RENT

If the private residence becomes temporarily uninhabitable because of loss or damage caused by an insured event we will for the period necessary for reinstatement indemnify you:

- 11.1 rent for which you are liable
- 11.2 any reasonable additional costs incurred in providing alternative lodging for yourself, your family and domestic staff normally resident with you

up to 25% of the Household Goods sum insured.

12. SECURITY GUARD

We will indemnify you for cost reasonably and necessarily incurred in employing a security guard following loss or damage caused by an insured event up to R5 000 any one claim.

13. DOMESTIC TELEPHONE INSTRUMENTS

If in the private residence any domestic telephone instrument (excluding cellular phones) is accidentally damaged we will indemnify you up to R 1 000 per instrument any one claim.

14. TRAUMA

If you are a victim of a violent act of theft, attempted theft, hold-up or hi-jacking which necessitates professional counselling we will pay compensation up to R5 000 any one claim.

15. LOSS OF WATER BY LEAKAGE

We will indemnify you for the cost of water lost through leakage from pipes in the private residence or on its grounds where you are responsible to pay the charge for such water subject to the following:

- 15.1 only in the event of the quarterly reading of water consumption exceeding the average of the last previous four quarterly readings by 50% or more we will indemnify you for the cost of such additional water consumed up to a limit of R5 000. If less than 50% no indemnity will be provided.
- 15.2 up to R5 000 shall be payable for not more than two separate incidents in any 12 month period of insurance
- 15.3 it shall be a condition precedent to liability under this extension that you shall upon discovery of a leak (by physical evidence or on receipt of an abnormally high water account) take immediate steps to repair the pipe(s) affected
- 15.4 this extension does not cover the cost of remedial action including repairs to the pipe(s) affected
- 15.5 we shall not be liable for claims:
 - 15.5.1 as a result of leaking taps, geysers, toilet systems and swimming pools
 - 15.5.2 whilst the private residence is unoccupied for a period in excess of 30 days
 - 15.5.3 where the water level of a swimming pool has to be topped up as a result of a leaking inlet or outlet pipe.

16. CLEARANCE COST

We will indemnify you up to R5 000 any one claim for costs necessarily incurred in respect of the removal of debris from the private residence or its grounds following loss or damage hereby insured.

17. TRANSIT

We will indemnify you up to R5 000 for damage to Household Goods in your custody whilst in transit to or from any place of purchase, repair or renovation provided the damage is caused by fire, collision or overturning of the conveying motor vehicle.

18. DAMAGE TO GARDEN

We will indemnify you for cost reasonably and necessarily incurred by you in your capacity as owner of the private residence for the replacement of trees, shrubs and plants situated on the grounds of the private residence following damage due to fire, fire fighting operations, explosion, impact by vehicles or aircraft, other aerial devices or articles dropped therefrom or deliberate or willful acts up to an amount of R5 000 excluding loss or damage caused by or arising from theft or attempted theft.

19. PERSONAL LIABILITY – OCCUPANTS RISK

19.1 INDEMNITY TO YOU

If you become legally liable to pay compensation as a householder occupying the private residence for accidental death, bodily injury or illness or accidental loss of or damage to property occurring during the period of insurance we will indemnify you up to the amount shown in the schedule for any one accident or series of accidents arising out of one event including costs and expenses recoverable by any claimant from you and incurred with our written consent.

19.2 TENANTS LIABILITY

If you become legally liable as tenant and not as owner for:

- 19.2.1 damage to the private residence and outbuildings (including fixtures and fittings) caused by an insured event specified in this section
- 19.2.2 accidental damage to fixed sanitaryware or fixed glass
- 19.2.3 accidental damage to water, gas, sewerage, electricity or telephone connections to the private residence or outbuildings

we will indemnify you in terms of 19.1 above up to the amount shown in the schedule for any one accident or series of accidents arising out of one event.

19.3 EXCLUSIONS

We will not indemnify you for:

19.3.1 compensation payable to:

- 19.3.1.1 you or any member of your family normally resident with you
- 19.3.1.2 any person acting in the course of their employment with you at the time of the accident other than domestic staff
- 19.3.1.3 your directors, members, trustees or beneficiaries or members of their families normally resident with them if you are a Company, Close Corporation or Trust

19.3.2 compensation payable for loss of or damage to property in the custody or control of:

- 19.3.2.1 you or any member of your family normally resident with you
- 19.3.2.2 any person acting in the course of their employment with you at the time of the accident
- 19.3.2.3 your directors, members, trustees or beneficiaries or members of their families normally resident with them if you are a Company, Close Corporation or Trust

19.3.3 compensation payable directly or indirectly due to:

- 19.3.3.1 your employment, business or profession
- 19.3.3.2 the ownership of land or buildings (other than the private residence insured by Section 3. and land upon which they are situated provided the land is used for residential purposes)
- 19.3.3.2 the occupation of land or buildings, other than your private residence
- 19.3.3.3 the use of any motor vehicle, caravan, trailer air or water craft (other than model aircraft, surfboard or paddle ski) owned by or in the custody and control of yourself or your domestic staff

19.3.4 liability accepted by agreement which would not have attached in the absence of the agreement.

SPECIAL EXCLUSIONS

We will not be liable for:

1. loss or damage caused, sustained or incurred outside the territorial limits of the Republic of South Africa, Lesotho, Botswana, Swaziland, Namibia, Malawi, Mozambique and Zimbabwe
2. theft of money and negotiable instruments unless stolen from a building mentioned in 2.7.1 and 2.7.4 and there is forcible and violent entry or exit
3. theft from the private residence while lent, let or sub-let unless there is forcible and violent entry or exit
4. loss of or damage or injury to animals, more than one gold coin, stamp and coin collections, motor vehicles, caravans and trailers including their fitted accessories, air or water craft (not a surfboard or paddle ski) and their equipment
5. any amount in excess of one third of the household goods sum insured for the total value of precious metals and stones, jewellery, furs, rugs and carpets
6. loss of or damage to property more specifically insured.

SPECIAL CONDITIONS**1. FIRST AMOUNT PAYABLE**

In respect of any occurrence giving rise to a claim in terms of the section other than Personal Liability you will be responsible for the first amounts payable shown in the schedule.

OPTIONAL COVER/ONLY APPLIES WHEN INDICATED IN THE SCHEDULE**1. ACCIDENTAL DAMAGE**

We will at our option by payment, repair or replacement indemnify you for accidental damage to household goods in the private residence.

We will not be liable for:

- 1.1 more than 20% of the sum insured indicated in the schedule for any single item
- 1.2 more than the sum insured indicated in the schedule for any one claim
- 1.3 loss or damage:
 - 1.3.1 caused by or resulting from wear and tear, depreciation, electrical or mechanical breakdown, rust, mildew, moth, vermin, insects, your own domestic pets, any gradually operating cause, process of dyeing, cleaning or renovating, the action of light or atmospheric conditions, confiscation or detention by any process of law
 - 1.3.2 to furniture or domestic appliances by scratching, denting or chipping
 - 1.3.3 to firearms, videos of any nature
 - 1.3.4 consequential loss of any nature

2. FIRE AND PERILS COVER ONLY

Insured events 2.7 and 2.8 are excluded

Cover provided 3 to 18 are deleted

DOMESTIC ALL RISKS

DEFINITIONS

For this section:

1. You/your/yourself includes members of your family normally residing with you.
2. Property insured means:
 - 2.1 General**
 - 2.1.1 clothing
 - 2.1.2 personal effects normally worn or designed to be carried on or by the person
 - 2.1.3 personal equipment normally worn or used by the person participating in sportBelonging to you
 - 2.2 Specified**
 - 2.2.1 property described in the specified article schedule
 - 2.2.2 money and/or negotiable instruments up to an amount of R1 000 (if stated in the schedule to be included).

COVER PROVIDED

1. **Indemnity To You**
 - 1.1 General**

If general property insured is accidentally lost or damaged we will pay for or may choose to repair or replace it. The amount payable will be the current replacement cost.
 - 1.2 Specified**

If specified property is accidentally lost or damaged we will pay for or my choose to repair or replace it.
2. **Collections**
 - 2.1 Stamp**

If a stamp collection is specified in the schedule:

 - 2.1.1 we will only be liable if one or more complete pages of the collection are lost or damaged
 - 2.1.2 our liability for any one stamp will not exceed two thirds of the value stated in any recognized catalogue up to R5 000 any one stamp.
 - 2.2 Coins**

If a coin collection is specified in the schedule we will not be liable for:

 - 2.2.1 current coins
 - 2.2.2 more than R5 000 for any one coin.
3. **Contents of Caravan**

If the contents of a caravan are specified in the schedule the following apply to that item.

 - 3.1 Definition**

Property insured means household goods, which belong to you or are your responsibility while in the caravan or attached side tent.
 - 3.2 Indemnity to you**

If the property insured is accidentally lost or damaged we will pay for or may choose to repair or replace it. The amount payable will be the current replacement cost. If at the time of the loss or damage the cost of replacing the property insured as new is greater than the sum insured, you will be your own insurer for the difference and will bear a rateable proportion of the loss or damage.

3.3 Special exclusions

We will not be liable for:

- 3.3.1 theft of property insured while the caravan or attached side tent is unoccupied unless there is forcible and violent entry
- 3.3.2 More than R1 000 or 25% of the sum insured, whichever is greater, for any one article
- 3.3.3 the permanent fittings of the caravan
- 3.3.4 stamp and coin collections, money, documents, jewellery, furs or any article more specifically insured
- 3.3.5 loss or damage caused by fraud or dishonesty by any person to whom the caravan is on loan or hire.

4. Car Radios

If sound reproduction equipment (including one tape or compact disc) fitted in a motor vehicle is specified in the schedule special exclusion 2. below does not apply to that item.

5. Safe Deposit

In respect of any item indicated on the schedule is being kept in a bank safety deposit box, insurance in terms of this section only applies while the item(s) is contained in such safety deposit in the bank.

6. Household Goods in Transit

2.1 General (see Definitions) is extended to include theft of household goods including groceries belonging to you and in your custody while in transit to or from any place of purchase, repair or renovation.

SPECIAL EXCLUSIONS

We will not be liable for:

1. in respect of 2.1 General:
 - 1.1 more than 25% of the sum insured for any one article
 - 1.2 pedal cycles, cellular telephones, tools, stamp and coin collections, money and documents.
 - 1.3 motor vehicles (including the accessories), trailers, caravans, hang gliders, air and water craft other than surfboards and paddle skis
 - 1.4 property more specifically insured
 - 1.5 more than 1 compact disc or tape
2. property insured lost from an unattended motor vehicle unless there is forcible and violent entry into the vehicle
3. wear, tear or depreciation
4. electrical or mechanical breakdown not accompanied by other damage
5. the special value which an article may have as part of a set
6. the cost or reproducing sounds, data and images on tapes, records, film or magnetic media or any other electronic media
7. loss or damage caused:
 - 7.1 by vermin, moths or gradually operation causes
 - 7.2 during any process of cleaning, dyeing or renovating
 - 7.3 by confiscation or detention by any process of law.

SPECIAL CONDITIONS

1. First Amount Payable

In respect of any claim for property insured under GENERAL, you will be responsible for the First Amount Payable shown in the schedule.

DOMESTIC 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

Percentage of compensation

Permanent disability shall mean:

(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 disability 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	6
	• three phalanges	4
	• 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	2

Memoranda

- (i) Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part
- (iii) 100 percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

Temporary total disability	shall mean total and absolute incapacity from following usual business or occupation.
Medical expenses	shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 months of the defined event.

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

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

Provisos

It is declared and agreed that:

1. the company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any such person under 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 so to do, submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
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

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

		Percentage of compensation
(A)	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 twenty four month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

Specific exceptions

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

- (a) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- (b) by his 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 or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- (e) as a result of his/her participation in any riot 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 sequel thereof;
- (g) while he/she is, or as a result of his/her, 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:
 - (aa) vehicle
 - (ab) vessel
 - (ac) craft
- (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

DOMESTIC PERSONAL LIABILITY

DEFINITION

For this section:

1. You/your/yourself includes members of your family normally residing with you.

COVER PROVIDED

1. INDEMNITY TO YOU

If you become legally liable to pay compensation for accidental death, bodily injury or illness or accidental loss of or damage to property occurring during the period of insurance we will indemnify you up to the amount shown in the schedule for any one accident or series of accidents arising out of one event including costs and expenses recoverable by any claimant from you and incurred with our written consent.

2. CREDIT CARDS

We will indemnify you up to R5 000 in any 12 month period of insurance against liability or loss arising from fraudulent use of your credit, cash or SIM (Subscriber Identity Module) cards by any person who is not a member of your family or household. We will not indemnify you if you have not reported the loss of the card to the issuing organization as soon as is reasonably possible or complied with the conditions of issue of the card.

3. HOLE-IN-ONE

If you score a hole-in-one playing as an amateur in a game of golf in terms of the rules at any recognized golf club we will pay R1 000 on written confirmation by the secretary of the club.

4. SECURITY COMPANIES/GARDEN SERVICES

Special exclusion 4 of this section does not apply to any liability assumed in terms of a written contract entered into with any organization providing security, armed response or garden services, in respect of property insured by Section 1. Household Goods and Section 3. Building.

5. FULL HOUSE

If you are part of a team of two, three or four which, playing as amateurs, scores a full house (that is, all eight or nine bowls to count) in a game of bowls in any competition played in terms of the rules of the South African Bowling Association, at any recognized bowling club, we will pay R1 000 on written confirmation by the secretary of the club.

6. WRONGFUL ARREST

All sums which you are liable to pay for compensation or damages in respect of wrongful arrest or alleged wrongful arrest by you of any or any person other than:

- 6.1 a person under a contract of service or apprenticeship with you or
- 6.2 a member of your family or household

which arise out of your activities as a member of the neighbourhood watch or a block watch group or of a similar voluntary non-profit organization, provided that the amount payable for all compensation and damages and all costs and expenses of litigation and all other cost and expenses will not exceed R50 000 in respect of all death, injury, loss and damage sustained during any 12 month period of insurance.

SPECIAL EXCLUSIONS

We will not indemnify you for:

1. compensation payable to:
 - 1.1 you or any member of your family normally resident with you
 - 1.2 any person acting in the course of their employment with you at the time of the accident other than domestic staff

- 1.3 your directors, members, trustees or beneficiaries or members of their families normally resident with them if you are a Company, Close Corporation or Trust
- 2. compensation payable for loss or damage to property in the custody or control of:
 - 2.1 you or any member of your family normally resident with you
 - 2.2 any person acting in the course of their employment with you at the time of the accident other than domestic staff
 - 2.3 your directors, members, trustees or beneficiaries or members of their families normally resident with them if you are a Company, Close Corporation or Trust
- 3. compensation payable directly or indirectly due to:
 - 3.1 your employment, business or profession
 - 3.2 the ownership of land or buildings (other than the private residence insured by Section 3. and land upon which they are situated provided the land is used for residential purposes
 - 3.3 the occupation of land or buildings, other than your private residence
 - 3.4 the use of any motor vehicle, caravan, trailer air or water craft (other than model aircraft, surfboard or paddle ski) owned by or in the custody and control of yourself or your domestic staff
- 4. liability accepted by agreement which would not have attached in the absence of the agreement.

DOMESTIC ELECTRONICS

DEFINITIONS

For this section:

1. You/your/yours/yourself includes members of your family normally resident with you
2. property insured means computers (s) (including its keyboard) monitor, printer and other accessories described in the schedule that belong to you

COVER PROVIDED

1. Indemnity To You

- 1.1 If the property insured is physically damaged and can be repaired, we will pay for the cost of repair less the first amount payable, or the sum insured less the First Amount Payable whichever is the lesser.
- 1.2 If the property insured is lost or physically damaged and cannot be repaired we will pay the current replacement value of a new item of equal performance and/or capacity or, if this is not possible, we will pay the cost of replacement of new property having the nearest equivalent performance and/or capacity to the property lost or damaged less the First Amount Payable or Sum Insured less the First Amount Payable whichever is the lesser.

Provided that:

- 1.3 If you are unwilling or unable to replace the property insured or fail to replace within six months of the date of loss or damage the amount payable will be the market value of the property insured immediately before the loss or damage.
- 1.4 If at the time of loss or damage the replacement value of the property insured as new is greater than the sum insured you will be your own insurer for the difference and will bear a ratable proportion of the loss or damage.

2. Insured Events

- 2.1 **Material Damage**
Physical loss of or damage to the property insured described in the schedule from causes not specifically excluded
- 2.2 **recompilation of data and/or reinstatement of programmes**
All costs and expenses necessarily and reasonable incurred in the recompilation of data and/or all programmes recorded on data carrying media which is lost as a result of accidental erasure subject to a limit of R5 000 in respect of any one occurrence or series of occurrences arising out of any one event
- 2.3 **Incompatibility Cover**
We will indemnify you for costs incurred in respect of:
 - 2.3.1 Modifications or alterations to the property insured directly consequent upon loss or damage covered by insured event 2.1 of this section to ensure the operating integrity of the computer
 - 2.3.2 Replacement of legal programmes to achieve compatibility with the modified or altered computer, provided such programmes have been listed herein as insured programmes and a replacement value declared therefore
 - 2.3.3 The restoration of previously captured data which has become inaccessible due to modifications or to alterations of the computer or in consequence of the replacement or upgrading of legal programmes Provided always that
 - 2.3.4 the costs allowed for in 2.3.1, 2.3.2 and 2.3.3 above shall be necessarily and reasonably incurred to maintain normal working conditions
 - 2.3.5 such additional costs shall be incurred as a direct consequence of loss or damage covered in terms of insured events 2.1 and 2.2 of this section.

2.3.6 The cover afforded here under shall be restricted to:

2.3.6.1 parts or components of the computer system which are not covered by insured event 2.1

2.3.6.2 programmes or data reinstated and not covered under insured event 2.2

2.3.7 The amount paid here under, in respect of any one event, shall not exceed R5 000.

SPECIAL EXCLUSIONS

We will not be liable for:

1. In respect of Material Damage

1.1 Loss or damage provided for under any maintenance and or lease arrangement

1.2 Loss or damaged caused

1.2.1 by vermin, moths, or gradually operating causes

1.2.2 during any process of cleaning or upgrading

1.2.3 by confiscation or detention by any process of law

1.2.4 by wear and tear, development of poor contacts, scratching of painted or polished surfaces

1.2.5 by viruses, Trojans, worms or other similar destructive media

1.3 derangement unless accompanied by physical damage otherwise covered by this section

1.4 parts having a short life such as (by not limited to) cathode ray tubes, bulbs, fuses or sacrificial buffer circuits. If such parts are damaged as a result of damage to other parts we will indemnify you or the residual value of these parts

1.5 property insured lost from an attended motor vehicle unless the property insured was concealed in a locked boot or compartment forming part of a locked vehicle and there is violence and forcible entry into the vehicle.

2. In respect of Recompilation or Reinstatement of Data and/or Programmes

Accidental erasure caused by programme errors, viruses, Trojans, worms or other similar destructive media, incorrect entry or the inadvertent cancellation or corruption of data

SPECIAL CONDITIONS

1. **First Amount Payable**

In respect of any occurrence giving rise to a claim in terms of this section you will be responsible for the first amount payable shown in the schedule.

DOMESTIC BOATS

Specific definitions

1. Water craft or Vessel means the motor boat or sailing boat specified in the schedule comprising the hull, superstructure, fittings, electrical machinery, engines, inboard motors, dinghies, gear and equipment (not electronic equipment) such is normally be sold with water craft or vessel as one unit.
Outboard motors, tenders, launching dollies/trolleys and trailers and any radios, echo-sounders and similar type navigation and/or navigational and/or electronic equipment, any covers and safety equipment are not included unless specified in the schedule or by endorsement.
2. Complete vessel means the hull, superstructure, fittings, machinery, engines, motors, dinghy, gear and any radar and equipment as would normally be sold as one unit.
3. Private residence means the insureds' permanent home including all land within its boundaries.
4. Replacement value of the vessel means the
5. In commission means the period when the vessel is available for immediate use.
 - (a) new replacement cost where the vessel is less than 4 years in age.
 - (b) reasonable market value where the vessel is older than 4 years.
6. Semi-rigid vessel means a vessel using pontoons, made of rubber or other material, which are inflated under pressure with a rigid hull.

Sub-section 1 – Loss of or damage to the vessel

Indemnity to the insured

1. The company will by payment or at its choice by repair or replacement indemnify the insured in respect of damage caused a defined event. Repair or replacement shall be as close to the original specification as possible but the company shall not be expected to achieve an exact restoration.
2. The company's maximum liability is the sum insured stated in the schedule or the replacement value of the vessel at the time of such loss or damage, whichever is the lower.
3. If the sum insured on the vessel is less than her replacement value at the time of damage the insured will be considered as being their own insurer for the difference and will bear a rateable proportion of the loss.

Defined events

Damage to the vessel caused by external accidental means, including:

1. perils of the seas, rivers, lakes or other navigable waters.
2. fire.
3. Jettison
4. piracy.
5. collision with dock or harbour equipment or installation, land conveyance, aircraft and other aerial devices or articles dropped from them.
6. earthquake.
7. lightning.
8. accidents in loading, discharging or moving stores, gear, equipment or machinery.
9. explosion.
10. theft of:
 - (a) the vessel.
 - (b) the outboard motor provided it is securely locked to the vessel by an anti-theft device in addition to its normal method of attachment.
 - (c) machinery including outboard motors gear or equipment following upon forcible and violent entry into or exit from the vessel or place of storage or repair.
 - (d) the trailer whilst parked without the vessel.

11. The loss of or damage to the vessel excluding electrical equipment, batteries and connections, motors and connections (but not strut shaft or propeller), caused by:
 - (a) latent defects in hull or machinery
 - (b) breakage of shafts or bursting of boilers (excluding the cost and expense of replacing or repairing the broken shaft or boiler).
 - (c) the negligence of any person whatsoever but excluding the cost of repairing any defect resulting from either negligence or breach of contract in respect of any repair or alteration work.
12. the cost of sighting the bottom after a grounding if reasonably incurred for that purpose even if no damage be found.
13. loss of or damage to personal effects in the event of the vessel being stranded, sunk, burned or in a collision.

Sub-section 2 – Liability (if stated in the schedule to be included)

The company will indemnify the insured:

1. for the damages including costs and expenses that the insured become legally liable to pay arising from the use of the vessel in respect of:
 - (a) injury.
 - (b) damage.
 - (c) the cost of any actual or attempted raising removal or destruction of the wreck of the craft or any neglect or failure to do so.
2. for any legal costs incurred with its written consent for representation at any coroner's inquest or fatal accident enquiry or for contesting liability or taking proceedings.
3. for all accidental damage caused by any person (other than a person operating or employed by the operator of a shipyard, marina, repair yard, slip way, yacht club, sales agency or similar organisation) navigating or in charge of the vessel with the insureds' permission provided that
 - (a) indemnity will not apply to claims by any member of the same household as that person.
 - (b) such person is not entitled to indemnity under any other policy.
4. The liability of the company under this sub-section in respect of any one occurrence on all vessels shall not exceed the limit as stated in the schedule.

Specific exceptions to sub-section 2

The company will not indemnify the insured in respect of:

1. injury to:
 - (a) fare-paying passengers carried in or upon entering or getting on to or alighting from the vessel.
 - (b) any member of the insureds' family normally resident with the insured
 - (c) any person in the insureds' employ arising from that employment.
 - (d) any person who is engaged in water- skiing, aquaplaning or another sport or activity while being towed by the vessel

or preparing to be towed or after being towed until safely on board or ashore.
2. any liability, cost or expense arising in respect of punitive or exemplary damages however caused.
3. any liability, cost or expense arising out of seepage or pollution unless such seepage or pollution is sudden and unforeseen.

Sub-section 3 – General

Description of use

Vessel used solely for private domestic and pleasure purposes excluding- hiring or carriage of passengers for hire or fare-paying passengers, racing speed or other contests, rallies or trials.

Sub-section 3 – General

First amounts payable

The insured will be responsible for the amounts as stated in this table in respect of each and every claim arising out of any one occurrence or series of occurrences with one original cause or source during any one period of insurance. This table must be read in conjunction with the relevant clauses in this section.

1. Basic per schedule
2. Additional
 - (a) Use of the vessel on the sea R250
 - (b) Voluntary per schedule
3. Optional Extensions
Submerged objects cover 10% of claim

Cruising range

1. Inland waters only situated anywhere within the Republic of South Africa (including Durban harbour and Knysna lagoon), Namibia and Zimbabwe.
2. As above, including coastal waters subject to a maximum of 80 kilometres from the coastline.

Clauses

1. Replacement of gear and equipment

The company may make deductions on account of new material replacing old following loss of or damage to sails, masts, spars, standing and running rigging, protective covers, batteries and outboard motors. No settlement will however exceed the values declared in the schedule.

2. Pollution

Where the vessel is damaged by a defined event and subsequently becomes a pollution hazard or threat of a pollution hazard, the company will pay for any loss or damage to the vessel caused by any government authority acting to prevent or minimise such pollution hazard or threat thereof.

3. Medical expenses

if the insured sustains injury as a result of the vessel sinking or being in collision with any external object other than water the company will pay the medical expenses in connection with such injury in respect of each person injured limited to R3000 per person and R25,000 but not exceeding R25,000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

4. Duties as owner

The insured, the insureds' servants, the insureds' agents and all users of the vessel will:

- (a) take all reasonable steps to maintain the vessel, outboard motors, trailers and other insured property in a proper state of repair, seaworthiness and roadworthiness.
- (b) exercise all due care and diligence in the crewing of the vessel.
- (c) Do everything reasonable possible to minimise or avert loss or damage. The company will pay for all charges and expenses reasonable and necessarily incurred by the insured in complying with this clause, provide this does not increase its maximum liability.

5. Surveys

When the age of the vessel exceeds 10 years the company will require to see a copy of an up-to-date independent professional survey report. The survey will be undertaken while the vessel is out of the water and at the insureds' own expense. The company may request subsequent survey reports at its discretion.

6. Launching through surf

When the vessel is being launched through the surf it will be fitted with at least two motors in workable and readily usable condition.

7. Breach of law and regulation

The insured will not use the vessel, nor will the insured allow or cause it to be used in contravention of any law or regulation promulgated by any authority, including but not limited to Department of Transport regulations in terms of the Merchant Shipping Act 1951 as amended, in so far as they relate to pleasure craft.

8. Repairs and tenders

The company will have the right to nominate the place of repair or repairing firm and may also take tenders or may require tenders to be taken for the repair of the vessel. Any additional expenses arising from compliance with its requirements will be refunded to the insured.

9. Constructive total loss

In ascertaining whether the vessel is a constructive total loss the replacement value will be taken as the repaired value and the damage or break-up value of the vessel or wreck will not be taken into account. No claim for constructive total loss based on the costs of recovery and/or repair of the vessel will be recoverable unless such loss would exceed the replacement value.

10. Unrepaired damage

In no case will the company be liable for unrepaired damage along with a subsequent total loss.

Optional Extensions**1. Road or rail transit**

Loss of or damage to the vessel including loading and unloading while being transported by road or rail within the territorial limits provided that the vessel is conveyed on a purpose-built, properly constructed roadworthy trailer and is adequately and properly secured to the trailer. The company will not pay for scratching, bruising and or denting and the cost of subsequent repairs or refinishing. This extension includes road accident damage to the trailer whilst being towed with or without the vessel.

2. Racing risk (sailing vessel)

The company will indemnify the insured in respect of loss of or damage to sails, masts, spars, standing and running rigging whilst racing; but its liability will be two-thirds of the costs of repair or replacement up to a maximum of two-thirds of the sum insured specified in the schedule.

3. Submerged objects cover

This section includes loss of or damage to rudder, propeller, strut, shaft, motor, electrical machinery or batteries and their connections caused by a collision with a submerged object.

The company will not indemnify the insured in respect of loss of or damage caused by:

- (a) the vessel racing or participating in speed tests or any trials.
- (b) the intake of foreign matter into the cooling system of the machinery, engines or motor.

VALUE ADDED SERVICES

DEFINED EVENTS

1. Any medical emergency involving bodily injury of life threatening illness or disease contracted by guests, visitors, employees or passengers of the insured
2. Any incident involving guests, visitors, employees or passengers including but not limited to hijack, kidnap or extortion, motor accident, act of wild animals, robbery, assault, slip and fall, hunting accidents, etc.
3. Guests, visitors, employees or passengers experiencing natural disaster.

EXCEPTION

Any costs incurred though arrangement made by the insured without prior consultation shall not be reimbursed.

SECTION A

24 Hour emergency medical evacuation and medical assistance (up to a maximum of R50 000 (fifty thousand rand))

Territorial limits: South Africa, Lesotho. Swaziland, Namibia, Botswana, Mozambique, Angola, Zambia & Zimbabwe.

Evacuation limited to South Africa only.

1. Emergency telephonic assistance and first aid advise
2. Trauma counselling
3. Emergency response by road or air to the scene of the incident
4. Transfer by road or air to the closest, most appropriate medical facility
5. Dispatch of life saving medication and or blood
6. Return/companionship and care of stranded minors
7. Reparation of mortal remains
8. Referral to medical providers
9. Assistance with hospital admission
10. Medical monitoring whilst in hospital
11. Medical translation services
12. Obtaining medical reports, including re-existing medical reports
13. Transmission of urgent messages
14. Embassy referrals and assistance with lost or stolen documents
15. Emergency transfer and accommodation arrangements
16. Legal assistance
17. Caretaker services (costs for individual use)
18. Search and rescue services.

SECTION B

24 Hour intervention Services

The service provider will arrange the relevant services required however the client will need to cover the cost of same.

Territorial limits: South Africa, Lesotho. Swaziland only.

1. Roadside Assistance

- 1.1 Flat Battery
- 1.2 (Jump start or replacement battery for members own account)

- 1.3 Flat tyre (assistance with change of tyre only)
- 1.4 Keys locked in vehicle (Unlocking only)
- 1.5 Fuel assistance (Limited to 5 (five) litres per incident)
- 1.6 Minor roadside – running repairs (electrical, coil, immobiliser, etc.)
- 1.7 Transmission of urgent messages.

2. Tow-in

- 2.1 Mechanical Breakdown
- 2.2 Electrical Breakdown
- 2.3 Accidental Breakdown (to the nearest approved panel beater).

3. Courtesy transport

Where the vehicle needs to be towed to a repairer, we will arrange for the occupants of the vehicle to be transported to a nominated destination. Limited to 100 km (one hundred kilometres) radius from point of origin.

4. Accommodation

Where the breakdown has incurred outside a 100 km (one hundred kilometres) radius from point of origin, Resulting in an overnight delay we will arrange accommodation for occupants of the vehicle.

5. Vehicle Recover

In the event of a members vehicle being left for repairs, we will pay a reasonable amount for 24 hour group B car rental or flight ticket to collect the vehicle once it has been repaired. If the vehicle is towed to a closer facility we will supplement the additional tow-in cost with the cost of car rental or ticket

6. HIV Protection Services

- 6.1 Treatment within the 72 hour window period
- 6.2 24 hour access to trauma counsellors, providing telephonic counselling including post-traumatic stress disorder
- 6.3 Free psychiatric consultations with a specialist
- 6.4 Free HIV Blood tests
- 6.5 Access to STD preventative medication
- 6.6 Access to ARV's or prophylactic therapy
- 6.7 Access to morning after pill.

7. Trauma & assault

- 7.1 24 hour assistance helpline
- 7.2 Emergency transport to most appropriate medical facility
- 7.3 Referrals for psychiatric consultations.

8. Legal Assist

24 hour/advice helpline for any aspect of the law such as criminal law, family law, constitutional law, child law, labour law and motor law, etc.

9. Legal Documents

Purchase, sale, lease agreement, employment contracts, etc.

EMERGENCY CONTACT NUMBERS

(The below to be used for Section A Emergency Medical Assistance Services)

Africa Assist for Emergency Medical +27 (11) 211 6976

(The below to be used for Section B Services)

Global Choices 0861 227 537

IMPORTANT INFORMATION

1. You are entitled to a copy of this Policy. If You did not receive a copy of this Policy within thirty (30) days, or if You feel that this Policy does not meet legal requirements, please write to:

The Compliance Officer – Hollard

PO Box 87419

Houghton

2041

Tel: (011) 351 5000

Fax: (011) 351 8035

Or email: support@barker.co.za

WARNING

2. Do not sign any blank or partially completed application forms.
3. Complete all forms in ink.
4. Keep all documents handed to You.
5. Make notes as to what is said to You.
6. Don't be pressurised to buy this Policy.
7. Incorrect or non-disclosure by You may impact on any claims arising from Your contract of insurance.

COMPLAINTS PROCEDURE

8. We hope that you never have reason to complain, but if you do, there are a couple of options available to you. While you may contact the Ombudsman at any time, or take legal action against us within 270 days of a claims decision, we would encourage you to please contact us and follow the five-step process below:

Step 1: Submit your Complaint

If you have a complaint about this policy or the service you received from us, please contact us to discuss your complaint. If your complaint is regarding a claim or if you don't agree with the amount of the claim, you may ask us to review our decision within 90 days of the date that you received our decision. Contact Barker Insurance at:

Barker Insurance

PO Box 2015

Saxonwold

2132

Tel: 0860 227 537

Email: complaints@barker.co.za

Step 2: Complain to Hollard's Internal Adjudicator

If you are still unhappy after you have asked us to review our claims decision, you may email Hollard's Office of the Internal Adjudicator (OIA). The Internal Adjudicator will investigate your complaint objectively and independently.

Email: oia@hollard.co.za

Tel: 011 351 5652

Fax: 011 351 0801

Step 3: Complain to the Ombudsman

In the unlikely event that you are still unhappy after following the steps above, you may send your complaint to the following Ombudsmen, depending on the nature of your complaint.

Complaints on how this policy was sold to you

If you have a complaint about how this policy was sold to you and your complaint is not resolved to your satisfaction by your broker or Hollard, you may contact the FAIS Ombud. You must do so within six months after receipt of the final response to your complaint from your broker or from Hollard.

The FAIS Ombud
PO Box 74571
Lynnwood Ridge
0040

Tel: 012 470 9080 or 012 762 5000
Fax: 011 726 5501

The FAIS Ombud
Kasteel Park Office Park
Orange Building, 2nd Floor
c/o Nossob & Jochemus Street
Erasmuskloof, Pretoria, 0048
Email: info@faisombud.co.za
Web: www.faisombud.co.za

Complaints on anything else

The Ombudsman for Short-term Insurance provides a free and speedy complaints resolution process, and you may send your complaint to the Ombudsman on the following details:

The Ombudsman for Short-term Insurance
PO Box 32334
Braamfontein
2017

Tel: 011 726 8900
Fax: 011 726 5501
Email: info@osti.co.za
Web: www.osti.co.za

Step 5: Take legal action

You may take legal action against us within 270 days of the date that you received our claims decision. To take legal action, summons must be served on us. If this is not done in time, you will lose your right to claim and we will no longer be responsible for that claim. You may also choose to take legal action against us without first asking us to review our claims decision or contacting the Ombudsman for Short-term Insurance. If you take legal action against us before contacting the Ombudsman for Short-term Insurance, you can only approach them for assistance after you have withdrawn the summons against us.

HOLLARD ADDENDUM TO ATTACH TO V2 OF BARKER HOSPITALITY POLICY

Effective: 1 October 2021

The following clauses, exclusions and conditions form part of the policy wording:

GENERAL SECTIONS

The following Insurance Code of Conduct is added:

Hollard proudly supports the South African Insurance Association (SAIA) Code of Conduct.

The purpose of the Code is to raise standards of practice and service in the general insurance industry. The objectives of the Code are:

1. to promote better, more informed relations between insurers and their customers;
2. to improve consumer confidence in the general insurance industry;
3. to provide better mechanisms for the resolution of complaints and disputes between insurers and their customers;

and to commit insurers and the professionals they rely upon to higher standards of customer service. Information on the Code is available from the nearest Hollard office or from SAIA.

Hollard's commitment to service

Hollard has adopted and supports the Code and is committed to complying with it. Contact Hollard for more information about the Code.

How to resolve a complaint or dispute

Talk to Hollard first

If the Insured has a complaint, the first thing the Insured or their insurance broker should do is speak to Hollard. The latest Hollard complaints contact information can be found on the disclosure notice attached to the Policy Schedule.

If the complaint is related specifically to a claim, speak with the insurance intermediary or insurance broker to discuss the claim with the claims officer managing the claim.

If the staff member or claims officer is unable to resolve the matter, the Insured's insurance intermediary or insurance broker may speak to a manager at Hollard. The manager will usually provide the Insured with a response to the complaint within a reasonable period of time. If the timeframe is impractical for any reason, such as the need for more information or further investigation, Hollard will discuss alternative timeframes with the Insured. If the Insured is not satisfied with Hollard's response or Hollard cannot agree with the Insured on alternative timeframes, the Insured then moves on to step 2.

Seek a review

If the matter is still not resolved Hollard will refer the Insured, the insurance intermediary or insurance broker to the relevant dispute handling department or area who will conduct a review of the dispute and will usually provide the Insured with a response to the dispute within a reasonable period of time. If the timeframe is impractical, Hollard will discuss alternative timeframes with the Insured.

If the Insured is still not satisfied with Hollard's response to the dispute or Hollard cannot agree on alternative timeframes, the Insured then moves on to step 3.

Seek an independent review

The Insured is entitled to seek an external review of Hollard's decision. Hollard will provide the Insured with information about options available, including, if appropriate, referring the Insured to the external dispute resolution scheme administered by the Ombudsman for Short-term Insurance (OSTI).

The OSTI is an independent external dispute resolution office and its service is free to Hollard customers. The OSTI will advise the Insured if they can assist.

The OSTI can be contacted at:

The Ombudsman for Short-term Insurance
PO Box 32334
BRAAMFONTEIN
2017

Phone: 011 726 8900
Share Call: 0860 726 890
Fax: 011 726 5501
Email: info@osti.co.za
Website: www.osti.co.za

Hollard agrees to accept an OSTI decision; however, the Insured has the right to take legal action if the OSTI decision is unacceptable. The OSTI only accepts resolutions under their Terms of Reference.

Further information about Hollard's complaint and dispute resolution procedures are available by contacting us.

The following General Exclusions are added:**1. Cyber exclusion**

1.1 This Policy excludes any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

1.1.1 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 point 1.2 below;

1.1.2 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, unless subject to the provisions of point 1.2 below.

1.2 Subject to the other terms, conditions and exclusions contained in this Policy, this Policy will cover:

1.2.1 physical damage, liability, cost or expense directly caused by, resulting from, or arising out of physical loss and/or physical damage to tangible property insured under this Policy and any Time Element Loss directly resulting from physical loss and/or physical damage;

1.2.2 physical loss and/or physical damage to Data Processing Media for which the basis of valuation shall be the cost of the blank Data Processing Media plus the costs of repairing, replacing or restoring the Data from back-up or from originals of a previous generation (these costs will not include research and engineering). If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media (however, this Policy does not cover any amount pertaining to the value of Data to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled);

where such physical loss and/or physical damage is directly occasioned by otherwise covered perils under this Policy and not otherwise excluded under this Policy.

2. Damage or loss caused directly or indirectly by infectious or contagious disease

Notwithstanding any specific provision of a specific section of this policy including any exclusion, exception, insured peril, extension or other provision not mentioned herein which specifically overrides a general exclusion, this policy does not cover death, injury, sickness, loss, damage/s (physical or financial), cost or expense of any type whatsoever, legal liability, or any consequential loss directly or indirectly caused by, arising out of, resulting from or in consequence of:

1. any infectious or contagious disease (of whatsoever nature or cause);
2. any indication, fears or threat of a possible infectious or contagious disease (of whatsoever nature or cause);

irrespective:

- i) of where in the world such disease may exist or be feared to exist;
- ii) of whether or not a declaration by a local, regional, international or governmental authority including but not limited to the President of South Africa that an infectious or contagious disease exists locally or in any area or nationally or constitutes or has given rise to a national state of disaster or emergency.

3. Electricity Grid Failure exclusion

Notwithstanding any provision of any section of this Policy including any Exclusion, Condition, Exception, Insured Peril, Extension or other provision not mentioned herein, this Policy does not cover any loss, damage/s (physical or financial), cost or expense of any type whatsoever, legal liability, or any consequential loss directly or indirectly caused by, attributable to, arising out of, resulting from, following or in any way in consequence of or in connection with any Electricity Grid Failure (as defined below).

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

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

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

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

The theft covers of the policy have security requirements, such as alarm systems. It must be noted that there is no cover in place if these requirements are not met in any way, whether directly or indirectly due to Electricity Grid Failure. The Provision in the alarm warranty that states "cover will continue to be applicable whilst the alarm system is not operative due to a failure of the public supply of electricity at the terminal ends of the supply authority's service feeders and that such failure is not due to any act or omission of the Insured." is deleted should such unavailability of electricity be as a result of Electricity Grid Failure. SS

The following General Conditions are added:

1. Value Added Tax (VAT)

1.1 Definition

VAT shall mean the amount of Value Added Tax payable by the Insured or the Company to the revenue authorities in the Republic of South Africa.

1.2 Value Added Tax (VAT) inclusive condition

It is understood and agreed that the monetary amounts as reflected in the sums insured and/or limits of indemnity shall be applied to the indemnity or amounts payable in terms of this Policy and to which sums the Terms, Conditions, Provisions and Limitations of this Policy shall apply, and VAT at the current rate as promulgated in legislation relating thereto.

Subject to such sums/limits of indemnity being adequate to embrace the amounts described under 1.1 and 1.2 above, the Company will, to the extent that the Insured is accountable to the tax authorities for value-added tax in respect of any payment in terms of this Policy, include the amount of such tax in the final settlement of any claim in terms of this Policy;

PROVIDED THAT:

the total amount payable for any Defined Event and the VAT related thereto shall not exceed the sum insured/limit of indemnity set against such Defined Event.

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

Furthermore, in the event of a change in the rate of VAT during the period of insurance, sums insured, limits of indemnity and, if appropriate, premiums shall be adjusted automatically.

2. Sanction limitation and exclusion

The Company shall not be liable to pay any claim or provide any benefit to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

3. Consent to disclosure of private information

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

4. Medical expenses benefit

The medical expenses benefit included in any Section of this Policy does not provide the benefits of a medical scheme and is not a substitute for a medical scheme membership.

BUSINESS INTERRUPTION SECTION

- A.**
1. BI following Theft is limited to the amount stated as the limit of indemnity under the Theft section.
 2. Specified Suppliers is limited to 25% of Gross Profit/Rental with a maximum of R200 000 000 and does not include sub-contractors.
 3. Unspecified Suppliers is limited to 10% of Gross Profit/Rental with a maximum of R100 000 000 and does not include sub-contractors.
 4. Specified Customers is limited to 25% of Gross Profit/Rental a maximum of R200 000 000.
 5. Public Telecommunications is limited to 75% of the Gross Profit/Rental R20 000 000.
 6. Public Utilities cover is limited to a maximum of 75% of the Gross Profit/Rental R20 000 000.
 7. Prevention of Access cover is limited to a maximum of 75% of the Gross Profit/Rental R20 000 000.
 8. Public Telecommunications Extended cover is limited to a maximum of 75% of the Gross Profit/Rental R20 000 000.
 9. Public Utilities Extended cover is limited to a maximum of 75% of the Gross Profit/Rental R20 000 000.

The following General Exclusion is added with effect from 1 May 2022 on all New Business and 1 July 2022 on all existing business:

GENERAL EXCLUSION: NON-PHYSICAL DAMAGE BUSINESS INTERRUPTION AND CONTINGENT BUSINESS INTERRUPTION EXCLUSION

Notwithstanding any specific provision of a specific section of this policy including any exclusion, condition, exception, insured peril, extension or other provision not mentioned herein which specifically overrides a general exclusion, this policy does not cover any loss, damage/s (physical or financial), cost or expense of any type whatsoever, legal liability, or any consequential loss directly or indirectly caused by, arising out of, resulting from or in consequence of any Business Interruption or Contingent Business Interruption cover unless as a result of physical damage as per the Defined Events stated under the Business Interruption Section of this policy.

All sections and extensions that provide for such loss, damage/s, costs or expenses are hereby deleted in their entirety.

The following Extensions are deleted with effect from 1 May 2022 on all New Business and 1 July 2022 on all existing business:

1. Ventilation failure
2. Auxiliary power failure
3. Staff stay away
4. Poisoning, disease, pollution, shark attack and wild animals

The following Optional Extensions are deleted with effect from 1 May 2022 on all New Business and 1 July 2022 on all existing business:

1. Public utilities – Extended cover
2. Public Telecommunications – Extended cover
3. Loss of Tourist Attraction
4. Liquor Licence
5. Cancellation Reservation



Barker Insurance, a division of

The Hollard Insurance Company Limited

114 Oxford Road, Houghton Estate, Johannesburg 2198

Tel 0861 227 537 | support@barker.co.za | www.barker.co.za

