

Making it Simple

LYNX

Transport Underwriting Managers (Pty) Ltd

Policy Wording



TABLE OF CONTENTS

PREAMBLE	2
OPERATIVE CLAUSE	2
DEFINITIONS	3
GENERAL EXCLUSIONS	6
GENERAL CONDITIONS	12
GENERAL PROVISIONS	22
GENERAL WARRANTIES	23
POLICY SECTIONS	
SECTION 1 – MOTOR (Owns Damage)	25
SECTION 2 – THIRD PARTY LIABILITY	32
SECTION 3 – GOODS IN TRANSIT	36
SECTION 4 – BUSINESS ALL RISKS	46
SECTION 5 – PUBLIC LIABILITY	48

PREAMBLE

Whereas the Insured (or their authorised intermediary) has submitted a Proposal form and declaration completed by you to Lynx which shall form the basis of the contract and is deemed to be incorporated herein.

OPERATIVE CLAUSE

1. We agree to indemnify you subject to the terms, conditions and exclusions contained in this policy of insurance; in consideration of, and conditional upon:
 - a) the prior payment of the premium(s) by you or on your behalf and the receipt of premium by us or on our behalf;
 - b) you having agreed that any proposal or other information supplied by you, or on your behalf shall be the basis of this agreement of insurance;
 - c) the policy wording(s), the schedule (which expression includes any schedule substituted for the original schedule) policy annexures and endorsements (if any) being read together;
 - d) where the insurance is varied or extended by any additional benefit, special clause, variation and extension or endorsement, the insurance provided by such additional benefit, special clause, variation and extension or endorsement is subject to the terms, conditions, exclusions and limitations of the policy in so far as they apply;
 - e) compliance by you with the General Conditions, Exclusions, Provisions, Definitions and Warranties as well as any Specific conditions, exclusions and provisions. Any breach shall entitle us to reject any claim(s) made in respect of the risk/item insured under the relevant section(s).
2. We further agree to indemnify you at our discretion by:
 - a) payment; or by
 - b) replacement, reinstatement or repair, in respect of the defined events (perils) occurring during the period of insurance as well as cover otherwise provided under the sections in this policy wording, up to a maximum of the sums insured, limits of indemnity, compensation or other amounts specified in the policy wording, schedule or policy annexures.

DEFINITIONS

You/your/yours/yourself/insured

means the business entity as well as insured/insured person(s) named in the schedule, or as more specifically defined in the specific sections and in any particular Section, being the owner of the policy and who is responsible for the payment of the premium, including any person acting on your behalf and/or employees in your employment.

We/us/our/the company

means Lynx Transport Underwriting Managers (Pty) Ltd (Lynx) acting on behalf of GENRIC Insurance Company Limited (GENRIC).

GENRIC is a registered insurer for the purposes of the Short-term Insurance Act 1998 and a licensed financial services provider for the purposes of the Financial Advisory and Intermediary Services Act 2002 as may be amended from time to time.

Occurrence

means any event or series of events arising from a single cause in connection with any vehicle or vehicles in respect of which indemnity is provided by this insurance.

Vehicle

means:

- a) heavy commercial vehicles (a goods carrying vehicle exceeding 3500kg GVM) as described in the schedule;
- b) mobile plant (special type vehicles) as described in the schedule;
- c) trailers as described in the schedule e.g. 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;
- d) private type motor cars (including station wagons, safari vans, estate cars, 4x4's, 4x2's and the like or similar vehicles designed to seat not more than nine persons including the driver), as described in the schedule;
- e) light delivery vehicles (LDVs) (a commercial vehicle not exceeding 3500kg GVM) as described in the schedule;
- f) motorcycles – including motor scooters and 3-wheeled vehicles.
- g) Caravans.
- h) any vehicle owned by or hired or leased to the insured, including any vehicle temporarily operated by the insured as replacement for an insured vehicle which is not able to be used due to overhaul, upkeep and/or repair providing that the insurer's maximum liability is no greater than the agreed value of the insured vehicle or the limit of indemnity of the insured vehicle, whichever is the lower, as set out in the schedule.

Unattended Vehicle

Any vehicle with no person in charge or where neither the Insured nor any employee are in a position to keep the Vehicle or Goods under observation and able to observe or prevent any attempt by any person to interfere with the Vehicle or Goods.

Due date

means the date by when premium is payable as set out in the policy schedule.

Schedule

means the pages that contain your detail and particulars and indicates the sections and sub sections, under which insurance cover is provided, as well as warranties, notes and endorsements applicable to the mentioned sections and sub-sections.

Indemnity

means that we will attempt to place you back in the same financial position or as close to the financial position you were in immediately prior to the loss which caused you to submit a claim under this policy.

Retail Value

- a) The recommended retail price of the vehicle as reflected in the "Auto Dealers Guide" or "Commercial Vehicle Dealers Guide" or any similar guide for the specific make and model current at the time of loss or the sum insured as stated in the schedule, whichever is the lesser;
- b) The maximum indemnity shall not exceed the sum insured as stated in the schedule;
- c) Where the particular make and/or model is not specified in the guide, we will use the average value decided by three independent motor industry sources of our choice as the retail value.
- d) The retail value of the vehicle will be adjusted according to its kilometre reading and condition and accessories and spare parts, always subject to the sum insured as stated in the schedule;
- e) The onus of the proof of the value of the vehicle and all its accessories and spare parts rests on you and it is your responsibility to ensure that the sum insured is adequate;
- f) Special Types – the reasonable value as determined and agreed by a recognised supplier.

Agreed value

In the event of a hijack or theft or a constructive total loss as determined by us, we will calculate settlement based on the Agreed Value of your vehicle at the time of the loss.

Provided that

- a) The Agreed Value must be revised by you and agreed thereto by us on each annual anniversary date of the policy. In the event that you fail to do so, we will apply the Retail Value as basis of settlement.
- b) The Agreed Value is inclusive of all extras fitted to Your vehicle.
- c) Cancellation and subsequent reinstatement of the policy will require new Agreed Values to be submitted and accepted by us.
- d) The Agreed Value indemnity cannot exceed Retail Value plus a maximum of 20% (twenty percent) calculated at date of loss event.

Excess

means the first amount payable by you in the event of a loss, and is the uninsured portion of your loss. Thus, when you submit a claim, you will have to pay an excess as specified in your policy wording/schedule and/or any addendum thereto.

Fraud

means a false representation of a matter of fact -whether by words or by omission, conduct, by false or misleading allegations, or by concealment of what should have been disclosed- that deceives and is intended to deceive us so that we will act upon it to our prejudice.

Immobilising event

means an accident causing damage to a vehicle, not including damage of a cosmetic nature, and as stated in the policy schedule in consequence of which the vehicle is rendered immobile and, in our opinion, is incapable of being driven.

Mechanical breakdown

means the failure of the engine (or any component forming part of the engine), gearbox or differential from a mechanical cause.

Authorised towing contractors

means an approved towing contractor as appointed by Lynx on your behalf.

Total Loss

An insured vehicle is deemed a total loss if:

1. The vehicle is stolen or hijacked and not recovered;
2. The vehicle is damaged beyond economical repair as determined by a duly qualified expert.
3. The vehicle is damaged beyond repair.

GENERAL EXCLUSIONS

No cover whatsoever is provided in terms of the following:

1. War, riot and terrorism

1.1 This policy does not cover loss of or damage to property related to or caused by:

- a) 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;
- b) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - i) 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;
 - ii) Insurrection, rebellion or revolution;
- c) any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;
- d) 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;
- e) any attempt to perform any act referred to in clause c or d above;
- f) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 1.1 a), b), c) or d) above.

If we allege that, by reason of clause 1.1 a), b), c) or d) of this exception, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on you.

1.2 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.

1.3 Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general 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 1.3, 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 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 we allege that, by reason of clause 1.3 of this exclusion, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on You.

2. Nuclear

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

- a) ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- b) nuclear material, nuclear fission or fusion, nuclear radiation;
- c) nuclear explosives or any nuclear weapon;
- d) nuclear waste in whatever form;

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

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

3. Computer Losses

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:

- 3.1 loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising therefrom;
- 3.2 any legal liability of whatsoever nature;
- 3.3 any consequential loss, directly or indirectly caused by or contributed to or by or consisting of or arising from the incapacity or failure of any computer, correctly or at all:
 - a) 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
 - b) 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 process such data in regard to or in connection with any such date, or
 - c) 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
 - d) to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.
- 3.4 loss or damage (including detrimental change) and any consequence therefrom to any data howsoever caused. Data means any information, facts or program stored as or on, created or used on, or transmitted to or from computer software.

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.

4. Special extension to General Exclusion 3

- 4.1 Loss or destruction of or damage to Your property by fire, explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Motor section is not excluded by this General exception.

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

- 4.1.1 storm, wind, water, hail or snow excluding damage to property
- 4.1.2 arising from its undergoing any process necessarily involving the use or application of water;
- 4.1.3 caused by tidal wave originating from earthquake
- 4.1.4 in the underground workings of any mine
- 4.1.5 in the open (other than buildings structures and plant designed to exist or operate in the open) unless so described and specifically insured as a separate item;
- 4.1.6 in any structure not completely roofed unless so described and specifically insured as a separate item;
 - a) being retaining walls (dam and canal walls)
 - b) aircraft and other aerial devices or articles dropped therefrom;
 - c) 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.

4.2 General exclusion 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

4.3 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.

4.4 This Special extension shall not apply to any Public Liability indemnity.

5. **Detention, Confiscation and Forfeiture**

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

6. **Guarantees and warranties**

Subject to the basis of indemnification of each section, in the event of damage by an event or by an insured peril to the insured property which is still the subject of a supplier's manufacturer's guarantee or warranty, the repair, replacement or reinstatement of such property shall include everything reasonably necessary to preserve all benefit under such residual guarantee or warranty, provided that the total amount recoverable shall not exceed the sum insured or limit of indemnity of the particular section or item as the case may be.

7. **Consequential, resultant or indirect damage and/or loss**

Subject to the basis of indemnification of each section, we will not provide cover to you for:

- 7.1 Consequential, resultant or indirect loss or damages of any kind or description whatsoever, including
- 7.2 loss of market;
- 7.3 depreciation or changes caused by natural causes; **or**
- 7.4 depreciation being depreciation in value whether arising from repairs following a defined event or otherwise or for any loss or damage arising from including, but not limited to the following, wear and tear, rust, corrosion, mildew, moths, vermin, insects, any gradual

operating cause, the process of dyeing, cleaning or renovating and the result of the action of light or atmospheric conditions.

other than those specifically stated to be included in this insurance agreement.

8. Fraudulent scheme, trick, device or false pretence

We will not provide cover to you for:

- 8.1 any fraudulent scheme, trick, device or false pretence practised on you (or any person having custody of your property); **or**
- 8.2 the wilful misconduct, dishonesty or fraud of any of your employees, principals, partners, directors or agents; whether acting alone or with others.
- 8.3 loss or damage resulting directly or indirectly from a fraudulent scheme, trick, device or false pretence in connection with a purported exchange, cash or credit sale; or in connection with any actual or alleged exchange, cash or credit sale agreement.

9. Pre-existing loss/damage, lack of/or inferior maintenance

We will not provide cover to you for:

- 9.1 pre-existing losses and/or damage to any insured item(s) prior to the inception of such item(s), sections and/or insurance policy; as well as
- 9.2 mechanical damages or breakdown caused by a lack of maintenance and/or old accident damages not relevant to the event at the time of the loss.
- 9.3 loss of or damage caused by faulty installations/design, defective workmanship or materials, as well as inferior maintenance.

10. Right of ownership or possession

The cover provided for vehicles shall be declared void from the inception date of cover of the policy if any:

- 10.1 party other than you have any right of ownership or possession or the right to any insured vehicle described in the schedule; **or**
- 10.2 if you have no title to such insured vehicle, by virtue of such vehicle being stolen property.

11. Driving under the influence or without a valid driver's permit

We will not provide cover for any claim in connection with any event which arises while any insured vehicle(s) is being driven by:

- 11.1 you or any person who is under the influence of intoxicating liquor, illegal drugs and/or medication (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself); **irrespective of whether the driver was tested and/or convicted.**
- 11.2 a person whose driver's license has been endorsed for negligent, reckless or drunken driving or driving under the influence of alcohol;
- 11.3 a person who is not in possession of a valid Professional Driver Permit, or recognized equivalent, as at the time of the occurrence.

12. Use of vehicle without consent

We will not provide cover if the insured vehicle was being used without your knowledge and/or consent, and you have not laid a criminal charge within **48 (forty-eight) hours**, which charge shall not be withdrawn.

13. Contractual liability

We are not liable for any claim arising from contractual liability whatsoever, unless such liability would have attached to you with or without the existence of such contractual agreement.

14. Pollution

We are under no circumstances liable for any expenses related to seepage, spillage, pollution and/or contamination whatsoever or howsoever arising.

15. Description of use

Unless otherwise specified, the following uses are **excluded** from cover:

- 15.1 hiring out of the insured vehicle;
- 15.2 carriage of fare paying passengers;
- 15.3 the towing by an insured vehicle under any circumstances;
- 15.4 racing or speed contests;
- 15.5 carriage of **hazardous materials** including but not limited to explosives and/or flammable liquids unless specifically stated to be included in the schedule;
- 15.6 carriage of any load or passenger mass exceeding the capacity of weight for which the vehicle is built and licensed to carry;
- 15.7 for any other purpose in connection with the motor trade but for indemnifying you against loss of or damage to an insured vehicle while such vehicle was in the custody or control of a member of the motor trade for the purpose of overhaul, upkeep and/or repair;
- 15.8 an insured vehicle is being used with your general knowledge and/or consent, other than in accordance with the Description of Use Clause.
- 15.9 Unless written as incidental risks to a Heavy commercial Vehicles motor fleet:
 - a) 4X4 Vehicles
 - b) Motor Cycles
 - c) Construction Plant Equipment and vehicles not licensed for road use
- 15.10 Vehicle on rails;
- 15.11 Vehicles that do not travel on terra firma;
- 15.12 Vehicles used for the transportation of:
 - a) High explosives such as nitro-glycerine, dynamite or any other similar goods
 - b) Liquefied petroleum or gasoline
 - c) Chemical or Compressed gases in liquid gaseous forms.
- 15.13 Busses and/or Taxis;
- 15.14 Racing, rallies, speed trails or any vehicles used in sport events;
- 15.15 Military or police vehicles;
- 15.16 Airport vehicles used airside;
- 15.17 The carrying of passengers for hire or reward;
- 15.18 Motor personal Accident cover;
- 15.19 Vehicles not compliance with chapter VIII of the RTS of 93 of 96 in respect of the carriage of dangerous goods.

16. Material Alterations

- 16.1 If there is any material change in the nature or extent of the risk which we have accepted, causing our risk to be increased, then you will disclose this to us immediately.
- 16.2 If the changes in our opinion are material, then we may amend or cancel the cover and premium from the date of the change. If you omit to inform your insurance broker or us (or your insurance broker does not inform us) of any material change in the risk; we will be entitled to void the policy or reject any claim that occurred after the change in the risk.
- 16.3 Until the increased risk has been accepted by us, we will have no liability in respect of claims arising from the increased risk.

17. Wrongful Delivery & Miscalculation

We will not provide cover for damages incurred for, through or in connection with:

- 17.1 Mixed Goods delivery;
- 17.2 Surplus/Shortage of Goods delivered;
- 17.3 Delivery of Unsolicited goods;
- 17.4 Incorrect delivery of any nature or miscalculated delivery;
- 17.5 Malfunctioning of any metered devices and/or transferring device/ equipment including holding tanks or containers for the purpose of emptying and/or decanting/filling;
- 17.6 The change to the place or time of the delivery.

18. Asbestos

The cover afforded in terms of this policy does not cover any actual or alleged liability whatsoever for any claim or claims in respect of loss or losses directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

19. The South African Bureau of Standards (SABS)

This policy does not cover loss or damage whilst the insured property is not being transported in accordance with the minimum standards for the carriage of such goods as legislated or as prescribed by the SABS.

GENERAL CONDITIONS

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

1. Misrepresentation, misdescription and non-disclosure

You have an obligation for ensuring that all information you give us is comprehensive and factually correct and must advise us of any material information or facts that may affect the risk, whether we ask for it or not.

Misrepresentation, misdescription or non-disclosure in any material information or facts shall render voidable the policy, section or sub-section of the policy or cover for the particular item(s) affected by such misrepresentation, misdescription or non-disclosure.

Should we become aware of such a misrepresentation, misdescription or non-disclosure, we will within a reasonable period decide on whether we continue with or void the policy.

If we decide to continue, we may impose additional terms and conditions as we see fit. Where we determine that the misrepresentation or non-disclosure caused us to incorrectly calculate the premium, we will be entitled to recalculate the premium or impose other appropriate underwriting measures. Where applicable, we shall be entitled to recover any shortfall from you.

2. Other (dual) insurance

2.1 The principle of insurance is not intended to place you in a better position than you were before a loss. If we find, whether at claims stage or within 3 (three) years of payment of a claim, that you were insured for the same cover with a different insurer, we have the option to:

- 2.1.1. pay the full claim and arrange with the other insurer(s) to pay their rateable proportion within a reasonable time.
- 2.1.2. refund premiums in accordance with the respective rateable proportion of the risk, where appropriate.

2.2 If any such other insurance is subject to any condition of average, this policy, if not already subject to any condition of average, shall be subject to average in like manner.

3. Cancellation

This policy or any section may be cancelled at any time by:

- 3.1 you giving us immediate notice of cancellation.
- 3.2 us giving **31 (thirty-one) days'** notice in writing (or such other period as may be mutually agreed).
- 3.3 us giving you notice in writing for immediate cancellation for:
 - 3.3.1 non-payment of premium.
 - 3.3.2 a material change in your risk profile which, in terms of the policy, results in the policy automatically coming to an end; or provides us with the right to end the policy.
- 3.4 On cancellation of the policy, you will be entitled to a pro-rata refund of the premium for the balance of the remaining period of insurance from the date of cancellation (where applicable). If a claim was submitted and paid during the month of cancellation, whether in full or partial, we will retain the (pro-rata) premium for the period the policy or section has been in force.
 - 3.4.1 Premium refunds will only be processed following due allowance for bank notification of premium reversals; stop payments; unauthorised collections or similar reasons, which may take up to a period of 45 (forty-five) days as per banking regulations; updated from time to time.

4. Payment of premium

The responsibility to pay policy premiums in terms of this agreement remains solely with you. Please contact your insurance broker if you wish to amend the premium collection date (due date). Any request to change the due date will only be accepted once approved at our sole discretion.

We reserve the right to request collection of the premium at a different date than specified in the schedule. This will only be done with your approval or when we provided you with 31 (thirty-one) days' notice.

4.1 Monthly Payments

- 4.1.1 Premium is payable by debit order in advance and is payable on or before the first day of every calendar month (due date), or the nearest date prior to or after the first of every calendar month where such a day falls on a weekend or public holiday, unless otherwise agreed in writing. We will not be obliged to accept the premium if tendered after the start date of the insurance period, but may do so as determined at our sole discretion.
- 4.1.2 Every time you pay the premium on the due date, the policy is renewed for a further month.
- 4.1.3 If we do not receive the premium on the due date, you will be entitled to a grace period of 15 (fifteen) days after the due date in which you can pay the premium. (The 15-day grace period does not apply to the first month of the policy). If the premium is not received within the grace period, the policy will automatically be cancelled from midnight on the last day of the preceding period of insurance. If you can show, to our satisfaction, that the failure to make payment was an error on the part of the bank or another paying agent, we will consider re-activation of the policy at our sole discretion.
- 4.1.4 If the premium is not received on the due date during the first month (inception month) of the policy, the policy will be cancelled from the date of inception.
- 4.1.5 If the premium was not received on the due date and a claim is lodged within the grace period, the premium must be paid within the grace period before the claim will be accepted.
- 4.1.6 Any premium collection or refund that is the result of any change in risk, is payable immediately and may be collected or refunded within 7 (seven) days of processing the change. If the premium is not collected or refunded during this period, we may collect or refund the premium on the next due date as stated in the schedule. Any bank charges incurred for the mentioned transactions will be for your account.

4.2 Annual Payments

- 4.2.1 The total annual premium is payable via EFT (electronic fund transfer) in advance on or before the inception date stated in the schedule. We will not be obliged to accept the premium if tendered after the start date of the insurance period, but may do so as determined at our sole discretion.
- 4.2.2 Any premium payment or refund that is the result of any change in risk, is payable immediately and must be received or refunded within 7 (seven) days of processing the change. If the premium is not received or refunded during this period, we may request payment or refund the premium as per our sole discretion. Any bank charges incurred for the mentioned transactions will be for your account.

5. Adjustment of Premium

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

6. Prevention of loss

For this condition, the term “you” includes any person acting on your behalf.

6.1 You must at all times take all responsible steps and precautions to prevent accidents or losses in:

- 6.1.1 preventing or minimising accidents, bodily injury, death, illness, loss or damage or any liability;
- 6.1.2 maintaining the property insured under this policy in good condition and repair;
- 6.1.3 safeguarding the property insured under this policy.

6.2 You are obliged to comply and adhere to all laws, regulations, by-laws and rules which are material to the risk (irrespective of whether the laws, regulations, by-laws and rules are in force at the date the policy is issued, or are enacted after that date). The failure to adhere to any applicable law, regulation, by-law or rule shall entitle us to reject any claim where such failure is material to the loss/damage.

6.3 You must advise us immediately on the happening of any event or material fact that may affect our decision to accept the risk, or the terms on which we accepted the risk, or the terms pertaining to continued acceptance of the risk. Should you not adhere to these obligations, we may void the whole or part of this policy and/or section from the date of inception or the date of the change.

The following non-exhaustive list is an indication of matters that we consider material and that may affect our decision:

- 6.3.1 Not notifying us of any immediately of any material change in the value of any item, commodity being transported, location, security, condition, ownership, etc.;
- 6.3.2 Not notifying us of immediately about any criminal investigations and/or convictions of any person covered in terms of this policy, e.g. driving under the influence, fraud, etc.;
- 6.3.3 Not notifying us immediately of any change to your financial position such as retrenchment, sequestration, civil judgements, administration orders, liquidations of companies in which you have an interest in or an inability to pay debts for any reason whatsoever;
- 6.3.4 The failure to adhere to any relevant law, regulation, by-law or rule, where such failure is material to any loss/damage;
- 6.3.5 Misrepresentation of any material fact that could affect the risk.

6.4 In the event of any occurrence giving rise to a claim, you shall immediately take, at your own expense, all reasonable steps to prevent further loss/damage that may arise out of the same or similar conditions.

Such expense shall not be recoverable under this policy unless specifically included in the policy schedule or wording.

7. Claims

7.1 Procedure

When any event occurs, which may result in claim against this policy, then the following must be done:

- 7.1.1 You, or your broker, must notify us as soon as possible after such an event and provide us with details of any other policy which covers the same event;
- 7.1.2 You must supply us with full, written details of the event not later than **30 (thirty) days** after the occurrence thereof as well as provide us with supporting documentation/evidence pertaining to the claim.
- 7.1.3 Proof of ownership and the value of all the items concerned must be supplied no later than **14 (fourteen) days** after we requested it;
- 7.1.4 You are required to inform the police, the tracking company and us immediately, but no later than **1 (one) hour** after gaining knowledge of an incident of theft, hijacking

- or disappearance of any insured vehicle/s or load of goods. In case of any other incident involving accident or loss of insured property, you must inform the police within **24 (twenty-four) hours** of the event;
- 7.1.5 You must allow us and/or our representatives to enter the premises where the event occurred and take possession of any damaged property insured under this policy and deal with it in any manner that we consider reasonable. You may not abandon any property, whether we took possession of it or not;
 - 7.1.6 If, after the payment of a claim, in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, you must render all assistance required to identify and physically recover such property if we call upon you to do so. We will, by agreement, reimburse your reasonable expenses for rendering such assistance. If you do not render such assistance when called upon to do so, you will immediately become liable to repay us all amounts paid to you in respect of the claim.
 - 7.1.7 You must provide us, within **48 (forty-eight) hours**, with such proof, information and affidavits as we may require and forward to us any notice of claim or any communication, writ, summons or other legal process issued or commenced against yourself in connection with the event giving rise to the claim;
 - 7.1.8 Once we received all the necessary documentation and/or information and no further investigation is required, we will either accept, reject or dispute the quantum of the claim and notify you of our decision within a reasonable time;
 - 7.1.9 Should further information, documentation and/or investigation be needed, we will notify you within **14 (fourteen) days** after the claim was lodged thereof, appoint an assessor and/or loss adjuster if necessary and provide an initial estimate of the time required to reach a decision on the claim;
 - 7.1.10 You and/or your driver shall provide full co-operation with any attorneys, loss adjusters, assessor and/or investigators who may be appointed by us to investigate a claim, in line with this point 7. Failure by you, or your driver, to comply with our, or our authorised representative's, reasonable requests, non-co-operation in the investigation of claims or any litigation that may ensue or failure to provide us with all the forms, affidavits, statements and/or documentation requested, may result in your claim being rejected;
 - 7.1.11 Where the interest of any party, other than that of the insured, is noted on the policy, then we may settle a claim made by you, by payment to the other party, but will inform you of our intention to do so. You will be afforded an opportunity to make representation to us in this regard;
 - 7.1.12 We will inform you regularly (at least every **14 (fourteen) days**) of the progress of the claim;
 - 7.1.13 We will respond within **7 (seven) days** to routine requests for information in respect of claims lodged;
 - 7.1.14 Should you demonstrate a need for urgency due to financial destitution as a result of the event causing the claim, we will, where possible and at our discretion, fast-track the assessment and decision-making process;
 - 7.1.15 Should any circumstances make the above-mentioned timeframes impractical, then we will agree a reasonable timeframe with you;
 - 7.1.16 Subject to the limit of indemnity as stated in this policy, we may decide whether we want to settle the claim by repairing, replacing or by paying the amount in cash (or a combination of all 3 (three));
 - 7.1.17 If we replace or repair, we will not be obliged to do so exactly, but only as circumstances reasonably allow;

- 7.1.18 We will not settle a claim without your consent. Before finalizing or settling any claim, we may require you to sign an agreement of loss. If, however, you refuse to consent to any settlement and elect to contest or continue any legal proceedings in connection with such a claim, then our liability for the claim shall not exceed such an amount for which the claim, in our assessment, could have been settled, plus the costs and expenses incurred with our consent up to the date of such refusal;
- 7.1.19 All claims will be paid by means of Electronic Fund Transfer (EFT) and all cash settlements will be paid into the account from which the policy premium is paid, unless specifically agreed otherwise;
- 7.1.20 No interest will be payable on any amount due by us in terms of this policy unless a court orders otherwise.

7.2 Subrogation

- 7.2.1 You must do or allow us to do, at our expense, everything that may be necessary, or reasonably required by us, to enforce the right to claim on your behalf and in your name, whether before or after we have paid the claim. If you do not do so, then you may lose all benefits under this policy and/or be required to repay us any benefit that you have received.
- 7.2.2 When we settle a claim, then your rights to claim against other people are automatically transferred to us.
- 7.2.3 You must allow us or our authorised representatives to enter the building or premises where the loss or damage took place and to take possession of the damaged property covered by this policy and to deal with it in a reasonable manner.
- 7.2.4 You must supply all information and assistance, which we reasonably require. We have the right to take over the defence or settlement of a claim and conduct it in your name.
- 7.2.5 We have the right at any time to relinquish the control of any defence, settlement, or proceedings and to pay you the full amount of our liability, or any lesser amount for which the claim can be settled, after which we will not have any further liability to you.

7.3 Corrective Action

- 7.3.1 After any loss we may review the terms of this agreement. Where relevant, you will be provided with a notice period of **31 (thirty-one) days** of our intention to apply corrective action or alternatively any other notice period prescribed by law.
- 7.3.2 Your claims experience may further necessitate an onsite inspection by us and when considered necessary, reasonable risk improvement requirements may be imposed by us. Should you fail to comply with our risk improvement requirements within the time provided to you; we may cancel the policy or reject any subsequent claim. Inspection findings are not public documents and remain confidential.

7.4 Time Limits

- 7.4.1 We will reject claims in the following circumstances:
 - a) The loss is not covered by the policy;
 - b) Conditions stipulated in the policy were not met by the insured;
 - c) The loss is specifically excluded in the policy;
 - d) Evidence exists that the claim is fraudulent;
 - e) There was non-payment of the premium;
 - f) We elect to void the policy from inception or cancel the policy for non-disclosure, misdescription or misrepresentation or a material change in risk;
 - g) In any other legally permitted circumstance.

- 7.4.2 Should we decide to reject a claim:
- a) Written reasons for the decision will be provided to you;
 - b) We will inform you about our complaint procedure, as well as avenues of recourse available to you.
 - c) Copies of all documents and information not subject to any privilege and which influenced the decision will be provided on request.
- 7.4.3 We will notify you of the rejection of a claim within 10 (ten) days of the decision being made.
- 7.4.4 If we reject the claim in writing, then you have 90 (ninety) days from the receipt of our letter to make representations to us
- 7.4.5 We will make a final decision and will notify you in writing within 45 (forty-five) days after receipt of your representation.
- 7.4.6 If our decision to reject the claim remains unchanged, then you have a further 180 (hundred and eighty) days to institute legal actions against us
If we reject any claim, summons must be issued and served on us within 180 (hundred and eighty) days, after expiry of the above mentioned 90 (ninety) days, failing which we will have no further liability in terms of this policy. Effectively the prescription time frame is 270 (two hundred and seventy) days in total.

8. Our rights after an event

- 8.1 After an event in respect of which a claim is, or may be made, under this policy; we and every person authorised by us, without thereby incurring any liability and without diminishing our rights to rely upon any conditions of this policy may:
- 8.1.1 take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the authority given by you to us to do so. You will not be entitled to abandon any property to us whether taken possession of by us or not.
 - 8.1.2 take over and conduct 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.
 - 8.1.3 No admission, statement, offer, promise, payment or indemnity shall be made by you without our written consent.
- 8.2 You must, at our expense, do and permit to be done all such things as may be necessary or reasonably required by us for the purpose of enforcing any rights to which we shall be, or would become, subrogated upon indemnifying you whether such things shall be required before or after such indemnification.
- 8.3 In respect of any section of this policy under which an 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 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.

9. Fraud, misrepresentation, misdescription, non-disclosure

- 9.1 If any claim or part thereof under this policy is in any way fraudulent, or if any fraudulent means or device is used to obtain any benefit under this policy (whether successfully or not), or if any event is caused by or arises out of intentional conduct, or any person acting on your behalf or with your involvement; **and/or**
Any fraudulent information and/or documentation, whether created by you or any other party is provided by you or anyone acting on your behalf or with your involvement to us in substantiation or support of any claim under this policy and whether or not the claim itself is

fraudulent; **and/or**

The quantum, in whole or part, of any claim is exaggerated by any degree whatsoever by you or anyone acting on behalf of you with your involvement, for any reason whatsoever, and whether or not the claim itself is fraudulent; **then**

Any and all benefits afforded in terms of this policy in respect of such claim shall be forfeited and we will have no liability whatsoever to you in respect of such claim in its totality.

9.2 Should we cancel an insurance agreement due to the fact that you are found to have acted fraudulently or in a dishonest manner or in a manner/act that constitutes material misdescription/misrepresentation/non-disclosure – we will inform you of such cancellation and the options available to you.

The following protocols are solely available to us and at our sole discretion:

9.2.1 Investigative and/or institution of legal proceedings;

9.2.2 Notifying the appropriate authority of the cancellation of the insurance agreement and the reason for us doing so.

9.2.3 Notifying the relevant credit bureaus.

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

Nothing in this policy shall give any rights to any person other than you, unless otherwise provided. Any extension providing indemnity to any person other than yourself shall not give any rights of claim to such person, the intention being that you shall claim on behalf of such person. Your receipt shall in every case be a full discharge of our liability to you or any other person in this regard.

12. Territorial Limits

The insured must be a South African citizen and/or company registered in South Africa:

The Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique and Zambia including Kenya and Tanzania and the Democratic Republic of Congo (DRC) no further than Kolwezi (temporary visits), subject to the repatriation clause.

13. Confiscation or attachment

We will not be liable for any loss, damage, injury, costs or expenses directly or indirectly arising from detention, detainment, seizure, confiscation, forfeiture, impounding or requisition legally carried out by customs, SA Police Services, crime prevention units or other duly authorised/lawfully constituted officials or authorities.

14. Law and jurisdiction

It is declared and agreed that all disputes arising out of or in connection with this insurance agreement shall fall into the jurisdiction of the courts of the Republic of South Africa.

15. Warranties, notes and endorsements

Cover is subject to the warranties as stated in the policy wording, policy schedule and/or the annexures to the policy schedule:

15.1 A warranty is a statement or a condition which is an essential element of the insurance agreement and which goes to the validity of the agreement. It must consequently be strictly observed and complied with.

- 15.2 If you fail to comply with warranties, or if you provide incorrect facts, it may result in a claim being rejected, or the policy being cancelled from date of non-compliance or alternative date as prescribed.

16. First amount payable (Excess)

You will be liable for the first amount payable (excess) as stated in the schedule;

- 16.1 The “excess” is the amount you must pay before we settle any claim. The annexure/schedule/policy wording of this policy will show whether an excess applies. If the excess is based on a percentage of the loss or damage, the percentage will be applied to the gross amount of the loss or damage that has occurred;
- 16.2 A basic excess is payable on each and every claim unless indicated otherwise on the schedule;
- 16.3 Where a claim arises under more than one section of this policy, the excess payable by you for each and every section will apply. Where more than one excess is payable by you, under a specific section, only the largest excess will apply – unless indicated otherwise on the schedule or in the policy wording;
- 16.4 An additional excess may be applicable if indicated in the schedule. The total excess will be calculated by adding together the basic and additional excess and then deducting the sum of these excesses from the gross claim amount. Additional excesses mean voluntary as well as compulsory excesses.

17. Rights of recourse

You shall not, without our written consent, waive any right of recourse against any agent, correspondent, external consultant or other person with whom you may be associated.

18. Sanctions exception

- 18.1 No insurer shall be deemed to provide cover and no insurer shall be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose that insurer to any 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.
- 18.2 We have the right, at our own discretion, not to provide cover or to void and/or cancel any insurance policy, section and/or item upon the disclosure by you of such activities as mentioned in 18.1 above, or should we become aware of any breach of the Sanctions Exception.

19. Endorsed driver’s licence

If during the period of cover under this policy, your driver’s license or that of your authorised driver(s) is endorsed, suspended or cancelled or if the possessor of such driver’s license is charged or convicted of reckless or negligent driving, notification of this shall be immediately forwarded to us as soon as you have knowledge of this. Failure to do so may result in a claim being rejected.

20. Fire extinguishing charges

- 20.1 If the property/item described in the schedule is lost or damaged by fire whilst in course of a transit insured by this section of the policy, in addition to indemnifying you for such loss or damage, we will pay for the cost of extinguishing or attempting to extinguish such fire provided we have provided the approval to do so.
- 20.2 The maximum amount payable under this extension shall not exceed the maximum amount stated in the schedule or the cost of extinguishing such fire whichever is the lesser amount.

21. Repatriation

The territorial limits of the cover afforded by this policy will include the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique, Zambia and Tanzania and the Democratic Republic of Congo (DRC) no further than Kolwezi, unless stated otherwise in the policy wording sections/schedule and/or annexure, with our prior written consent, subject to the following conditions:

- 21.1 We will not authorise the repair for accidental damage to the insured vehicle before you have successfully returned the vehicle to the Republic of South Africa.
- 21.2 The cost of repatriation will be borne by you unless specifically insured, and additional premium received.
- 21.3 If you do not return the vehicle to the Republic of South Africa, then you have to prove that the vehicle is uneconomical to repair in any method acceptable to us, before you may be indemnified. If we accept liability, then we will determine the wreck value of the vehicle at a percentage of the settlement figure, which will be deducted from the amount of the settlement.

22. Prescription Warranty

- 22.1 In the event that we decline liability for any loss submitted in terms of this policy, it is warranted that the right to institute legal action against us will be forfeited, unless legal action is instituted against us, to challenge such declinature, within **6 (six) months** of us giving notice of such declinature.
- 22.2 No claim shall be payable after the expiry of **12 (twelve) months** from the date of occurrence giving rise to the loss, unless the claim is the subject of already instituted legal action against us.

23. SA Jurisdiction

This policy shall be governed by the laws of the Republic of South Africa whose courts shall have jurisdiction in any dispute arising hereunder.

24. Fidelity

We shall not be liable for injury to persons or damage to property arising from the dishonest, criminal or illegal acts of any agent, shareholder, director, officer, partner or executive management of the insured whether acting alone or in collusion with others.

25. Change in circumstances

You must notify us in writing of any change in circumstance which may affect the risk insured. Failure to do so may result in cancellation of cover or claims found to be invalid due to such changes in circumstance.

We reserve the right to change terms and conditions of the policy provided that 31 (thirty-one) days' notice of the intention to do so has been afforded to you. Any amendment shall be affected after midnight on the day on which such notice expires.

26. Tracking and fleet management

Where we require a tracking and recovery device or fleet management system to be fitted to the insured vehicle, it is a condition that,

- 26.1 Such a device be a 24- (twenty-four) hour monitored and response tracking or fleet management device.
- 26.2 Such device must be in working order and subject to a current contract with the provider thereof at the time of the loss by theft or hijack.
- 26.3 Such device must have been maintained and operated in accordance with the service provider's instructions.

27. SASRIA Insurance

We will arrange SASRIA Insurance (generally known as unrest, riot, strike or public disorder cover) for the property insured under Section 1 – Motor with the South African Special risks Insurance Limited.

The premium for this SASRIA cover will be stated on the schedule and we will issue a separate Policy/Certificate on behalf of the South African special Risks Insurance Limited.

A specimen of the Policy/Certificate wording is available upon request.

GENERAL PROVISIONS

1. Members

Wherever the word “director” is used it is deemed to include “member” if you are a close corporation.

2. Liability under more than one section

We 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.

3. 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.

4. Value Added Tax

All monetary amounts stated in this policy are deemed to be Value Added Tax (VAT) inclusive amounts, which will be disclosed in your policy schedule, unless such amounts are not deemed to be VAT inclusive in terms of the VAT Act (RSA) as may be amended from time to time.

Please note:

- 4.1 VAT will be dealt with in accordance with the Value-Added Tax Act No.89 of 1991 “the VAT act” with particular reference to VAT treatment of specific suppliers in the Short-Term Insurance Industry;
- 4.2 In terms of a ruling issued by the Commissioner (SARS), the policy schedule together with proof of payment constitutes an alternative to a tax invoice, debit note or credit note as contemplated in section 20(7) and 21(5) of the VAT Act respectively and supersedes any policy schedule or annual review date notice issued by us for this purpose; therefore
- 4.3 kindly ensure that, for the purpose of deducting VAT (“input tax”) from SARS in relation to your premium payment that you are in possession of the policy schedule, together with proof that the premium(s) have been paid (e.g. bank statements).

5. Schedule sums Insured blank

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

- 5.1 left blank or has no monetary amount stipulated against it,
- 5.2 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.

6. Policy interpretation

For purposes of determining the indemnity/cover granted by this policy, any word or phrase within the policy requiring and being capable of legal interpretation shall be interpreted in accordance with the laws of South Africa.

GENERAL WARRANTIES

You hereby warrant that:

1. The vehicle(s) will at all times be maintained in an efficient and roadworthy condition in accordance with legislation relating to roadworthiness. This warranty applies to all insured vehicles irrespective as to whether or not a certificate of fitness has been issued for the insured vehicle;
2. The insured vehicle(s) has a valid **certificate of fitness**;
3. The insured vehicle(s) are each fitted, in the carrying vehicle, with at least one **4.5kg dry powder** fire extinguisher that is serviced according to South African Legislation and by a qualified service provider. It is further warranted that the driver/crew have knowledge of how to operate the fire extinguisher;
4. The insured vehicle(s) will not carry, move and/or hoist any load exceeding the capacity or weight legally allowed for vehicles of that type and all such operations will be subject to the relevant South African legislation(s);
5. All lifting machinery are required to have a valid load testing certificate, as required in terms of the Occupational Health and Safety Act of 1993, as well as the Driven Machinery Regulations of 2015 under Regulation 18, as may be amended from time to time.
6. All vehicle drivers are in possession of a valid driver's license appropriate to the category of vehicle being driven as well as a Professional Driver's Permit;
Foreign Drivers: SADC Member states (Angola, Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Tanzania and Zambia) recognizes driver's licenses and professional driving permits issued by a member state. Zimbabwean drivers however must be in possession of a legal driver's license as well as a Defensive Driving Certificate to qualify to drive heavy commercial vehicles above 3500kg gross mass in member states;
All drivers must comply with all legislation, statutory requirements, regulations and enactments of the Road Traffic Act (Act number 93 of 1996) and amendments thereto;
7. If during the period of cover under this policy, your driver's license or that of your authorised driver(s) is endorsed, suspended or cancelled notification of this shall be immediately forwarded to us as soon as you have such knowledge;
8. All insured vehicles **not in use** will be securely parked/stored in a fully enclosed and secured area as described under the motor section, exclusion 3.9.1 (page 29), and you will ensure that all reasonable precautions are taken to ensure the safeguarding of such vehicles.
9. If stated to be a requirement in the schedule; the insured vehicle will be fitted with a fully automated vehicle tracking system which includes a 24 (twenty-four) hour monitoring and recovery service. Recovery must be initiated and controlled by the tracking company. It is a further condition of this policy that the tracking device is fully operational and maintained at all times and you warrant that no action of yours, including the non-payment of monitoring fees, will interfere with the ability or willingness of the tracking company to track and recover the vehicle. In the event of the theft of the vehicle for which you are receiving a security discount, the onus will rest on you to prove that the security system was in fact installed and fully operational and that the monthly monitoring fees were paid.
Failure to comply with the above may result in the claim being rejected by us. An automated vehicle tracking system means an auto arming and disarming tracking unit that requires no physical intervention for the arming/disarming of the tracking unit. The use of an ID access tag or remote activator (Key Fob) will control the tracking system automatically; therefore, any threat or attempted threat will be communicated to a control centre in the event that the motor vehicle is tampered with or unlawfully moved or driven away provided that the ID access tag or remote activator (Key Fob) is not present in the motor vehicle at the time.
10. You have an insurable interest in any vehicle/s insured in terms of this policy as at the date of the commencement of each period of insurance and at the date of any insured event as defined below:

- 10.1 Insurable interest means that you are the owner, alternatively the legal possessor of the insured vehicle(s) or goods in terms of an enforceable credit agreement as defined in the Credit Agreements Act 75 of 1980 (as may be amended from time to time) alternatively, the National Credit Act 34 of 2005 entered into by the insured with a financial institution.
- 10.2 Should your interest in the insured vehicle(s) differ to that defined in 2.1.1 above, then the nature and extent of such interest shall be disclosed to us before the inception of this insurance cover and the cover in respect of such insured vehicle(s) shall only commence once this has been agreed by us in writing.
- 10.3 If your insurable interest in any insured vehicle(s) in terms of this policy changes, then it is your obligation to immediately notify us in writing of such change. Failure to do so may result in the claim being rejected.

POLICY SECTIONS

SECTION 1 – MOTOR (Own Damage)

1. Basis of Cover

1.1 Comprehensive cover (if stated in the schedule)

Accidental damage to or loss of the whole or part of the insured vehicle(s) as described in the schedule, owned by you or for which you are responsible, including its accessories and spare parts whilst therein or thereon, audio communication equipment, fleet management and tracking systems if permanently fitted to the vehicle, within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique and Zambia including Kenya and Tanzania and the Democratic Republic of Congo (DRC) no further than Kolwezi (temporary visits).

1.2 Third Party, fire and theft (if stated in the schedule)

Our liability is restricted solely to the loss of or damage resulting from fire, self-ignition, lightning or explosion, theft or any attempt thereat and third-party costs and expenses which you may become legally liable to pay as a result of an accident resulting in death, injury or damage to property belonging to a third party, caused by, through or in connection with an insured vehicle.

1.3 Third Party only (if stated in the schedule)

Cover is restricted to third-party costs which you may become legally liable to pay as a result of an accident resulting in death, injury or damage to property belonging to a third party, caused by, through or in connection with an insured vehicle.

1.4 Limit of indemnity

The limit of indemnity for each type of vehicle is as stated in the schedule and shall be the maximum amount payable by us in respect of such loss or damage but shall not exceed the Retail Value (or Agreed Value if approved by us) of the vehicle as stated in the schedule (including its accessories and spare parts on and/or attached to the insured vehicle) at the time of such loss or damage.

The amount of any loss or damage shall be limited to the reasonable cost of repair or replacement which may at our discretion necessitate the use of second-hand parts or parts obtained from sources other than the agents.

1.5 Spare parts and accessories

Spare parts and accessories must be on and/or attached to the insured vehicle at the time of the loss. We will not be liable to indemnify you in respect of any parts and accessories not supplied by the original manufacturer of the vehicle when new, unless such parts and/or accessories are separately specified in the schedule.

If any parts and/or accessories of the damaged insured vehicle are not obtainable in South Africa as a standard or ready-made part, then we will pay a sum equal to the value of the part as at the time of the loss or damage, but shall not exceed the manufacturer's latest stock prices.

1.6 Repair/Reinstate/Replace

We may at our own option repair, reinstate or replace such insured 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 Indemnity amount.

1.7 Suspensive sale/ Lease agreement

If, following a total loss (write-off) of the insured vehicle caused by theft or accidental damage, it comes to our attention that the vehicle is the subject of a suspensive sale or similar agreement, we may first make payment to the financial institution in question. In the event that the amount due to them is equal to or exceeds the sum insured/limit of indemnity, payment of the sum insured less the relevant excess shall constitute a full and final discharge of our obligations to you.

1.8 First amount payable (Excess)

You will be responsible for the first amount payable (excess) as stated in the schedule in respect of each and every claim.

1.9 Salvage/Recoveries

We shall be entitled to all salvage and recoveries in respect of claims settled by us.

1.10 Factory fitted radios/tape players/similar equipment

We shall not be liable for more than 5 (five) % of your vehicle value stated in the schedule (after deduction of Excess) in respect of the theft or attempted theft or radios, tape players and similar equipment or fitted telephones as supplied by manufactures of the vehicle when new.

1.11 Agreed value (if stated in the schedule)

In the event of a hijack or theft or a constructive total loss as determined by us, we will calculate settlement based on the Agreed Value of your vehicle at the time of the loss.

Provided that:

- a) The Agreed Value must be revised by you and agreed thereto by us on each annual anniversary date of the policy. In the event that you fail to do so, we will apply the Retail Value as basis of settlement.
- b) The Agreed Value is inclusive of all extras fitted to your vehicle.
- c) Cancellation and subsequent reinstatement of the policy will require new Agreed Values to be submitted and accepted by us.
- d) The Agreed Value indemnity cannot exceed Retail Value plus a maximum of 20% (twenty percent) calculated at date of loss event.

2. Extensions

The following extensions are included as stated in the schedule:

2.1 Fire Extinguishing Charges

We will pay the reasonable costs, up to the limit stated on the schedule, for fire extinguishing charges, subject to the insured vehicle having been in danger as a result of the fire and legal liability attaching to the insured for such costs.

2.2 Towing

If the insured vehicle(s) is disabled because of any insured loss or damage, we will pay the reasonable cost, up to the limit stated in the schedule, for the recovery, protection and removal of the insured vehicle(s) by an approved towing contractor to the **nearest** approved repairer or place of safety,

Provided that:

2.2.1 Where the accident has occurred within the borders of the Republic of South Africa, we have given prior approval for the towing or recovery by a preferred towing contractor. If you do not use an approved towing contractor or have not obtained approval prior to the towing or recovery of the vehicle, we shall not be liable for more than the limit as stated in the schedule.

2.2.2 Where an insured accident occurs outside the borders of the Republic of South Africa, your towing costs of the vehicle will be covered to the nearest border with the Republic of South Africa or to the nearest repairer within such territory, limited to the amount as stated in the schedule. Should Your vehicle be towed to the border, additional towing costs from border to the nearest repairer in the Republic of South Africa will be covered in terms of provision 2.2.1 above.

2.3 Loss/damage to tyres and rims due to theft

Cover is extended to include loss/damage to tyres and rims due to theft when the vehicle is parked on route overnight or left unattended, subject to the limit stated in the schedule and provided that:

2.3.1 the vehicle itself is parked in a fully enclosed and secured area. Said parking areas should include security measures such as (however not limited to):

- a) controlled access,
- b) CCTV monitoring,
- c) Security Guards,
- d) locked gates, etc. **or**

2.3.2 the vehicle is parked at a recognised truck stop operated specifically as a parking facility that provides 24-hour security for parked vehicles; **and**

2.3.3 entry to or exit from such locked vehicle or building or area is accompanied by forcible and violent entry to or exit from.

2.3.4 Areas not included as stated in 2.3.1 and 2.3.2 above, would include:

- a) vacant land,
- b) alongside national roads
- c) Areas not designated for parking/stopping as per the National Road Traffic Act 93 of 1996 as amended from time to time.

2.4 Locks, Keys and Remotes

We will indemnify you in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the re-programming of any coded alarm system of any insured vehicle following upon you having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller,

provided that:

Our liability shall not exceed, in respect of any one event, the amount stated in the schedule. You will be responsible for the first amount payable (excess) for each and every loss as stipulated in the schedule.

2.5 Temporary Repairs

If, after an insured incident as covered by this policy, an insured vehicle is incapacitated and can be temporarily repaired to allow the vehicle to be driven to the nearest repairer or place of safety, we will pay the cost of such repairs up to the limit stated in the schedule provided that you obtain a quotation and detailed estimation for the repairs and sent it to us for approval before such repairs are done.

A repair invoice must be sent to us for payment as soon as the repairs are finalized.

2.6 Windscreen glass, side or rear glass (LDVs and Private motor vehicles only)

We will cover you for loss or damage to windscreen glass, side and rear glass forming part of an insured vehicle(s) subject to the limit stated in the schedule, provided that no other damage has been caused to the vehicle giving rise to a claim under the policy.

You will be responsible for the first amount payable (excess) for each and every loss as stipulated in the schedule.

2.7 Wreckage removal

Cover is extended to include the costs and expenses you may incur in respect of the clearing up and removal of debris, wreckage and fuels and lubricants of any insured vehicle (but excluding any property conveyed) following the occurrence of an insured event provided that our liability shall not exceed, in respect of any one event, the amount stated in the schedule.

2.8 Tarpaulins, ropes, nets, straps, chains and the like

This insurance is extended to cover loss and/or damage to tarpaulins, ropes, nets, straps and chains (**up to the limit stated in the schedule**) which are owned and used by the insured and were on the conveying insured vehicle at the time of the loss, against the risk of fire, collision, overturning of the conveyance vehicle, theft following such an event and theft/hijacking of the entire vehicle as defined herein.

You shall be responsible for the excess as stated in the schedule for each and every loss. You must ensure that these items are properly secured and not left unattended and take all reasonable measures to avert or minimize loss or damage.

Tarpaulins, ropes, nets, straps and chains that form part of any vehicle, e.g. tautliners, are to be included in the sum insured of the vehicle and are subject to the underwriting criteria and excesses as per the schedule.

Theft from an **unattended** vehicle after an insured event is excluded.

3. Exclusions

We will not be liable for loss or damage to, through, resulting from or caused by:

3.1 Loss and/or damage to tyres and rims

Loss and/or damage to tyres and rims resulting from non-accident related incidents, poor road surfaces indicating, but not limited to, inequalities, undulations or potholes on the road surface or due to impact with these, punctures, cuts or bursts.

3.2 Loss and/or damage to springs, shock absorbers, chassis and undercarriage

Loss and/or damage to springs, shock absorbers, chassis and undercarriage as a result of poor road surfaces indicating, but not limited to, inequalities, undulations or potholes on the road surface or due to impact with these.

3.3 Loss and/or damage to goods

Loss and/or damage to all goods or removable property in or on the insured vehicle(s), unless specifically stated in the schedule to be included at an additional premium.

3.4 Loss and/or damage to containers

Loss and/or damage to containers, unless specifically stated in the schedule to be included at an additional premium.

3.5 Windscreen glass, side or rear glass (Heavy Commercial Vehicles and Special Types)

Loss of and/or damage to windscreen glass, side or rear glass forming part of any insured vehicle, unless accompanied by other accident damage or specifically stated in the schedule to be included at an additional premium.

3.6 Wear and tear, mechanical, electronic or electrical breakdowns

Wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages and any loss or damage caused by the abovementioned, whether directly or indirectly. This exclusion also applies to the Towing or Recovery of a vehicle following wear and tear, mechanical or electrical breakdowns, failures or breakages.

3.7 Loss of or damage as a result of being towed or towing another vehicle.

Loss of or damage to any insured vehicle(s) described in the schedule whilst being towed or whilst towing another vehicle which has been disabled for any reason whatsoever, unless the insured vehicle is being towed by an authorized HCV towing contractor.

3.8 Structural changes to an insured vehicle

Loss of or damage to the insured vehicle once the vehicle has undergone any structural changes to the standard production design, unless notified to and accepted by us in writing prior to the loss, accident or departure.

3.9 Theft of any insured vehicle(s) during overnight stops or when unattended

Theft of any insured vehicle(s), including parts therein or thereon, that is in your custody or control or any principals, partners, directors or employees, during overnight stops or when left unattended, **unless**:

3.9.1 the vehicle itself is locked and parked in a fully enclosed and secured area. Said parking areas should include security measures such as (however not limited to):

- a) controlled access,
- b) CCTV monitoring,
- c) Security Guards,
- d) locked gates, etc. **or**

3.9.2 the vehicle is locked and parked at a recognised truck stop operated specifically as a parking facility that provides 24-hour security for parked vehicles; **and**

3.9.3 entry to or exit from such locked vehicle or building or area is accompanied by forcible and/or violent entry to or exit from.

3.9.4 Areas not included as stated in 3.9.1 and 3.9.2 above, would include:

- a) vacant land,
- b) alongside national roads
- c) Areas not designated for parking/stopping as per the National Road Traffic Act 93 of 1996 as amended from time to time.

3.9.5 Where vehicles travel on a road with limited or no truck stops or secure areas as specified in 3.9.1 and 3.9.2 above, a second driver should be included on the trip to avoid having to stop in an unsecure area.

3.10 Consequential / Subsequent Loss / Resultant Damage

Consequential / subsequent loss / resultant damage as a result of any cause whatsoever.

3.11 Depreciation in value

Depreciation in value, whether arising from repairs following a defined event or otherwise.

3.12 Loss of or damage in connection with cash or credit sale agreement

Loss of or damage to any insured vehicle arising from or in connection with any exchange, cash or credit sale agreement (whether complete or incomplete) arising out of theft through false pretences and/or fraud.

3.13 Detention, confiscation or requisition

Detention, confiscation or requisition by customs or other officials or authorities.

3.14 Business Interruption (loss of profits)

We will not be liable to pay any amount in respect of business interruption (loss of profits) as a result of the unavailability of an insured vehicle occurring as a result of an immobilising event.

3.15 Cross border - theft from unguarded vehicle

In respect of a claim following an insured event in Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique, Zambia, Tanzania and Democratic Republic of Congo (DRC) no further than Kolwezi, the cover does not include parts stripped from the vehicle whilst left unguarded at the scene of the event or whilst in transit back to the Republic of South Africa.

4. Optional Extensions (if included in the schedule at additional premium)**4.1 Windscreen glass, side or rear glass (Heavy Commercial Vehicles and Special Types)**

We will cover you for loss or damage to windscreen glass, side and rear glass forming part of an insured vehicle(s) subject to the limit stated in the schedule, provided that no other damage has been caused to the vehicle giving rise to a claim under the policy.

You will be responsible for the first amount payable (excess) for each and every loss as stipulated in the schedule.

4.2 Additional Cross Border Towing/Recovery Expenses

We will pay the additional costs incurred in excess of the costs covered under Sub Section A Defined Events proviso (vi) for recovery and towing of your vehicle to the nearest border of the Republic of South Africa.

Provided that:

- a) Such payment will be limited to the amount as specified in the schedule but not exceeding the maximum limit of R100 000 (hundred thousand).
- b) There must be a valid claim under the underlying policy.
- c) We shall not be liable for any cost or duties payable to authorities in repatriating Your vehicle to the South African side of the border.

5. Security Requirements for theft/hijack cover

5.1 Heavy commercial and special type vehicles

All insured vehicles with a value of R200 000 (two hundred thousand) or more must be fitted with an approved tracking and recovery device.

At the time of the loss, you are to be a fully paid up subscriber of the said tracking device. At all times the device must be fully functional and maintained in accordance with the supplier's instructions, including regular testing.

5.2 Cars and light delivery vehicles (LDV's)

All insured vehicles with a value up to R200 000 (two hundred thousand) must be fitted with a VESA level 4 (four) immobilizer or a factory fitted alarm or transponder key ignition system.

All insured vehicles with a value of R200 000 (two hundred thousand) or more must be fitted with an approved tracking and recovery device.

At the time of the loss, you are to be a fully paid up subscriber of the said tracking device. At all times the device must be fully functional and maintained in accordance with the supplier's instructions, including regular testing.

Any proof of fitment, e.g. installation certificates, must be provided at inception of the policy or, at the very least, when requested at the time of a claim.

If the above requirements are not met, you will not be covered for theft of the insured vehicle and the claim therefore may be repudiated.

SECTION 2 – THIRD PARTY LIABILITY

1. Cover

Any accident caused by or through or in connection with any insured vehicle, including the loading and/or unloading of such vehicle, which you become legally liable to pay any sum, including claimants' costs and expenses, in respect of and subject to the limit stated in the schedule:

1.1 Death of or bodily injury to any person

Death of or bodily injury to any person but excluding death of or bodily injury to any person in your employ arising, directly or indirectly, from and in the course of such employment or being a member of your household, or any of your partners or directors; and further excluding any member's interest in you or any cover provided in terms of the Road Accident Fund or Road Accident Benefit Scheme or similar enactment.

1.2 Damage to property

Damage to property other than property belonging to you or held in your trust or custody or control or being conveyed by, loaded onto or unloaded from any insured vehicle(s).

1.3 Costs and Expenses

We will also (in terms of and subject to the limitations of and for the purposes of this section), pay all costs and expenses incurred with our written consent, and shall be entitled at our discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Section,

Provided that:

the total of our liability under both this extension and Section 2 shall not exceed the limit of indemnity stated to apply to Section 2.

1.4 Person driving an insured vehicle under your instruction

We will indemnify any person who is driving or using any insured vehicle on your order or with your permission,

provided that

- a) the person shall as though he were you observe, fulfil and be subject to the terms, exceptions and conditions of this insurance policy as though they were the insured.
- b) the person driving any insured 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) the person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder.
- e) the person will not be indemnified in respect of any claim arising from death or bodily injury to any person conveyed as a passenger in, or entering or exiting/alighting from any vehicle set out in the schedule, in contravention of your instruction/s not to carry passengers.

1.5 Towing of trailers

We will indemnify you in respect of liability arising from the towing by an insured vehicle of any trailer (including liability in connection with the towed vehicle or trailer), provided we shall not be liable for damage to the towed trailer nor to property therein or thereon.

1.6 Cross Liabilities

Where more than one insured is named in the schedule, we will indemnify each insured separately and not jointly, and any liability arising between each insured shall be treated as though separate policies had been issued to each,

Provided that:

the aggregate liability shall not exceed the limit of indemnity specified in the schedule.

1.7 Falling Loads

Liability arising from the load or any part thereof falling from any insured vehicle specified in the schedule or any trailer which need not be specified in the schedule, but which is attached to an insured vehicle specified in the schedule.

1.8 First Amount Payable (Excess)

You are responsible for paying the excess specified in the schedule in respect of the cover provided in terms of this section.

2. Exclusions

We shall not be liable under this section in respect of:

2.1 Compulsory third-party insurance

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 affected.

2.2 Passenger Liability

Death of or bodily injury to any person being carried in or upon or entering or getting onto or alighting from an insured vehicle described in **definition** (a), (b), (e) and (f) at the time of the event giving rise to a claim.

2.3 Tool or Plant

Liability arising from the operation, demonstration or use, for purposes other than maintenance or repair of the insured vehicle(s), of any tool or plant forming part of or which is attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant (unless it is a fork lift truck).

2.4 Spillage and Clean-up costs

Any costs and expenses incurred for clean-up and remedial procedures to remove or repair the effect of spillage or leakage of goods or any substance carried in or on the insured vehicle/s or any vehicle attached thereto.

2.5 Dangerous Goods

Liability arising out of the carriage of prescribed dangerous goods in terms of Chapter 8 of the National Road Traffic Act nr 93 of 1996 and the National Road Traffic Regulations 2000.

2.6 Cross Border Liability

Any liability arising from any occurrence outside the territorial limits of South Africa

2.7 Assumed Liability

Any liability assumed by the insured by agreement, unless such liability would have attached to the insured in the absence of such agreement

2.8 Trailers pulled by another party

Any liability attaching to any trailer being pulled by another party other than the insured

3. Optional Extensions (if stated in the schedule to be included at an additional premium)

The following extensions may be applicable:

3.1 Contingent liability - motor vehicles not your property nor provided by you

The indemnity under Section 2 shall include claims made against:

- 3.1.1 you 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 your property nor provided by you, while being used by any of your partners or directors or employees (hereinafter in this extension referred to as such person).
- 3.1.2 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 nor to you nor leased nor 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:

You or any such person is not entitled to indemnity under any other policy.

- a) the extension excludes any compensation or claim which falls within the scope of any compulsory motor vehicle insurance enactment.
- b) all words in (2.2) of the Exclusions to Section 2 are deleted.
- c) We 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 above.
- d) the payment by you of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of yours, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension.
- e) if at the time of the occurrence of any accident giving rise to a claim under this extension You or such person is entitled to indemnity under any other policy in respect of the same occurrence, we shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy.
- f) The terms exceptions and conditions of the policy shall otherwise apply.

3.2 Authorized passenger liability

Cover is extended to include claims related to any person carried as a passenger in the permanently closed passenger compartment or entering or exiting such passenger compartment of any insured vehicle(s). The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

3.3 Unauthorised passenger liability

Cover is extended to include claims related to any person carried as a passenger in the permanently closed passenger compartment or entering or exiting such passenger compartment of any insured vehicle(s), in contravention of your instructions to your driver **not** to carry passengers, including "hitch hikers". The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

3.4 Parking facilities and movements of third party vehicles

This section extends to indemnify you in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased by you) by any person in your employ or acting on your behalf,

provided that

such vehicle was being moved within the confines of your property:

- a) with the authority of any of your tenants, customers or visitors, or
- b) in connection with your parking arrangements, or
- c) to facilitate the carrying out of your business,

and provided further that

this extension shall not apply in respect of damage to vehicles which are parked for reward. For the purpose of this extension, such vehicle (and its contents) shall not be deemed to be held in your trust, custody or control.

3.5 Spillage and Leakage Liability Extension.

Liability cover is extended to include costs and expenses incurred by you for clean-up and remedial procedures to remove or repair the effects of spillage and leakage of any substance carried on or by the insured vehicle limited to R 250 000 (two hundred and fifty thousand) any one occurrence.

provided that

in respect of each and every occurrence giving rise to a claim under this extension. You will be responsible for the first amount payable of R 25 000 (twenty-five thousand) of any such cost and expenses.

provided further that

this extension shall not be applicable in the event that cover for the same event, whether incorporated in this policy or any other policy, is in force at the time of liability giving rise to a claim under this extension.

This extension does not provide cover for any cost and expenses associated with the spillage of Dangerous Goods as identified and classified by the code of practice SABS 0228

3.6 Tool or plant

Liability is extended to cover loss or damage arising from the operation, demonstration or use, for purposes other than maintenance or repair of the insured vehicle(s), of any tool or plant forming part of or which is attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant.

SECTION 3 – GOODS IN TRANSIT

1. Cover

We will cover you against the accidental physical loss of or damage to the whole or part of the insured goods owned by you or conveyed by you on behalf of your clients (third party property) by a fully enclosed or tarpaulined insured vehicle specified in the schedule, and being loaded and/or offloaded, including all packaging materials related to the goods transported, within the territorial limits stated in this wording.

1.1 Defined Events

1. Goods transported by an insured vehicle is covered on an all risk basis (unless we specifically limit cover as per the schedule for any reason at our sole discretion) excluding any loss or damage resulting from a variation in temperature, howsoever caused.
2. Cover is subject to the terms, conditions and exclusions listed in this wording and/or on the schedule.

1.2 Limit of indemnity (sum insured)

The limit of indemnity will be the first loss sum insured (inclusive of V.A.T.) as determined by you as a maximum load limit per insured vehicle as stated in the schedule. No average will apply to any claim covered in terms of the policy wording.

1.3 Basis of Valuation

- a) It is agreed that the indemnity under the Goods in Transit section of this policy will be limited to the cost price of the goods described in the schedule or the invoice value or replacement value, whichever is the lesser, but in all cases not exceeding the insured amount(s) stated in the schedule.
- b) In a claim for loss or damage to any property described in the schedule, where the property is not new, the indemnity shall be the local depreciated market value at the time of the loss or damage as determined by us or our agent, but not exceed the cost equivalent of new goods.
- c) In the case of goods transported for a client for the purpose of an interbranch transfer, and no invoice documents exist substantiating value, the cost catalogue/stock price at time of loss shall be used. The onus of proof of this price resides with you.
- d) We will have the option to indemnify you by payment in cash or replacement, reinstatement or repair (or any combination of the above) through a supplier or repairer of our choice.
- e) Indemnity under this section is subject to the proven value of the goods in transit.

1.4 Policy Limits

Cover is limited to any one insured vehicle per transit as stated in the schedule unless otherwise declared to and accepted by us prior to a loss.

Where separate limits are stipulated on the schedule divided into separate classifications (example: into commodity types), these limits are not cumulative, other than in the case of cover for tarpaulins where cover will be additional to maximum section limits.

1.5 Means of conveyance

Cover is limited to goods whilst these are being conveyed on heavy commercial road vehicles (and any trailers attached thereto at time of loss), as stipulated in the schedule by registration number, or as may be otherwise stipulated in the schedule.

1.6 Duration of cover and temporary storage

- a) Cover shall attach once loading of your cargo has commenced at the point of loading, continue during the ordinary course of transit and terminate when your cargo is off-loaded at any building or place of storage at the consignee's premises.
- b) Cover shall be in force during loading and unloading of your cargo provided such loading and unloading is your responsibility and is under your direct control and supervision. No cover will be in force whilst loading or unloading any live animal or plant.
- c) Intermediate storage in the ordinary course of transit is covered if you are unable to complete the delivery due to unforeseen circumstances out of your control, provided that such period of storage does not exceed **72 (seventy-two) hours**. You warrant that such storage will be within a fully enclosed, secured and guarded premises. The goods must not be removed/off-loaded from the conveying vehicle, as this will terminate the transit.
- d) The policy does not cover rigging or manoeuvring of any insured cargo before loading or after off-loading.

1.7 Salvage disposal

In the event of loss or damage occurring which is recoverable under this section, you shall take all reasonable steps to mitigate the loss and shall preserve all recoverable salvage. We shall with the prior approval of the owner of the subject matter, be entitled to sell the salvage at the best possible price in order to mitigate the loss. Should the owner not approve the sale of the salvage by us, we will nevertheless be entitled to reduce the claim by an amount equivalent to the reasonable salvage value as could have been obtained by us or our agents.

1.8 Cutting

In the event of damage occurring to the subject matter, we may pay only for the proportionate value(s) of the damaged part(s) plus the cost of cutting off, less their salvage value if any, provided that it is practicable to use the sound portion or portions for the purpose for which they were originally intended.

1.9 Labels

In the event of damage being caused to labels, capsules or wrappers, we, if liable in terms of this section, shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules or wrappers and the cost of reconditioning the goods, but in no event shall we be liable for more than the value of the damaged subject matter.

1.10 Pairs and sets

If the subject matter consists of articles in pairs or sets, this section shall not pay more than the value of the particular part or parts which may be lost or damaged, without reference to any special value which such article may have as part of such pairs or sets, nor more than a proportionate part of the value of the pair or set.

1.11 Repairer

Where repairs by any other party would prejudice the right of the manufacturers' and/or suppliers' guarantees and/or warranties, the owner of the subject matter has the option of nominating the repairers to be employed (including themselves), provided that our prior written approval has been obtained. We agree to pay the reasonable costs of the repairers

nominated by the owner provided that such costs were agreed with us prior to repairs commencing.

1.12 Parts replacement/Reinstatement

In respect of any claim for loss of or damage to any part of your subject matter in consequence of a defined event, the amount recoverable hereunder shall not exceed such proportion of the cost of replacing the part lost or damaged as your value bears to the value of the new item (including the reasonable cost of freight, other than by air).

The maximum payment by us in the event of any part needed to replace or repair damage to such insured subject matter being unobtainable in RSA as a standard (ready manufactured) article, shall be a sum equal to the value of such part (including the reasonable cost of freight, other than by air) at the time of loss, but not in any case exceeding such part's cost price as stated in the manufacturers last issued catalogue or price list.

1.13 Settlement

Settlement of any loss recoverable under this section will be to the benefit of the owner of the subject matter or their subrogated insurer or any other party as authorised in writing to us by the owner or their subrogated insurer. Signature by either you or the owner of the subject matter to our Agreement of Loss will discharge us from any further obligations under this section.

1.14 Repatriation: (Outside RSA borders)

This section covers the subject matter whilst on or in specified conveyances whilst travelling outside the borders of RSA but within the territorial limits as stated in the schedule.

If, following a recoverable claim, the subject matter is not returned to RSA and it is declared by us to be a constructive total loss outside RSA then we will settle the claim in terms of the basis of valuation less:

- a) the first amount payable (excess); and
- b) the estimated value of salvage which would have been realized in RSA

On payment of the above, the salvage will belong to you or owners of the subject matter, as the case may be.

Cover in terms of the section will cease if your cargo is abandoned outside RSA.

1.15 First amount payable (Excess)

You are responsible for paying the excess specified in the schedule in respect of the cover provided in terms of this section.

1.16 Hijacking Definition

Seizure of insured cargo contained in or on the conveying vehicle or the theft of insured cargo, where such seizure or theft is accompanied by unlawful and forcible removal of the conveying vehicle to a destination other than originally intended, or accomplished by means of violence or threat of violence against the person or persons who, at the time of such seizure, are in actual control of such conveying vehicle carrying your cargo.

1.17 Brand Names or Trade Marks

In the case of damage to the Subject Matter bearing a brand or trade mark, the sale of which carries or implies the guarantee of the supplier or owner, if required by You or the owner of the Subject Matter, the value of such salvage shall be determined only after the removal of brand or trademarks and if applicable, repacking into plain containers.

1.18 Security Requirements

Tracking Device Requirements – Applicable to all vehicles (including trailers) carrying loads with a Sum Insured exceeding R250 000 (two hundred and fifty thousand):

- a) Theft or armed robbery or hijacking cover is subject to the vehicles being fitted with a tracking device.
- b) At the time of the loss you are to be a fully paid-up subscriber of the said tracking device and the device must be operational.
- c) At all times the device is to be maintained in accordance with the supplier's instructions.

1.19 Breakdowns

In the event of breakdown of the vehicle during transit or if, for any reason beyond your control, the property is endangered; **then**

- a) nothing shall prevent the use of any other transport to assist with completion of the transit;
- b) you are required to act with due care at all times and in accordance with your duty of care as set out under the general policy conditions.

1.20 Refusal to accept Goods

If any consignee refuses to accept delivery of the goods; then

- a) transit cover shall continue, provided that you take all reasonable steps to deliver the goods, without undue delay, back to where transit commenced, **provided further that**
- b) the property is returned within **96 (ninety-six) hours**, from the time of moving the goods at the premises where the transit commenced until its return as set out in point a) above.

1.21 Specified vehicles

Where the transit is by specified vehicle, the insurance under this section shall apply to property on any vehicle temporarily used in place thereof while the specified vehicle is:

- a) undergoing repair or servicing, and where the replacement vehicle is not your property or leased or hired by you under a lease or suspensive sale agreement; **further provided that**
- b) in the event of a claim, proof will be required that the specified vehicle was being repaired or serviced.

1.22 Debris Removal and Environmental clean-up costs

Following the operation of a Defined Event, this section is extended to cover, in addition to any other amount recoverable under this section, expenses reasonably incurred by you for the removal and disposal of debris of the insured cargo, including expenses reasonably incurred by you in order to prevent or to mitigate pollution or contamination of the environment by the cargo. In no circumstances shall this insurance cover any consequential

loss, Third Party and Public Liability whatsoever. In no circumstances shall we be liable under this extension for more than the limit of indemnity as specified in the schedule.

1.23 Diversion of Subject Matter

Cover shall apply where the Subject Matter is delivered to an incorrect delivery address fraudulently supplied, or is received at the correct destination address but diverted by fraudulent means by parties who are not the legitimate owners or consignees.

The onus of proof that the Subject Matter has been fraudulently diverted or stolen by persons other than the legitimate owners or consignees' rests with you.

1.24 Salvage/Recovery of Load Costs

The cover under this section is extended to include additional costs reasonably incurred by You in connection with goods conveyed which is covered in terms of this section, consequent upon an insured peril, which prevents the conveying vehicle from completing or continuing delivery of the goods to the predefined destination.

Reasonable costs shall include:

- a) sending alternative transport to the scene of the accident.
- b) unloading the Subject Matter from the damaged vehicle and reloading the Subject Matter onto an alternative vehicle.
- c) costs for protection of the load.

Provided that our liability in terms of this extension shall not exceed the amount stated in the schedule.

1.25 Fire Extinguishing Charges

If the Subject Matter described in the schedule is lost or damaged by fire whilst in course of a transit insured by this section, we will in addition to indemnifying you for such loss or damage, pay for the cost of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this extension shall not exceed the amount stated in the schedule.

1.26 Tarpaulins, ropes, nets, straps, chains and the like

This insurance is extended to cover loss and/or damage to tarpaulins, ropes, nets, straps and chains (**up to the limit stated in the schedule**) which are owned and used by the insured and were on the conveying insured vehicle at the time of the loss, against the risk of fire, collision, overturning of the conveyance vehicle, theft following such an event and theft/hijacking of the entire vehicle as defined herein.

You shall be responsible for the excess as stated in the schedule for each and every loss. You must ensure that these items are properly secured and not left unattended and take all reasonable measures to avert or minimize loss or damage.

Tarpaulins, ropes, nets, straps and chains that form part of any vehicle, e.g. tautliners, are to be included in the sum insured of the vehicle and are subject to the underwriting criteria and excesses as per the own damage section.

Theft from an **unattended** vehicle after an insured event is excluded.

2. Exclusions

We will not be liable for any loss or damage to or resulting from or caused by:

2.1 Refrigerated Containers

Loss of or damage to refrigerated containers are excluded unless stated in the schedule to be included at additional premium.

2.2 Subcontractors (Contingent Liability)

This policy excludes loss or damage to goods transported by any subcontractor appointed by you and acting on your behalf, unless specifically approved by us and stated in the schedule.

2.3 Theft from any insured vehicle(s) during overnight stops or when unattended

theft from any vehicle in your custody or control or any of your principals, partners, directors or employees during overnight stops or when left unattended, **unless:**

2.3.1 the property is contained in a completely closed and securely locked vehicle, **and**

2.3.2 the vehicle itself is housed in a securely locked building, **or**

2.3.3 the vehicle itself is parked in a fully enclosed and secured area. Said parking areas should include security measures such as (however not limited to):

a) controlled access,

b) CCTV monitoring,

c) Security Guards,

d) locked gates, etc.; **or**

2.3.4 the vehicle is parked at a recognised truck stop operated specifically as a parking facility that provides 24-hour security for parked vehicles; **and**

2.3.5 entry to or exit from such locked vehicle or building or area is accompanied by forcible and violent entry to or exit from.

2.3.6 Areas not included as stated in 2.3.3 and 2.3.4 above, would include:

2.3.6.1 vacant land,

2.3.6.2 alongside national roads

2.3.6.3 Areas not designated for parking/stopping as per the National Road Traffic Act 93 of 1996 as amended from time to time.

2.3.7 Where vehicles travel on a road with limited or no truck stops or secure areas as specified in 2.3.3 and 2.3.4, a second driver should be included on the trip to avoid having to stop in an unsecure area.

2.4 Inherent vice, gradual deterioration and other causes

2.4.1 Inherent vice or defect, vermin, insects, damp, mildew or rust; as well as

2.4.2 wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions);

2.4.3 ordinary loss in weight or volume.

2.5 Mechanical, electronic or electrical breakdown

The mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property as well as the breakdown or malfunction of refrigeration equipment; **unless** following an accident or misfortune not otherwise excluded.

2.6 Wilful Misconduct

Loss of or damage attributable to your wilful misconduct or that of your principals, partners, directors or employees.

2.7 Transit by sea, rail or air

Arising whilst in transit by sea, rail or air and further excluding inland transit incidental thereto.

2.8 Inadequate/Unsuitable packing and securing

2.8.1 Inadequate/insufficient securing, protecting, covering or packing of the goods and/or property insured in or on the conveying vehicle; or

2.8.2 the transport method is not suitable for the goods transported.

2.9 Delay

Loss and/or damage caused by any form of delay, regardless of whether the delay is caused by a risk insured against.

2.10 Consequential Loss

Consequential losses or expenses, including but not limited to loss of profits, penalties, guarantees, extraordinary reproduction costs, loss of market, cost of re-forwarding the insured cargo, cost of sourcing replacement cargo, any expense or cost not authorised in writing by us.

2.11 Capture/Seizure

Loss or damage caused by capture, seizure, arrest, restraint or detainment (hijacking excepted) of the Subject Matter insured.

2.12 Dishonesty

Loss or damage arising from your dishonesty or that of any partner, member, director or employee of yours whether acting alone or in collusion with others.

2.13 Contamination

Contamination of the insured cargo by residue or remains of previously conveyed cargo.

2.14 Inadequate protective covers

Water damage including rust, oxidation and /or discolouration where protective coverings, including tarpaulins, were not in a sound and water repellent condition or resulting from lack of or inadequate protective covers.

2.15 Insolvency or financial default

Insolvency or financial default of you or of your agents or sub-contractors.

2.16 Unexplained shortages

Unexplained or unaccountable shortages.

2.17 Outside of territorial limits

Any loss or damage occurring outside the territorial limits stated in the schedule.

2.18 Non-compliance

Non-compliance with any term, condition or warranty herein contained.

2.19 Excluded Cargo

The following commodities/cargo is excluded and no cover in respect thereof is provided unless agreed in writing with the company prior to the commencement of cover:

Antiques or antiquities of any description, artworks, ammunition, jewellery, watches, precious metals and stones, furs, cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind, stamps, documents, books, patterns, models, moulds, plans, designs, explosives, fireworks, livestock, copper in any form, aluminium, cobalt, second hand furniture, cellular and smart phones, pre-paid phone cards, cameras, computer tablets and their accessories, alcohol, cigars, cigarettes and tobacco products, new and used vehicles, tyres, chilled and/or frozen goods and solar panels, liquified petroleum or gasoline or oil, chemicals or gases in liquid, compressed or gaseous form and hazardous waste.

3 Extensions (if stated in the schedule to be included at additional premium)

3.1 Shipping Containers

This insurance is extended to include damage or loss to shipping containers as a result of fire, collision or overturning, theft and hijack only.

Pre-existing damages, loss or damage as a direct result of mechanical/electronic/electrical breakdown or derangement, rust, oxidation, contact with water, moisture, discoloration, chipping, denting, scratching and cutting are specifically excluded.

Cover shall attach once the container is loaded on the insured vehicle, continue during the ordinary course of transit and terminate when the container is off-loaded at any building or place of storage at the owner's premises.

You must take all reasonable measures in accordance with general policy conditions in averting or minimising a loss or damage and shall ensure that these items are appropriately secured and not left unattended. Failure to do so may result in the claim being rejected.

Valuation will be based on the original replacement value depreciated at a rate of 5% (five percent) per annum from the date of manufacture, subject to a minimum residual value of not less than 50% (fifty percent) of the original replacement value. Our maximum compensation will be limited to the sum insured stipulated in the schedule.

You shall be responsible for the excess (applicable to containers) stipulated in the schedule for each and every loss.

3.2 Refrigerated Containers

This insurance is extended to include damage or loss to refrigerated containers as a result of fire, collision or overturning, theft and hijack only.

Pre-existing damages, loss or damage as a direct result of mechanical/electronic/electrical breakdown or derangement, rust, oxidation, contact with water, moisture, discoloration, chipping, denting, scratching and cutting are specifically excluded.

Cover shall attach once the container is loaded on the insured vehicle, continue during the ordinary course of transit and terminate when the container is off-loaded at any building or place of storage at the owner's premises.

You must take all reasonable measures in accordance with general policy conditions in averting or minimising a loss or damage and shall ensure that these items are appropriately secured and not left unattended. Failure to do so may result in the claim being rejected.

Valuation will be based on the original replacement value depreciated at a rate of 5 (five) % per annum from the date of manufacture, subject to a minimum residual value of not less than 50 (fifty) % of the original replacement value. Our maximum compensation will be limited to the sum insured stipulated in the schedule.

You shall be responsible for the excess (applicable to containers) stipulated in the schedule for each and every loss.

3.3 Subcontractors (contingent liability)

It is agreed that cover in terms of this section is extended to include the insured property, as noted in the schedule, transported by any subcontractor appointed and acting on your behalf.

You warrant that you:

- 3.3.1 have contracted, in writing (a copy to be supplied to us), with the subcontractor stipulating that the subcontractor:
 - a) will be liable for all loss or damage in respect of the load subcontracted and up to the value of the load subcontracted.
 - b) has a valid and in force insurance policy in place covering the load contracted with cover, terms and conditions not inferior or more restrictive than this HCV policy; with limits at least equal to the value of the load subcontracted based on a first loss basis with no average clause applicable; covering loss or damage to the load as a result of driver negligence and/or dishonesty of the subcontractor employees; covering the geographical areas contracted.
 - c) Has valid SASRIA/NASRIA cover within RSA and Namibia and must provide cover against loss, damage, liability or expense following Riot and Strike outside RSA and Namibia.
- 3.3.2 obtained written confirmation from the subcontractor that the insurance policy as detailed in 3.5.1 (b) is in force and valid, prior to any load being subcontracted;
- 3.3.3 shall not subcontract any load after becoming aware that the subcontractor no longer has their own insurance or that the subcontractor no longer accepts liability for loss or damage to the load;
- 3.3.4 have obtained a cession signed by the subcontractor, ceding to you all benefits of any claim payable by the subcontractor's insurer in respect of the load transported on behalf of you.

3.4 Deterioration of stock

- 3.4.1 Cover is for new cargo in fully enclosed refrigerated vehicles. Cover is also conditional on the refrigerating equipment having been serviced by a manufacturer approved agent in the three months preceding the loss. These conditions apply to the following situations:
 - a) **Equipment malfunction**
Cover includes loss or damage to the insured temperature-controlled cargo as a result of a variation in temperature caused by a malfunction of the refrigeration equipment. Such malfunction shall not be for a period of less than two consecutive hours.
 - b) **Incorrect settings**
Cover for incorrect temperature setting is included. An innocent incorrect setting which results in a variation in temperature and causes loss or damage to the temperature-controlled cargo shall not be for a period of less than two consecutive hours. The onus of proving the innocent incorrect setting lies with the insured. This cover only applies to an incorrect setting on the keypad of the refrigeration unit, and to no other cause whatsoever.

3.4.2 Specific Exclusions

- a) Goods transported in refrigerated shipping containers;
- b) Any other incorrect setting such as airflow intake, outflow and or circulation;
- c) The refrigeration unit running out of fuel.

3.5 Debris Removal and Environmental clean-up costs

Following the operation of a Defined Event, this section is extended to cover, in addition to any other amount recoverable under this section, expenses reasonably incurred by you for the removal and disposal of debris of the insured cargo, including expenses reasonably incurred by you in order to prevent or to mitigate pollution or contamination of the environment by the cargo.

In no circumstances shall this insurance cover any consequential loss, Third Party and Public Liability whatsoever. In no circumstances shall we be liable under this extension for more than the limit of indemnity as specified in the schedule.

3.6 Driver Fidelity Guarantee

3.6.1 This insurance is extended to cover loss of goods arising through theft and/or hijacking in instances where there is involvement of the driver of an insured vehicle and/or direct financial loss sustained by the insured as a result of fraud or dishonesty by such driver.

3.6.2 General conditions:

3.6.2.1 The driver must be in your permanent employ for a minimum of 6 months prior to the inception of cover and his employment record and driver's license must have been verified by you and record kept as proof.

3.6.2.2 In the event of the discovery of any loss resulting from a defined event, you will report the matter to the police immediately and institute charges.

3.6.2.3 Our liability for all losses involving such driver shall not exceed the sum insured as stated in the schedule.

3.6.3 General exclusion:

This extension does not provide cover where there is any involvement of the owners, partners or directors of the company.

SECTION 4 – BUSINESS ALL RISKS

Defined Events

Loss of or damage to the whole or part of

- a) any Communication Devices and Equipment fitted to the insured vehicle,
- b) any Tracking Device or Vehicle Management system fitted to the insured vehicle,
- c) any cell phone carried by the driver employed by you whilst such driver is in charge of your vehicle, as described in the Schedule, by any accident or misfortune not otherwise excluded, and you shall be responsible for the first amount payable stated in the schedule in respect of each and every event.

Specific Exceptions

The Company shall not be liable for:

1. loss of or damage to property resulting from or caused by:
 - 1.1 theft from any unattended vehicle in the custody or control of the Insured or any principal, partner, director or employee;

Provided that:

- 1.1.1. the property is concealed in a completely closed and securely locked vehicle; **or**
- 1.1.2. the vehicle itself is housed in a securely locked building;
- 1.1.3. **and** entry to or exit from such locked vehicle or building is accompanied by visible signs of forcible and violent entry or exit;
- 1.2. its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration;
- 1.3. inherent vice or defect, vermin, insects, damp, mildew or rust;
- 1.4. the dishonesty of any principal, partner, director or employee of the Insured whether acting alone or in collusion with others;
- 1.5. 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 goods consigned under a bill of lading.
5. any pre-existing damage or defects.

Specific Conditions

Replacement value

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

1. the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new; or
2. the repair of the property to a condition substantially the same as, but not better than, its condition when new;

provided that:

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

SECTION 5 – 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

The Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique and Zambia including Kenya and Tanzania and the Democratic Republic of Congo (DRC) no further than Kolwezi.

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:
 - 2.1 property belonging to the insured;
 - 2.2 property in the custody or control of the insured or any employee of the insured;
 - 2.3 that part of any property on which the insured is or has been working if such damage results directly from such work.
3. liability consequent upon injury or damage:
 - 3.1 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;
 - 3.2 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;
 - 3.3 caused by or through or in connection with
 - a) the refuelling of aircraft;
 - b) the ownership, possession, maintenance, operation or use of aircraft or an airline;
 - c) 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. 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.
7. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.
This exception shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exception.
8. fines, penalties, punitive, exemplary or vindictive damages.
9. 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.
10. costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the area described in 9 above.
11. any claim arising from an event known to the insured:
 - 11.1 which is not reported to the company in terms of General condition 6;
 - 11.2 prior to inception of this section.
12. any claim (in the event of cancellation or non-renewal of this section) not first made in writing against the insured within the 48 (forty-eight) month period (or extended period in respect of minors) as specified in specific condition 2.
13. the first amount payable:
The insured shall be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by the insured.

Memorandum

In respect of this section only, General Exclusion 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 (forty-eight) 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 (forty-eight) months will be extended until the expiry of 12 (twelve) 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 (fifteen) days after cancellation or non-renewal, provided:
 1. such event occurred during the period of insurance;
 2. 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 (forty-eight) 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
- 3.1 on the date that the event was reported by the insured in terms of General condition 6

OR

- 3.2 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.

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

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

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

The Statutes

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. 41 of 1987 (as amended),
 and/or any other Act or Ordinance pertaining to the supply of Electricity
 all as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended).

Wrongful arrest and defamation

The defined events are extended to include damages

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

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