

Bed & Breakfast Policy

Introduction

This Policy has been designed to meet your specific insurance requirements.

Please read the policy and the schedule carefully and check that the schedule is correct.

If there is anything which is not clear or you require further information please contact your broker.

If your premiums are deducted automatically each month from your bank account, it is important that you inform your broker of any changes relating to the account. Failure to do so may result in your policy being lapsed due to non-payment of the premium which means you will have no insurance cover.

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GENERAL EXCEPTIONS CONDITIONS & PROVISIONS

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

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

General Exceptions

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

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

- (B) This Policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this Policy applies.
- (C) (i) This policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, resulting from, happening through, arising out of or in connection with any act of terrorism regardless of any other causes or event contributing concurrently or in any other sequence to the loss, damage or expense.
- ii) This policy does not cover any loss(es) in anyway caused or contributed to by an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent.

For the purpose of this general exception 1(C) (i) and (ii) an act of terrorism includes the use of force or violence or the threat thereof whether an act harmful to human life or not, of any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government, committed for political, religious, ideological purposes including any act committed with the intention to influence any government or for the purpose for inspiring fear in the public, or any section thereof.

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

2. Except as regards the Fidelity, Stated Benefits and Group Personal Accident sections.
 - (i) This Policy does not cover:
 - (a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss
 - (b) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception only combustion shall include any self-sustaining process of nuclear fission.
 - (ii) The indemnity provided by this Policy shall not apply to nor include any loss destruction damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
3. General Exception applicable to all sections of this policy insuring damage to property or the consequences of damage to property or any liability.

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

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

GENERAL EXCEPTIONS CONDITIONS & PROVISIONS

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

- (i) to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or
- (ii) to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such date, or
- (iii) to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/ or programmes or
- (iv) to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any Trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

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

Special Extension to General exception 3

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

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

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

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

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

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

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

General Conditions

1. Misrepresentation, misdescription and non-disclosure

Misrepresentation, misdescription or non-disclosure in any material particular shall render voidable the particular item or section of the Policy, as the case may be, affected by such misrepresentation, misdescription or non-disclosure.

2. Other Insurance

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

3. (a) Cancellation

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

GENERAL EXCEPTIONS CONDITIONS & PROVISIONS

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

The premium is due in advance and if it is not received by the Company by the thirtieth day following due date, then this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance unless the Insured can show that failure to make payment was an error on the part of his bank or other paying agent. Due date will be the first day of every calendar month where premium is payable monthly, the first day of (a) each third (b) each sixth (c) each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.

4. Adjustment of premium

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

5. Prevention of loss

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

6. Claims

- (a) On the happening of any event which may result in a claim under this Policy the Insured shall, at their own expense
- (i) give notice thereof to the Company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured
 - (ii) as soon as practicable after the event inform the police of any claim involving theft or (if required by the Company) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property
 - (iii) as soon as practicable after the event submit to the Company full details in writing of any claim
 - (iv) give the Company such proofs, information and sworn declarations as the Company may require and forward to the Company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
- (b) No claim (other than a claim under the business interruption, fidelity, stated benefits or group personal accident section or the personal accident (assault) extension under the money section, if applicable) shall be payable after the expiry of twenty four months or such further time as the Company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the Insured's legal liability to a third party.
- (c) In the event of a claim being rejected and legal action not being commenced within 6 months after such rejection all benefit afforded under this Policy in respect of any such claim shall be forfeited.
- (d) If after the payment of a claim in terms of this Policy in respect of lost or stolen property the property (the subject matter of the claim) or any part thereof is located the Insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the Company provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Company. Should the Insured fail to render assistance in terms of this condition when called upon to do so the Insured shall immediately become liable to repay to the company all amounts paid in respect of the claim.

7. Company's rights after an event

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

8. Fraud

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

9. Reinstatement of cover after loss (not applicable to stocks on a declaration basis or to any section where it is stated to be not applicable)

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

GENERAL EXCEPTIONS CONDITIONS & PROVISIONS

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 void the section only in respect of the risk to which the breach applies.

11. No rights to other persons

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

General Provisions

A. Claims preparation costs

The insurance by each section of this Policy is extended to include costs reasonably incurred by the Insured in producing and certifying any particulars or details required by the Company in terms of General Condition 6 or to substantiate the amount of any claim, provided that the liability of the Company for such costs in respect of any one claim shall not exceed the amount stated in the schedule in respect of a particular section or, if an amount is not so stated, R25 000 or 15% of the sum insured or limit of indemnity on the item affected, whichever is the lesser amount, or the aggregate of this amount and the amount stated in the schedule to each section against an item for additional claims preparation costs.

B. Payments on account

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

C. First amount payable

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

D. Members

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

E. Liability under more than one section

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

F. Meaning of words

The schedule(s) and any endorsement(s) thereto and the Policy wording shall be read together and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

G. Automatic Inflation Margin

The Sums Insured of each item insured under the Fire, Buildings Combined, Office Contents, Houseowners, Householders, (Buildings and Contents on the Bed and Breakfast Product) and Grassed Sporting Facilities Sections will be increased automatically by the Company at renewal at a percentage commensurate with the trends in the consumer price indices. It is specifically noted that this extension does not relieve the Insured of their responsibility to ensure that the sum insured represents the replacement value of the property insured. Furthermore, it is noted that this condition in no way affects the standard average clause contained in the policy.

H. Premium payment

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

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

I. Holding covered

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

J. Schedule sums insured blank

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

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

This means the defined event or circumstance shown in the schedule is not insured by the Policy.

K. Security firms

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

The Company shall not rise as a defence to any valid claim submitted under any section or subsection of this Policy that the Company's rights have been prejudiced by the terms of any contract entered into between the Insured and any security provider relating to the protection of the insured property.

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L. **Post-trauma counselling**

If an insured event for which the company has admitted liability under the Policy causes trauma to the Insured or to an employee or guest of the Insured, the Company shall pay the costs necessarily incurred for post-trauma counselling up to a maximum amount of R30 000 per event, with a limit of R60 000 any one period of insurance.

M. **Basis of Indemnity**

The indemnity under this Policy is on an occurrence basis. Occurrence, whenever referred to in the Policy, its Schedules or Sections, shall mean an occurrence or series of occurrences arising from one event or original cause.

N. **SAIA**

Wherever SAIA appears in the policy, it denotes "The South African Insurance Association."

O. **SAIDSA**

Wherever SAIDSA appears in the policy, it denotes "The South African Intruder Detection Services Association."

P. **Property Protection Costs**

The Company will reimburse the Insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary protection measures, including the hiring of watchmen, as may be reasonable and necessary after loss or damage giving rise to a claim under this policy.

Provided that the Company's liability shall not exceed R10 000 in respect of any one event.



Defined Events

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

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

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

The Company will also pay all reasonable collection costs and expenses incurred by the Insured in excess of normal collection costs and expenses made necessary because of such damage.

Provided that:

- (a) such Damage has not been brought about by the direct or indirect action of any party which shall include strikes, labour disturbances, malicious damage or intent thereof or political interference
- (b) should such interruption or interference arise from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for interruption or interference with the business unless such interruption or interference extends beyond 24 hours from commencement thereof.

Specific Exceptions

The Company will not pay for

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

Specification

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

- (a) the difference between
 - (i) the outstanding debit balances and
 - (ii) the total of the amounts received or traced in respect thereofplus
- (b) the additional expenditure incurred in tracing and establishing customers' debit balances after the damage provided that if the sum insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

Definitions**Outstanding debit balances**

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

- (a) bad debts
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customers' accounts in the period between the date to which said last statement relates and the date of the damage and
- (c) any abnormal condition of trade which had or could have had a material effect on the business so that the figures thus adjusted shall represent as reasonably practicable those which would have been obtained at the date of the damage had the damage not occurred.

Clauses and Memoranda**Declarations**

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

Adjustment

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

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

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

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

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

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

Provided that this extension does not cover:

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

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

Accountants clause

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

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

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

Protections (if stated in the schedule to be included)

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

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

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

Defined Events

Loss of or damage to money (as defined) occurring in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi, except if otherwise specified

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

Definitions

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

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

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

Extensions

1.1 Receptacles and clothing

In addition to any payment in respect of a defined event the Company will indemnify the Insured of respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or any attempt thereat provided that the Company's liability under this extension in respect of clothing shall not exceed R5 000 and in respect of receptacles the amount stated in the schedule.

1.2 Portable Credit Card Machine

In addition to any payment in respect of a defined event the Company will indemnify the Insured in respect of Portable credit card machines (as defined) lost or damaged as a result of theft of money or any attempt thereat provided that the Company's liability under this extension in respect of clothing shall not exceed R5 000 and in respect of receptacles the amount stated in the schedule.

2. Locks and keys

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

provided that

- (i) the Company's liability shall not exceed R10 000 in respect of any one event
- (ii) the Company shall not be liable for the first R500 of each and every event.

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

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

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

Provided that this extension does not cover:

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

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

4. Fatal Injury Extension

The cover granted by this Section includes fatal injury to the person named in the Schedule sustained whilst on the Insured's premises as a result of theft of money or any attempt thereat. Providing that death ensues within three months of such injury, the Company will pay to the executors or administrators of the deceased the sum of R15 000.

Specific Exceptions

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

1. arising from dishonesty of any person or persons in the employ of the Insured not discovered within 14 working days of the occurrence thereof;
2. arising from shortage due to error or omission;
3. arising from the use of keys to any safe or strong room unless the keys
 - (a) are obtained by violence or threats of violence to any person
 - (b) are used by the keyholder or some other person with the collusion of the keyholder and the Insured can prove to the satisfaction of the Company that the keyholder or such other person had used the keys to open the safe or strong room;
4. in an unlocked safe or strong room whilst the portion of the premises containing such safe or strong room is unattended but this exception will not apply if it can be shown to the satisfaction of the Company that the keyholder to the safe or strong room deliberately left it unlocked with the intention of allowing the money to be stolen;
5. not contained in a locked safe or strong room whilst the portion of the premises containing such money is unattended but this exception will not apply if it can be shown to the satisfaction of the Company that the person(s) responsible for the money deliberately left it outside the safe or strong room with the intention of allowing it to be stolen;
6. In any vehicle being used by the Insured unless principal, partner, director or employee of the Insured is actually in such vehicle or, if not in such vehicle, is within 5 metres of it in a position from which the vehicle is clearly visible. This exception shall not apply following an accident involving such vehicle rendering the said person incapacitated.

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

Memoranda

1. Loss of or damage to money arising from dishonesty of any person or persons in the employ of the Insured as insured under this section shall be subject to the following compulsory First Amount Payable Clause:

The amount payable hereunder in respect of an event involving one or any number of employees acting in collusion shall be reduced by

- (a) 2% of the applicable limit under defined events plus
- (b) a further amount of 10% of the nett amount payable after deduction of the 2% specified in (a) above.

Both amounts shall be borne in full by the Insured

2. The Company shall not be liable under this section of the Policy in respect of loss or damage arising from any event in respect of which a claim is payable or would be payable but for any first amount payable or co-insurance clause under the fidelity section of the Policy or any other fidelity insurance.

Personal Accident (Assault) Extension

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

The Company will pay to the Insured on behalf of such person or his estate the sum or sums stated in the schedule in the event of bodily injury to any such person resulting within twelve calendar months in

1.	death	the capital sum of	R10 000
2.	permanent disability	the percentage of the capital sum specified	Percentage of compensation
(a)	loss by physical separation at or above the wrist or ankle of one or more limbs		100
(b)	permanent and total loss of		
	whole eye		100
	sight of eye		100
	sight of eye, except perception of light		75
(c)	permanent and total loss of hearing		
	both ears		100
	one ear		25
(d)	permanent and total loss of speech		100

HOSPITALITY

MONEY

(e) injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
(f) loss of four fingers	70
(g) loss of thumb both phalanges	25
one phalanx	10
(h) loss of index finger three phalanges	10
two phalanges	8
one phalanx	4
(i) loss of middle finger three phalanges	6
two phalanges	4
one phalanx	2
(j) loss of ring finger three phalanges	5
two phalanges	4
one phalanx	2
(k) loss of little finger three phalanges	4
two phalanges	3
one phalanx	2
(l) loss of metacarpals first or second (additional)	3
third, fourth or fifth (additional)	2
(m) loss of toes all on one foot	30
great, both phalanges	5
great, one phalanx	2
other than great, if more than one toe lost, each	
3. In the case of total and absolute incapacity from following usual business or occupation the weekly sum specified in the schedule shall be payable	
4. The reasonable expenses incurred, up to the sum specified in the schedule, shall be payable in respect of medical, surgical, dental, nursing home and hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bring such person to a place of safety) incurred within 24 months of the defined event	

Memoranda (applicable to Permanent Disablement Benefits)

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

provided that

- (i) the Company shall not be liable to pay in respect of any one such person more than the capital sum plus the sums specified under items 3 and 4
- (ii) the sum specified under item 3 shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain:

- (iii) compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;
- (iv) this extension shall not apply to any such person under 15 or over 70 years of age;
- (v) after suffering bodily injury for which benefit may be payable under this extension, such person shall submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- (vi) General Exception 2 and General Condition 2 and 9 do not apply to this extension;
- (vii) in respect of this extension only, general exception 1 is deleted and replaced by the following;

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

Extensions to the Personal Accident (Assault) Extension

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

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

Special Conditions Applicable to Cheques

First amount payable applicable to theft of cheques

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

1. Cheques are drawn by the Insured
 - (a) the cheque has been drawn and crossed exactly in accordance with the under mentioned "Recommended South African Insurance Association (SAIA) procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau.
 - (b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post
2. Cheques drawn by someone other than the Insured and which were received by the Insured by post or direct by the cashier
 - (a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured and
 - (b) the Insured is able to identify the drawer and amount of the cheque from their records
3. Cheques of which the insured is the true owner which were drawn by someone other than the Insured and posted to the Insured but not received
 - (a) the cheque has been drawn and crossed exactly in accordance with the under mentioned "Recommended SAIA procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA
or
 - (b) the cheque was dispatched to the Insured by certified post or any post where security is equal or superior to certified post
or
 - (c) the invoice of the Insured (to which the payment by cheque relates) contains a message (approved by the Company or SAIA) on it recommending or requiring that the cheque be drawn in accordance with the under mentioned "Recommended SAIA procedure for drawing and crossing of cheques."

Recommended SAIA Procedure for Drawing and Crossing of Cheques and Printing of Blank Cheques.

A. Drawing and crossing of cheques.

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

1. Delete the pre-printed words "or bearer." This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment

2. If instead of "or bearer" your cheque has pre-printed on it "or order" these words must also be deleted
3. Write on the face of the cheque the words "not transferable"
4. Cross the cheque by drawing two parallel lines across the cheque
5. Write the words "not negotiable" between the two parallel lines referred to in 4 above.
6. Ensure that the payee is accurately and fully described for example where the payee is a Company its full name should be used: RH Jones (Pty) Ltd not just RH Jones.

Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co. No: 69/12456" or "RH Jones (Pty) Ltd ABC Bank account no: 123456789."

Whilst highly recommended it is not compulsory to use the bank account number of the payee:

7. In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures
8. An example of the method of drawing a cheque is attached as Annexure A
9. On the rear of the cheque the wording listed in Annexure B (last page of this section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements
10. All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words "not neg." and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless.
11. The method used to complete cheques should be one which makes an ink impression on the paper like handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink. Do not use:
 - (i) old ribbons
 - (ii) laser printers which do not make an impression into the paper
 - (iii) the "reverse printing technique"
 - (iv) correctable type ribbons

B. Printing of blank cheques

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

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

Specific Conditions

Burglar Alarm Warranty (if stated in the schedule to be included)

It is a condition precedent to the liability of the Company and warranted that

- (a) A radio siren alarm system linked to an armed response facility has been installed in the insured premises by an approved SAIDSA installation Company.
- (b) Such alarm shall be made fully operative whenever the premises are not open for business unless a principle partner, director or employee of the insured is on the premises.
- (c) Such alarm shall be maintained in proper working order and regularly tested with the armed response company to ensure that it is in proper working order.
- (d) This insurance shall not cover loss of damage to the property following the use of keys/card key of the alarm or any duplicate thereof belonging to the insured unless such keys/card key have been obtained by violence or threat of violence to any person.

SAIA RECOMMENDED CHEQUE

ANNEXURE A -

provides additional remedies to the owner of the cheque

general crossing requires payments to be made to a bank only

prohibits transfer of the cheque

cross out for added protection

1/10/93

OR ORDER
OR BEARER

Signature

leave no gaps

not negotiable

draw a line after name, amount in words and amount in figures to prevent inclusion of further detail

ANNEXURE B -

Warning to be printed on rear of cheque - leave enough space for bank stamps etc.

WARNING

To person encashing this cheque or receiving it in exchange for any consideration. Where a cheque has been stolen from or lost by the true owner, you may be liable to reimburse him for his loss if you encash such cheque or receive it in exchange for any consideration. (Section 81 of the Bills of Exchange Act, 1964)

NB This cheque is crossed and marked "not negotiable" and "not transferable"

ABC BANK LIMITED

PAY Dan Smith

AMOUNT One Thousand Rand Only

R1000.00

leave no gaps

use full correct name of payee

Defined Events

1. Loss of money and/or other property, belonging to the Insured or for which they are responsible (but specifically excluding money and/or other property of guests staying on the Insured's premises), stolen by an insured employee during the currency of this section.
2. Direct financial loss sustained by the Insured as a result of fraud or dishonesty of any insured employee, all of which occurs during the currency of this section, which results in dishonest personal financial gain for the employee concerned

provided that

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

Definition

Employee shall mean

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

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

Specific Exceptions

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

any computer programme, system, data or software by any insured employee in the Insured's electronic data processing department or area.

This exception does not apply to insured employees who are employed in the electronic data processing department/area of any non-networked micro/personal computer.

4. The Company shall only be liable to the extent of the participation/shareholding of any uninvolved partners/principals/directors or members for an insured event in which any partner/principal/director or member of the Insured is or has been directly involved.

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

Specific Conditions

1. The Insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his business as has been represented to the Company by the Insured but the Insured may
 - (a) change the remuneration and conditions of service of any employee;
 - (b) in respect of any employee who is described in the schedule by name, change his duties and position;
 - (c) in respect of any employee who is described in the schedule only by the position held by him, remove such employee and place in his position any other person who falls within the definition of employee;
 - (d) make such other changes as are approved beforehand in writing by the Insured's auditors.
2. If the Insured shall sustain any loss to which this section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from surety ship, insurance, reinsurance, security or indemnity taken or effected by the Company or for the amount of any first amount payable) by whomsoever made on account of such loss until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be applied to the reimbursement of the Company and the Insured to the extent of his coinsurance in terms of item (b) the compulsory first amount payable clause.

Clauses and Extensions

Accountants clause

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

Extended cover for past employees extension

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

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

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

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

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

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

Other Insurances

It is a condition of this section that other than

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

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

Compulsory first amount payable

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

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

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

Computer losses first amount payable

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Annual premium in force at time of discovery of loss x $\frac{\text{Amount of Insured loss}}{\text{Sum insured at time of discovery of loss}}$

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

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

If the Insured shall sustain any loss to which this section applies which exceeds the sum insured hereunder, the Company will, in addition to the sum insured, pay to the Insured costs and expenses not exceeding the amount stated in the schedule necessarily incurred with the consent of the Company (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in regard to whom the claim is made, of that part of the loss which exceeds the sum insured hereunder. All amounts recovered by the Insured in excess of the said part of the loss shall be for the benefit of the Company.

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

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

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

In consideration of the payment of an additional premium, Proviso 1(a) of the defined events is restated to read:

1. (a) the Company is not liable for all losses which occurred more than 36 months prior to discovery.
2. If this Policy section includes the superseded policy clause, the period referred to in proviso 6 thereof is increased from 24 months to 36 months

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

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

- control
- fraud, dishonesty and theft detection

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

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

First amount payable clause	First amount payable increased to percentage shown below if losses discovered more than 12 months after being committed
Compulsory	
Paragraph (a)	From 2% to 3%
Paragraph (b)	From 10% to 12,5%
Computer losses	From 20% to 25%

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

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

Memoranda

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

BUILDINGS

Section 1 – Buildings

1. Definitions

For this section

- 1.1 You mean the person in whose name this policy is issued.
- 1.2 Building means the residence its domestic outbuildings and garages belonging to you and situated at the address stated in the schedule including landlord's fixtures and fittings, swimming pools including fixed filtration plant (not automatic pool cleaners), tennis courts, sauna and spa rooms and baths, water pumping machinery (not automatic pool cleaners), gates, walls, fences (excluding hedges), gate motors and driveways, paths and patios constructed of brick, concrete, pavers, asphalt or stone (not gravel), underground water, gas and sewerage pipes, drains, watercourses, electricity and telephone cables or public supply connections.
- 1.3 Sum insured means the amount stated in the schedule for the Buildings section.

2. Insured events

The Insured events are

- 2.1 Fire, lightning, explosion.
- 2.2 Storm or flood excluding destruction or damage
 - 2.2.1 to gates and fences
 - 2.2.2 caused by movement of the land supporting the building even if such movement is caused by storm or flood. This exclusion will not apply to the removal of land supporting the building by flowing surface water.
- 2.3 Earthquake excluding the first 1% of the sum insured, minimum R1 000, of every claim for destruction or damage arising directly or indirectly from mining. If we allege that the destruction or damage arises from mining the burden of proving the contrary will rest on you.
- 2.4 Bursting, leaking or overflowing of water apparatus or fixed oil-fired heating apparatus but excluding damage as a result of wear and tear and/or gradual deterioration.
- 2.5 Theft or attempted theft provided that if the building is vacant there is forcible and violent entry or exit.
 - 2.5.1 The company will pay any damage or loss caused by theft of underground cables from the Insured's property providing that our liability will not exceed R 5 000 per event and R 10 000 in any one annual period of insurance. You will be responsible for the first R 500 of any claim.
- 2.6 Impact.
- 2.7 Breakage or collapse of radio or television aerials or masts, satellite dishes and solar panels.
- 2.8 Deliberate or wilful or wanton acts excluding destruction or damage caused by or arising from theft or attempted theft whilst the building is vacant.
- 2.9 Accidental damage to the buildings by any other cause not specified above but excluding wear and tear deterioration and damage due to lack of maintenance. We will not pay more than R25 000 in respect of any one event.
- 2.10 Power Surge

Up to an amount of 5% of the buildings sum insured, provided that the Company's liability will not exceed R 25 000 from any one event or series of events or in an annual aggregate. You will be responsible for the first 10% of each claim, subject to a minimum amount of R 1 000.

3. Basis of settlement

If the building is destroyed or damaged by an insured event

- 3.1 we will by payment or at our choice by reinstatement or repair indemnify you. Provided that if at the time of the destruction or damage the value of the building including the cost of demolition, professional fees and public authorities requirements (see 8. next page) amount to more than the sum insured you will be your own insurer for the difference and will bear a rateable proportion of the loss

or
- 3.2 you may choose within six months of the date of destruction to reinstate the building on the same site (or on another site and in the way you want subject to our liability not being increased) as nearly as possible to its condition when new provided
 - 3.2.1 the reinstatement must be started and finished in reasonable time otherwise we will settle in terms of 3.1
 - 3.2.2 we will not be liable for the cost exceeding the cost which would have been payable in terms of 3.1 until the cost has been incurred by you
 - 3.2.3 the amount payable for fitted carpets and geysers will be the current replacement cost less and allowance for depreciation

BUILDINGS

3.2.4 if at the time of reinstatement the cost including the cost of demolition, professional fees and public authorities' requirements (see 8. next page) which would have been incurred in reinstating the building had it been totally destroyed exceeds the sum insured on the building at the time of destruction or damage you will be your own insurer for the difference and will bear a rateable proportion of reinstatement.

4. Rent

If the building becomes uninhabitable as a result of destruction or damage caused by an insured event the Company will for the period necessary for reinstatement

(a) indemnify the Insured for the loss of rent receivable if the dwelling was tenanted at the time of the destruction or damage (the amount payable will be based on the rent of the unfinished dwelling)

up to 25% of the sum insured on the dwelling

5. Keys and Locks

If any keys or locks (including electronic access cards and remote controls) for the building or for any vehicles insured under section 8 of this policy are lost or damaged we will indemnify you for the costs of reasonably and necessarily incurred as a direct consequence up to R10 000 provided you bear the first 10% minimum R500 of any claim.

6. Retaining Walls (If stated in the schedule to be included)

If fixed retaining walls are destroyed or damaged by flood or storm, not as a result of wear or tear, gradual deterioration or poor maintenance, we will pay for or choose to repair or replace it to a limit of R 10 000.00 in any one annual period of insurance. You will be responsible for the first R 1000 of every claim.

7. Breakage of glass and sanitaryware

In the event of accidental breakage in the building (except when it is vacant) of

7.1 fixed glass

7.2 fixed sanitaryware excluding chipping, scratching or disfiguration

we will pay for or may choose to repair or replace the item. You will be responsible for the first R150 of every claim.

8. Public supply connections

In the event of accidental destruction or damage to water, sewerage, gas, electricity or telephone connections belonging to you or for which you are responsible between the building and the public supply we will pay for or may choose to repair the damage. You will be responsible for the first R150 of every claim.

9. Water pumping machinery

If fixed filtration plant or water-pumping machinery (not automatic pool cleaners) in domestic use is accidentally destroyed or damaged (not wear and tear) we will pay for or choose to repair or replace it. You will be responsible for the first R150 of every claim.

10. Cost of demolition, professional fees and public authorities requirements

We will pay costs necessarily incurred with our written consent

10.1 in demolishing the building, removing debris from the site and erecting hoardings required for building operations

10.2 for architects' quantity surveyors' and consulting engineers' fees

10.3 for local authorities' scrutiny fees

10.4 for repairing or rebuilding in accordance with the requirements of public authorities

following destruction or damage to the building by an insured event.

11. Fire brigade charges

If authorities charge you with the cost of fire damage to the building we will indemnify you.

12. Liability to the public

If a building is insured by this section then indemnity is provided by Section 4 – Liability in so far as it applies to the liability of property owners.

13. Mortgagee

The interest of a mortgagee of which we are aware

13.1 ranks prior to that of you

13.2 is limited to the amount owing to the mortgagee by you

13.3 will not be invalidated by any act or omission by you if such act or omission occurs without the mortgagee's knowledge.

BUILDINGS

14. Tenants or guests

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

15. Special exclusions

We will not be liable for

1. the first amount payable stated in the schedule (or in the policy wording if greater) of every claim.
2. We will not be liable for damage or loss to the property as a result of wear and tear, gradual deterioration, poor maintenance, defective workmanship, rust, frost, roots or weeds affecting tennis courts, driveways and underground pipes, vermin, insects or termites or by any process or cleaning, restoring, altering or renovation of property.
3. We will not be liable for damage or loss of property that is as a direct consequence of a defect in its design or construction.
4. the first R1 500 or every claim arising from a deliberate or wilful or wanton act (including theft) if at the time of such act the building has been vacant for more than 30 consecutive days.

16. Building operations

While the building is being erected or structurally altered cover provided by paragraphs

2. Insured events, sub-paragraphs 2.4, 2.5 and 2.8
6. Retaining Walls
7. Breakage of glass and sanitaryware
12. Liability to the public

Will not apply to destruction, damage or liability arising directly or indirectly from such erection or alteration.

17. Subsidence extension

Only applies if the schedule shows that the cover includes subsidence.

- 17.1 This section is extended to include destruction or damage to the building caused by subsidence or heave of the land supporting the building or landslip provided such destruction or damage is not caused by or does not arise from excavations other than mining excavations
 - 17.1.1 alterations additions or repairs to the building
 - 17.1.2 the compaction of infill
 - 17.1.3 defective design, materials or workmanship
 - 17.1.4 normal settlement, shrinkage or expansion of the building.
- 17.2 We will not be liable for destruction or damage to
 - 17.2.1 solid floor slabs or any other part of the building resulting from the movement of such slabs unless the foundations supporting the external walls of the residence or its domestic outbuildings are damaged by the same cause at the same time
 - 17.2.2 swimming pools, tennis courts, sauna and spa rooms and baths, gates, walls, fences, driveways, paths, patios, terraces, septic or conservancy tanks, drains and water courses unless the residence or its domestic outbuildings are damaged by the same cause at the same time.
- 17.3 We will not be liable for
 - 17.3.1 work necessary to prevent further destruction or damage due to subsidence, heave or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto
 - 17.3.2 the first portion of each claim calculated at 1% of sum insured or R1 000 whichever is the greater.

18. Fatal Injury Extension

If you or the persons named in the schedule sustain a fatal injury as a result of fire to the residence or its domestic outbuildings we will pay to the executors or administrators of the deceased estate an amount of R15, 000. This payment is conditional in that the fire brigade must have attended or been summoned to the premises and death must occur within three months of such injury

19. Damage to Landscaped Gardens, Water Features and Statues Extension

The insurance granted by this Section will indemnify the Insured in respect of the cost of restoring any damage caused to landscaped gardens, water features and statues for which the Insured are responsible by the Emergency Services in attending the Premises as a result of the operation of an Insured Event up to an amount not exceeding R20 000 in any one Period of Insurance.

BUILDINGS

20. Cost of Reinstating Landscaped Gardens, Water Features and Statues (if stated in the schedule to be included)

We will indemnify you for the cost of restoring landscaped gardens, water features and statues damaged as a result of Insured Events 2.1 to 2.10 of this section provided that

1. the limit of indemnity shall not exceed the sum insured shown in the schedule.
2. the Insured shall be responsible for the first amount payable stated in the schedule.

21. Loss of Water

We will indemnify you up to an amount of R20 000 for the costs of water lost as a result of bursting of pipes or accidental damage to the supply installation on your premises, and for which you are responsible to the local municipality and / or water supply authority.

22. External Signs, Blinds and Canopies Extension

If fixed external signs relating to the business, or for which you are responsible, are damaged we will indemnify you up to an amount not exceeding R20 000 any one event unless more specifically insured in the schedule.

23. Contamination and Pollution of Fish Stocks Extension

This section is extended to include the death of Trout stock in the Insured's dams and / or Fish in the Insured's water features and ponds as a result of pollution or contamination of the water by chemicals or wastes provided that

1. the maximum amount payable by the Company shall not exceed R10 000 any one event and R25 000 any one period of insurance.
2. the Insured shall be responsible for the first R500 of each event giving rise to a claim.
3. the Company will not be responsible for any claim where the death of the fish arises as a result of disease or sickness.

24. Additional Costs of Removing Debris, Trees and Silt Clause (If stated in the schedule to be included)

The Insurance under this section includes the cost necessarily incurred by the Insured in respect of removal of silt, debris and fallen trees from the premises provided that

1. the sum insured of this clause shall not exceed the amount stated in the schedule
2. the Insured shall be responsible for the first amount payable stated in the schedule

25. Removal of Bees

This Section includes costs and expenses necessarily and reasonably incurred in removing bees and nests from the insured premises, as well as the treatment of vacated hive areas to prevent re-occupation.

Provided always that:

- a) the removal will be carried out by a registered bee keeper or bee remover
- b) the Insurers will not be liable for the costs of removing nests already on the premises before the inception of this Policy
- c) the Insurers' liability will not exceed R2,500 any one occurrence and R5,000 in any one Period of Insurance.

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Section 2 – Contents

1. Definitions

For this section

- 1.1 You means the person in whose name this policy is issued and members of your immediate family normally resident with you
- 1.2 Building means the residence its domestic outbuildings and garages all situate at the address shown in the schedule
- 1.3 Property insured means household goods, personal effects (excluding cell phones, palmtops and laptops) which belong to you and includes the contents of your office
- 1.4 Sum insured means the amount stated in the schedule for the contents section

2. Insured events

The insured events are

- 2.1 Fire, lightning, explosion.
- 2.2 Storm, wind, water, hail or snow but excluding loss or damage
 - 2.2.1 to property in the open
 - 2.2.2 arising out of any process necessarily involving the use or application of water.
- 2.3 Earthquake excluding the first 1% of the sum insured, minimum R500, of every claim for destruction or damage arising directly or indirectly from mining. If we allege that the destruction or damage arises from mining the burden of proving the contrary will rest on you
- 2.4 Bursting, leaking or overflowing of fixed oil-fired heating apparatus including the damage resulting therefrom.
- 2.5 Sudden and violent damage to any contents caused by impact.
- 2.6 Deliberate or wilful or wanton acts excluding loss or damage caused by or arising from theft or attempted theft whilst the building is vacant.
- 2.7 Theft or attempted theft from
 - 2.7.1 the residence
 - 2.7.2 the domestic outbuildings and garages but limited to 5 % of the sum insured unless there is forcible and violent entry or exit
 - 2.7.3 any other residence
 - 2.7.4 any building in which you are temporarily residing
 - 2.7.5 any building in which you are employed
 - 2.7.6 any furniture storage depot or a safe deposit in a bank
 - 2.7.7 any other building if there is forcible and violent entry or exit
 - 2.7.8 if groceries belonging to you being conveyed directly by you from any place of purchase is stolen from a locked boot of the vehicle, the company will be liable for such groceries up to a limit of R 2000.
- 2.8 Theft
 - 2.8.1 while being moved by professional movers during a permanent change in the address stated in the schedule
 - 2.8.2 while in transit to or from a furniture storage depot or a safe deposit in a bank
 - 2.8.3 of laundry, garden and swimming pool furniture/implements from the grounds of the building up to 5% of the sum insured.
- 2.9 Power Surge
 - up to an amount of 5% of the contents sum insured, provided that the Company's liability will not exceed R 25 000 from any one event or series of events or in the annual aggregate. You will be responsible for the first 10% of each claim, subject to a minimum amount of R 1 000.
- 2.10 Bilking
 - failure on the part of a guest to settle their account prior to their final departure from your premises. We will not be responsible for an amount in excess of R35 000 any one event, with a limit of R50 000 per any one period of insurance.

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3. Basis of settlement

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

4. Rent

If the building becomes uninhabitable as a direct result of loss or damage caused by an insured event the Company will for the period necessary for reinstatement indemnify the Insured for

- (i) rent payable for which you are liable
- (ii) any reasonable additional cost incurred in providing alternative accommodation for yourself, your immediate family and domestic servants normally resident with you

up to 25% of the sum insured.

5. Glass, television sets, audio-visual equipment and personal home computers

If property insured in the building being

- 5.1 mirror glass or glass forming part of furniture is accidentally damaged
- 5.2 a television set, audio-visual equipment or personal home computer is accidentally damaged (excluding mechanical or electrical breakdown)

we will indemnify you provided you bear the first 20%, minimum R100, of any claim.

6. Accidental damage

The Company will at our option by payment, repair or replacement, indemnify you for accidental damage to your property whilst at the Insured's premises.

We will not be liable for:

- 6.1. Any amount that exceeds R 25 000.
- 6.2. Loss or damage caused by:
 - 6.2.1 Caused by or resulting from wear and tear, depreciation, gradual deterioration, electrical or mechanical breakdown, rust, mildew, moth, vermin, insects, by scratching, tearing, chewing or soiling by your own domestic pets, process of dyeing, cleaning or renovation, confiscation or detention by any process of law, any gradually operating clause, the action of light or atmospheric conditions.
 - 6.2.2 To furniture or domestic appliances by scratching, chipping or denting
 - 6.2.3 Consequential loss of any nature
 - 6.2.4 To firearms, video or audio tapes, cds and dvd's
 - 6.2.5 To articles of fragile nature which include
 - Glass
 - China
 - Earthenware
 - Marble
 - Other fragile or brittle objects

7. Refrigerator and deep-freeze contents

If the contents of any refrigerator/deep-freeze unit in the building deteriorate as a result of

- 7.1 breakdown of or accidental damage to the unit
- 7.2 failure of power supplied by public authorities

we will indemnify you up to an amount of R10, 000 in any one annual period of insurance.

8. Keys and Locks

If any keys (including electronic access cards and remote controls) for the building or for any vehicles insured under section 8 of this policy are lost or damaged we will indemnify you for costs reasonably and necessarily incurred as a direct consequence up to R10 000 provided you bear the first 10% minimum R500, of any claim.

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9. Personal documents

We will indemnify you for loss or damage caused by an insured event to your personal documents up to 5% of the sum insured. We will only be liable for the value of materials and the cost of labour in reinstating the documents or obtaining duplicates and not for the value to you of the content.

10. Employee's property

If household goods and personal effects (excluding money) belonging to your employee/s are lost or damaged in the building by an insured event we will indemnify the employee/s up to 5% of the sum insured.

11. Guest Effects

If household goods and personal effects (excluding money) not otherwise insured belonging to a guest temporarily residing with you are lost or damaged by an insured event specified in 2.1 to 2.6 or by theft from the private residence we will indemnify the guest up to 5% of the sum insured subject to a maximum amount of R30 000 unless otherwise stated in the Schedule.

12. Accidental death of the Insured

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

12.1 R5 000 for a person under 18 years of age

12.2 10% of the sum insured or R10 000, whichever is the lesser, for a person of 18 and over and under 70 years of age provided death occurs within three months of the injury.

13. Medical / Veterinary expenses

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

13.1 person other than you caused by a domestic animal owned by you

13.2 guest or visitor arising from any defect in the building

13.3 domestic servant in the course of his employment by you

13.4 domestic animal owned by you arising from a road accident

we will pay the expenses not otherwise recoverable up to 5% of the sum insured per person/animal.

14. Fatal Injury Extension

If you or the persons named in the schedule sustain a fatal injury as a result of fire to the residence or its domestic outbuildings we will pay to the executors or administrators of the deceased estate and amount of R15, 000. This payment is conditional in that the fire brigade must have attended or been summoned to the premises and death must occur within three months of such injury.

15. Damage to Landscaped Gardens, Water Features and Statues Extension

The insurance granted by this Section will indemnify the Insured in respect of the cost of restoring any damage caused to landscaped gardens, water features and statues for which the Insured are responsible by the Emergency Services in attending the Premises as a result of the operation of an Insured Event up to an amount not exceeding R20 000 in any one Period of Insurance.

16. Cost of Reinstating Landscaped Gardens, Water Features and Statues

We will indemnify you for the cost of restoring landscaped gardens, water features and statues damaged as a result of Insured Events 2.1 to 2.10 of this section provided that

1. the limit of indemnity shall not exceed the sum insured shown in the schedule.

2. the Insured shall be responsible for the first amount payable stated in the schedule.

17. Additional Costs of Removing Debris, Trees and Silt Clause (If stated in the schedule to be included)

The Insurance under this section includes the cost necessarily incurred by the Insured in respect of removal of silt, debris and fallen trees from the premises provided that

1. the sum insured of this clause shall not exceed the amount stated in the schedule

2. the Insured shall be responsible for the first amount payable stated in the schedule

18. External Signs, Blinds and Canopies Extension

If fixed external signs relating to the business, or for which you are responsible, are damaged we will indemnify you up to an amount not exceeding R20 000 any one event unless more specifically insured in the schedule.

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19. Removal of Bees

This Section includes costs and expenses necessarily and reasonably incurred in removing bees and nests from the insured premises, as well as the treatment of vacated hive areas to prevent re-occupation.

Provided always that:

- a) the removal will be carried out by a registered bee keeper or bee remover
- b) the Insurers will not be liable for the costs of removing nests already on the premises before the inception of this Policy
- c) the Insurers' liability will not exceed R2,500 any one occurrence and R5,000 in any one Period of Insurance.

20. Special exclusions

We will not be liable for

- 20.1 the first amount payable stated in the schedule (or in the policy wording if greater) of every claim
- 20.2 unless otherwise agreed and noted on the schedule, loss or damage if at the time of such loss or damage the building has been unoccupied for more than 72 hours. You will be responsible for a first amount payable of 10% of the sum insured
- 20.3 loss or damage caused, sustained or incurred outside the territorial limits of the Republic of South Africa, Botswana Lesotho, Namibia, Swaziland, and Zimbabwe
- 20.4 theft of money and other negotiable instruments unless stolen from the residence and there is forcible and violent entry or exit from the residence or as a result of theft following violence or threat of violence. Money shall mean cash, bank and currency notes, cheques, postal and money orders, current negotiable postage revenue and holiday stamps and credit card vouchers.
- 20.5 more than the sum insured for money and other negotiable instruments stated in the schedule
- 20.6 theft of money whilst in transit if such money is left in an unattended motor vehicle
- 20.7 theft of money by your employees unless you discover such theft within 14 working days of when it occurred
- 20.8 loss, damage or injury to animals, gold coins, stamp and coin collections, motor vehicles and trailers/caravans including their accessories, air and water craft and their equipment
- 20.9 more than 10% of the sum insured for any one article other than furniture
- 20.10 more than one-quarter (25 percent) of the sum insured in total for precious metals and stones, jewellery, furs, rugs and carpets
- 20.11 property more specifically insured.

21. Claim-free discount

21.1 Annual policies

At the renewal of this policy a claim-free discount off the premium for this section may be allowed based on the following table

Discount at the beginning of the preceding insurance year	0%	10%	20%	30%	Old discount
No claim in preceding insurance year	10%	20%	30%	30%	
One claim in preceding insurance year	0%	0%	10%	20%	New Discount
Two claims in preceding insurance year	0%	0%	0%	10%	
Three claims in preceding insurance year	0%	0%	0%	0%	

21.2 Monthly policies

21.2.1 In the event of a claim the claim-free discount off the premium for this section will continue to be allowed in the month following the month in which the claim is reported but will be reduced from the 1st of the next month in accordance with the following table

Discount at time of claim	0%	10%	20%	30%	Old discount
Discount effective following month plus one	0%	0%	10%	20%	New discount

21.2.2 Provided there have been no claims under this section for twelve months after the claim-free discount became effective an increased claim-free discount may be allowed based on the following table

Discount for the past twelve months	0%	10%	20%	30%	Old discount
No claims during the past twelve months	10%	20%	30%	30%	New discount

22. Subsidence extension. Only applies if the schedule shows that the cover includes subsidence.

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22.1 This section is extended to include destruction or damage caused by subsidence or heave of the land supporting the building or landslip provided such destruction or damage is not caused by or does not arise from

- 22.1.1 excavations other than mining excavations
- 22.1.2 alterations, additions or repairs to the building
- 22.1.3 the compaction of infill
- 22.1.4 defective design, materials or workmanship
- 22.1.5 normal settlement, shrinkage or expansion of the building.

22.2 We will not be liable for the first portion of each claim calculated at 1% of sum insured or R1 0001 whichever is the greater.

23. Building operations

While the building is being erected or structurally altered cover provided by paragraphs

- 2. Insured events, sub-paragraphs 2.4, 2.6, 2.7 and 2.8

Will not apply to destruction, damage or liability arising directly or indirectly from such erection or alteration.

24. Tenants or guests

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

25. Temporary Removal Clause

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

Provided that:

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

26. Accounts Receivable

This section includes loss or damage as a result of accident or misfortune (hereinafter termed damage) to the Insured's books of account or other business books or records at the premises or at the residence of any director, partner, employee or the premises of any accountant of the Insured in consequence whereof the Insured is unable to trace or establish the outstanding debit balances in whole or part due to them.

Provided that:

- (a) The liability of the Company shall not exceed the sums insured stated in the schedule and that the basis of indemnity will be as set out in the specification which forms part of this section.
- (a) The Company will not pay for loss resulting from loss or damage to the books of account or other business books or records caused by
 - (i) wear and tear or gradual deterioration or moths or vermin
 - (ii) detention seizure or confiscation by any lawfully constituted authority
 - (iii) electrical or electronic or magnetic injury, disturbances or erasure unless the Insured maintains the duplicate records referred to in the Duplicate records clause of this section in which case the Insured will be responsible for the first R500 of each and every loss;
- (b) The Company will not pay for loss caused by fraud or dishonesty of any director partner or employee of the Insured.

Specification

The insurance under this section is limited to the loss sustained by the Insured in respect of outstanding debit balances directly due to the damage and the amount payable shall not exceed the sum insured stated in schedule.

If the amount insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

Definitions

Outstanding debit balances

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

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

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(c) any abnormal condition of trade which had or could have a material effect on the business so that the figures thus adjusted shall represent as reasonably practicable those which would have been obtained at the date of the damage had the damage not occurred.

Accountants clause

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

Specific Conditions

Burglar Alarm Warranty (if stated in the schedule to be included)

It is a condition precedent to our liability and warranted that

- a) radio alarm system linked to an armed response Facility has been installed in your premises by an approved SAIDSA installation company
- b) the radio alarm shall be made fully operative whenever your premises are not open for business unless you or a member of your staff or family are on the premises
- c) the radio alarm must be kept in proper working order at all times and must be regularly tested with armed response facility to verify that it is working correctly
- d) we will not cover loss or damage to the property following the use of the keys/card key of the alarm or any duplicate key/card key unless such keys/card key have been obtained by violence or threat of violence to you, your staff or your family.

LOSS OF REVENUE

Section 3 – Loss of Revenue

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

- (a) the Buildings Section of this policy
- (b) the Contents Section of this policy

Basis of indemnity

The insurance under this item is limited to

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

and the amount payable as indemnity shall be

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

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

Indemnity period

The period starting with the commencement of the damage and ending not later than the number of months stated in the schedule during which the results of the business are affected as a result of the damage.

Additional Increase in Cost of Working (If stated in the schedule to be included)

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

Extensions to other premises

1. Prevention of Access

We will also pay for loss as insured by this section as a result of interruption or interference to your business as a result of damage as defined in this section to situations or property as specified below:

- a) Standard extension

Prevention of access to property within a 10 km radius of your premises which shall prevent the use of or access to your premises whether your premises or property are damaged or not

- b) Extended extension (if stated in the schedule to be included)

Prevention of access to property within a 50km radius of your premises which shall prevent the use or access to your Premises whether your premises or property be damaged or not

LOSS OF REVENUE

- c) loss as insured by this section arising as a result of loss of or damage to
- (i) the premises and property of any rail service
 - (ii) the premises and property of any airport or terminal facility including aircraft
 - (iii) the premises of any shipping terminal or cargo loading facility
 - (iv) any road, tunnel, bridge or service accessory relating thereto
 - (v) any road vehicle belonging to a customer of yours or a road transport service

Provided that we will not pay

- a) where such damage has been caused or brought about by any direct or indirect action by any person or party which shall include strikes, labour disturbances, malicious damage or political interference
- b) where such damage, interruption or interference with your business arises as a result of mechanical or electrical or electronic breakdown we will not be liable for the first 24 hours following such interruption or interference.
- c) where the Damage at the abovementioned premises and property did not occur within a radius of 50 kilometres of the Insured's premises.

2. Public Telecommunications

a) Public Telecommunications – Insured perils

- (i) property at the premises of any public authority which is empowered by law to supply telecommunications facility to the Insured
- (ii) the transmission facilities network of the public authority mentioned in (i)

We will not be liable for the first 24 hours following such interruption or interference.

b) Public Telecommunications – Extended Cover

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

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

If the failure of the facility is due to its mechanical or electrical or electronic breakdown, there shall be no liability under this extension for the first 24 hours following such interruption or interference.

3. Public Utilities – Extended Cover (if stated in the schedule to be included)

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

- (i) drought
- (ii) pollution of water

LOSS OF REVENUE

- (iii) shortage of fuel or water
- (iv) a fault of any part of the installation belonging to the premises
- (v) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply, including if such deliberate act or exercise by any supply authority is as a direct result of there being a shortage of supply of electricity and / or gas, but unless such withholding or restriction is directly attributable to Damage to property of such authority
- (vi) any event described in General exception 1 and 2 but cover provided by the malicious damage extension in the underlying material damage section of this Policy is not excluded.

In respect of interruption of interference with the business arising from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for interruption of or interference with the business for the first consecutive / uninterrupted 24 hours following such interruption or interference.

4. Infectious Diseases / Pollution / Shark Attack Extension

We will pay you for losses as insured by this Section resulting in interruption or interference with the Business due to:

- (a) murder, suicide or rape occurring within 1km of the Premises and any traumatic events at the Premises.
- (b) food or drink poisoning at the Premises or attributable to food or drink supplied from the Premises
- (c) closure of the Premises due to defective sanitation, vermin or pests on the order of the competent local authority
- (d) notifiable Disease occurring within a radius of 50 kilometres of the Premises
- (e) summons to appear in court as a witness by the Insured or any of the Insured's directors, partners or employees
- (f) chemical or oil pollution of beaches, rivers or waterways within a radius of 50 kilometres of the Premises
- (g) shark attack or attack by wild game including hippopotamus, rhinoceros, lion, leopard, cheetah, crocodile, buffalo and elephant within a radius of 50 kilometres of the Premises

Special Provisions

- (a) Notifiable Disease shall mean illness sustained by any person resulting from any human infectious or human contagious disease, an outbreak of which the competent local authority has stipulated shall be notified to them, but excluding Human Immune Virus (H.I.V), Acquired Immune Deficiency Syndrome (AIDS) or an AIDS related condition.

5. Air Conditioning Failure Extension

We will pay for losses as insured by this section resulting from interruption with the business as a result of the failure of any air conditioning or ventilation system which controls the cooling or heating requirements of the Insured's premises.

Provided that should such interruption arises from mechanical or electrical or electronic breakdown, the company shall not be liable under this extension for the first 48 hours following such interruption or interference.

LOSS OF REVENUE

Increase Cost of working following failure of electricity

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the insured for the sole purpose of hiring in a generator due to a power cut, load shedding or as a result of the failure of the public supply of electricity.

Provided that:

1. The liability of the company shall not exceed an amount of R350 per day
2. The indemnity period shall commence 2 hours after the failure and end not later than 3 days after such failure
3. The Company shall not be liable for more than 3 incidents in any one period of insurance

6. Loss of Liquor Licence Extension (if stated in the schedule to be included)

Definitions

Licence means the licence granted for the retail sale of excisable liquors at the Premises.

Insured for the purposes of this Section the term 'Insured' includes the Licence holder.

The Cover

In the event of the Licence being forfeited under the provisions of the legislation governing such licences or refused renewal by the appropriate licensing authority after due application for such renewal during the Period of Insurance from causes beyond your control, we will pay you for all losses in respect of:

- (i) the cost and expenses incurred by you and with the written consent of the Company in connection with any appeal against the forfeiture of or refusal to renew the Licence.
- (iii) the reduction in revenue as a direct result of such forfeiture.

Provided that we shall not be liable if:

- (a) you are entitled to obtain the payment of compensation under the provisions of any Act of Parliament in respect of the refusal to renew the Licence.
- (b) the forfeiture of or refusal to renew the Licence arises directly or indirectly from any scheme of town or country planning, improvement, redevelopment or compulsory purchase or the surrender, reduction or redistribution of licences in connection therewith, or from any alteration in the law affecting the granting, surrender, refusal to renew or forfeiture of licences.
- (c) the forfeiture of or refusal to renew the licence be occasioned wholly or partly by your misconduct or procurement or connivance or neglect or omission or your failure to take any steps necessary for keeping the licence in force. No claim shall arise under this section unless you or any other claimant hereunder shall prove to the reasonable satisfaction of the Company that such matter was beyond his or their power or control.

Special Conditions

1. The Insured shall give notice in writing to the Company immediately the Insured becomes aware of any:
 - (a) complaint against the control of the Premises
 - (b) proceeding against or conviction of the Licence Holder, Manager, Tenant or Occupier of the Premises for any breach of the licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to his/her honesty, moral standing or sobriety
 - (c) change in the tenancy or management of the Premises

LOSS OF REVENUE

- (d) transfer or proposed transfer of the Licence
- (e) alteration in the purpose for which the Premises are used
- (f) objection to renewal or other circumstances which may endanger the Licence or renewal thereof.

7. Cancellation of bookings

The insurance under this item is limited to the loss of the value of deposits received for the reservation (booking) of accommodation in consequence of returning or refunding such deposits following curtailment of the relevant bookings due to a cause listed below:

1. Accidental injury, illness or death of:

- (i) the person for whom the accommodation was booked (the guest) or any person with whom he/she has arranged to travel;
- (ii) a close relative, fiancé or close business colleague of the guest
- (iii) Pregnancy of the guest or the guest's spouse
- (iv) Compulsory quarantine or witness in a court of law applying to the guest or any person with whom he/she has arranged to travel
- (v) the property of the guest being burgled or damaged by fire, water or the elements, necessitating his/her return home.
- (vi) any official requirement for the guest to attend emergency duty in military, medical or public service.
- (vii) Cancellation or curtailment of a sporting event, concert, conference or exhibition which otherwise would have been held at a venue within a radius of 50 kilometres of the Insured premises

provided that this extension does not cover:

- (a) deposits recovered or recoverable from any source by or on behalf of the person/s cancelling or curtailing the relevant bookings and on whose behalf compensation is claimed
 - (b) in respect of items 1 and 2 above, more than the limit reflected in the schedule for any one event or series of events in the annual period of insurance
2. Specific exceptions applicable to this extension:
- 1. the Insurer shall not be liable for claims where at the time that the booking was made:
 - (a) the guest was aware of any medical condition or set of circumstances, which could reasonably be expected to give rise to the booking being cancelled or curtailed.
 - (b) any person whose condition gives rise to a claim was receiving, on a waiting list for or had knowledge of the need for in patient treatment at a hospital or nursing home.
 - (c) any person whose condition gives rise to a claim was travelling against the advice of a medical practitioner or for the purpose of obtaining medical treatment abroad.
 - (d) any person whose condition gives rise to a claim was, during the 12 months prior, suffering from any chronic and/or recurring illness of a serious nature which had necessitated consultation or treatment unless declared to and accepted by the Insurers.

3. the Insurer shall not be liable for claims directly or indirectly arising from:

- (a) winter sports, mountaineering, underwater activities requiring the use of artificial breathing apparatus, pot-holing or any other underground activities, riding or driving in any kind of race, wilful exposure to risk (other than an attempt to save human life), manual work in connection with

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a profession, business or trade, or flying (except whilst travelling as a passenger in a fully licensed passenger carrying aircraft), providing always that this exclusion shall apply only to the Insured person

8. Loss of Specified Tourist Attraction Extension (if stated in the schedule to be included)

Loss as insured by this Section of the Tourist Attraction specified in the schedule resulting in interruption or interference with the Business due to prevention of access to or damage to the tourist attraction stated in the schedule. Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed 3 months.



ALL RISKS

Section 4 – All Risks

1. Definitions

For this section

- 1.1 You means the person in whose name this policy is issued and members of your immediate family normally resident with you.
- 1.2 Property insured means
- 1.2.1 **Unspecified**
clothing (other than furs) and personal effects normally worn or designed to be carried on the person belonging to you.
- 1.2.2 **Specified**
articles individually specified in the all risks section of the schedule.
- 1.2.3 **Caravan contents**
household foods, which belong to you or are your responsibility, while in the caravan if insured as a separate specified item.
- 1.2.4 **Computers and electronic equipment**
Computers and similar items of computerised electronic equipment including fax machines, photo copiers, printers and telephone switchboards.

2 Basis of Settlement

- 2.1 **Unspecified (and caravan contents if insured as a separate specified item)**
If the property insured is accidentally lost or damaged we will pay for or may choose to repair or replace it. The amount payable will be the current replacement cost. IF at the time of loss or damage the cost of replacing the property insured as new is greater than the sum insured you will be your own insurer for the difference and will bear a rateable proportion of the loss or damage.
- 2.2 **Specified**
If specified property insured is accidentally lost or damaged we will pay for or may choose to repair or replace it.

3. Stamp and coin collections

If a stamp and / or coin collection is described in the all risk section of the schedule

- 3.1 our liability for any one stamp or coin will not exceed two-thirds of the value stated in any current recognised catalogue with a maximum of 5% of the sum insured on the collection for any one stamp or coin
- 3.2 we will only be liable if one or more complete pages of the collection are lost or damaged
- 3.3 we will not be liable for current coins.

4. Groceries and household goods

If groceries and household goods belonging to you being conveyed directly by you or from any place of purchase, repair or renovation are stolen such articles will be deemed to fall within the definition of Unspecified (see 1.2.1 above).

5. Special exclusions

We will not be liable for

- 5.1 the first amount payable stated in the schedule (or in the policy wording if greater) of every claim
- 5.2 in respect of 1.2.1 - Unspecified
- 5.2.1 more than 20% of the unspecified all risks sum insured for any one article
- 5.2.2 contact lenses, pedal cycles, camping equipment, car audio equipment, laptop computers, parachutes, stamp and coin collections, money and documents
- 5.2.3 motor vehicles, trailers, caravans, hang gliders, air and water craft
- 5.2.4 cellular telephones
- 5.2.5 sports equipment
- 5.2.6 property more specifically insured.
- 5.3 in respect of 1.2.3 – Caravan contents
- 5.3.1 the first R250 of any claim
- 5.3.2 more than 20% of the caravan contents sum insured for any one article
- 5.3.3 theft of contents while the caravan is unoccupied unless there is forcible and violent entry
- 5.3.4 stamp and coin collections, money, documents, jewellery, furs or any article more specifically insured
- 5.3.5 the permanent fittings of the caravan
- 5.4 property insured (other than Caravan contents) lost from an unattended motor vehicle unless
- 5.4.1 the property insured was concealed in a locked boot or compartment forming part of a locked vehicle and there is violent and forcible entry to the vehicle
- or
- 5.4.2 there is violent an forcible entry to the vehicle and you bear the first 20%, minimum R250, of any claim.

If sound reproduction equipment (including one tape or compact disc) fitted in a motor vehicle is specified in the all risk section of the schedule this exclusion (5.4) does not apply to that item.

ALL RISKS

- 5.5 wear, tear or depreciation
- 5.6 electrical or mechanical breakdown not accompanied by other damage
- 5.7 the special value which any article may have as part of a set
- 5.8 the cost of reproducing sounds, data and images on tapes, records, film or magnetic media
- 5.9 loss or damage caused
 - 5.9.1 by vermin, insects, pests, moths or gradually operating causes
 - 5.9.2 during any process of cleaning, dyeing or renovating
 - 5.9.3 by confiscation or detention by any process of law.
- 5.10 more than R1 000 for any article unless documentary evidence of value acceptable to us is provided.



Section 5 – Computer Section

Subsection A: Material Damage

Defined Events

Physical loss or damage to the property insured described in the schedule owned by the Insured or for which they are responsible from any cause not hereinafter excluded whilst

(a) at work or at rest anywhere within the Insured's premises as specified

(b) in transit including loading and unloading or

whilst temporarily stored at any premises or route

(c) temporarily removed from the Insured's premises to any other location.

Exceptions to Subsection A

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

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

(b) loss of the property insured by theft during transit or whilst temporarily removed from the insured premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Company.

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

- (a) left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit
 - (b) not contained in a fully locked compartment of the motor vehicle and is visible to passers-by
- provided that
- (a) and (b) above shall not apply to theft of the property insured where the transport vehicle
 - (i) has been hijacked or
 - (ii) has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

Basis of Indemnification

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

(1) Partial loss

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

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

(2) Total loss

A In cases where the new property insured is totally lost or destroyed, the basis of indemnification shall be

The cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged

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provided always that

- (a) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the property insured immediately before the damage shall be made
- (b) until expenditure has been incurred by the Insured in replacing or reinstating the property insured, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein.
- (c) these conditions shall be without force or effect if
 - (i) the Insured fails to intimate to the Company within six (6) months of the date upon which the damage occurred (or such further time as the Company may in writing allow) their intention to reinstate the property insured
 - (ii) the Insured is unable or unwilling to replace or reinstate the property insured on the same or another site
- (d) at the sole option of the company, following commercial and technical appraisal by a representative of a Company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this Policy.

Definition of new property insured

New property shall mean property purchased no more than seven (7) years (or such extended period as may be approved by the Company in writing) prior to the defined event, it being expressly agreed that in applying this definition upgrades and enhancements will be taken into account in arriving at an indemnifiable amount and the age of the property insured.

- B. In respect of property insured not provided for in (A) above, the basis of indemnification shall be

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

Definition of market value

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

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

and

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

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

Average

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

Limit of Liability

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

(a) Architects' and other professional fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or

Damage provided that the total amount payable in respect of such fees does not exceed 15% of the total amount of the claim but shall not include expenses incurred in connection with the preparation of the Insured's claim.

(b) Clearance costs

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

(c) Express delivery and overtime

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

Clauses and Extensions

Power surge or lightning strikes

All loss or damage to the property insured by power surges or lightning strikes will be subject to an additional cumulative excess of 10% of the net amount payable for the items so damaged subject to a minimum of R2000, but not exceeding R4000 per occurrence. However, should the property insured be appropriately and adequately protected by suitable safeguards against electrical supply fluctuations, then this additional excess will be waived.

Fire brigade charges

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

Tenants

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

Hire purchase/Finance agreements

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

Subsection B: Consequential Loss

Defined Events

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

(i) Increased cost of working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the Insured

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the accident.

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

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

(ii) Reinstatement of data/programs

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

provided always that

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

Definitions

Indemnity period

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

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

Accident

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

Special conditions applicable to failure of the public supply of electricity

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

The Limit of Liability

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

In the event of the payments by the Company of any sum or sums in discharge of the Company's liability in terms of this subsection of this Policy, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance.

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

Specific Exceptions to Subsection B

Unless specifically provided for

1. Fines and damages

the Company shall not be liable to indemnify the Insured in respect of fines or damages for breach of contract for late or non-completion of orders or any penalties of whatsoever nature

2. Loss of profit

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

Clauses and Extensions

Reinstatement

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

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

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

Telkom Access Lines (if stated in the schedule to be included)

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

Special Conditions Applicable to Telkom Access Lines

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

General Memoranda

Memo 1 – Capital additions and currency fluctuations

The indemnity by this section shall include

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

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

Memo 2 – Prevention of access

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

provided that

the Insured is not entitled to indemnity as provided for in this extension under any other policy or section of this Policy

This section shall not be brought into contribution with any other policy or section of this Policy bearing a like extension.

Special Exception (Subsections A & B)

Viruses, Trojans and worms

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

General Extension

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

Notwithstanding anything contained to the contrary in the policy, the indemnity by Subsection A & B of this section shall indemnify the Insured for costs incurred in respect of

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

provided always that

- (1) the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions
- (2) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of Subsections A or B (item ii) of this section of the policy
- (3) the cover afforded hereunder shall be restricted to
 - (i) parts or components of the electronic system which are not indemnifiable under Subsection A hereof
 - (ii) programs or data reinstated not indemnifiable under item (ii) of Subsection B hereof;
- (4) the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to twenty per cent (20%) of the applicable total sum insured under Subsection A – The limit of indemnity and Subsection B – item (ii) hereof or R25 000, whichever is the lesser.

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Special Conditions

1. This section shall be voidable if the nature of the risk is materially altered without the prior written consent of the Company.

Burglar Alarm Warranty (if stated in the schedule to be included)

It is a condition precedent to the liability of the Company and warranted that

- (a) A radio siren alarm system linked to an armed response facility has been installed in the insured premises by an approved SAIDS installation Company.
- (b) Such alarm shall be made fully operative whenever the premises are not open for business unless a principle partner, director or employee of the insured is on the premises.
- (c) Such alarm shall be maintained in proper working order and regularly tested with the armed response company to ensure that it is in proper working order.
- (d) This insurance shall not cover loss of damage to the property following the use of keys/card key of the alarm or any duplicate thereof belonging to the insured unless such keys/card key have been obtained by violence or threat of violence to any person.



BROAD FORM LIABILITY

Section 6 – Liability

1. Definitions

For this section

- 1.1 You means the person in whose name this policy is issued and members of your immediate family normally resident with you
- 1.2 Limit means the amount stated in the schedule for the personal liability section.

2. Indemnity to you

If you become legally liable to pay compensation for death, bodily injury or illness or loss of or damage to property occurring during the period of insurance we will indemnify you up to the limit for any one accident or series of accidents arising out of one event including costs and expenses

- 2.1 recoverable by any claimant from you
- 2.2 incurred with our written consent.

3. Tenants

If you become legally liable as tenant and not as owner of the dwelling defined in 1.2 of Section 2 Householders (Contents) for

- 3.1 damage to the dwelling (including fixtures and fittings) caused by an insured event specified in 2 of Section 2 – Householders (Contents)
- 3.2 accidental damage to fixed sanitary ware or fixed glass
- 3.3 accidental damage to water, gas, sewerage, electricity or telephone connections to the dwelling

we will indemnify you up to the limit for any one accident or series of accidents arising out of one event.

4. Credit Cards

We will indemnify you up to R3 000 in a calendar year against liability arising from fraudulent use of a credit or cash card by any person other than you. The loss of a credit or cash card must be reported to the issuing organisation as soon as possible and you must have complied with the conditions of issue of the card.

5. Golf Hole-in one or Bowls Full House (“EIGHT”)

If you score a hole-in-one playing as an amateur in a game of golf, or score a full house (“EIGHT”) in bowls in terms of the rules at any recognised golf club or bowls club affiliated to a provincial union, we will pay R3 000 on written confirmation by the Secretary of the club.

6. Security company extension.

Special exclusion 10.4 on next page does not apply to any liability assumed in terms of a written contract entered into with a company providing security or armed response services.

7. Vehicles and their contents extension

Special exclusion 10.2 does not apply to any legal liability that you may incur in respect of claims made against you by any visitor or guest to your premises for loss of or damage to any motor vehicle (including the contents of such vehicle) or cycle whilst left in any garage or parking place provided by you.

Provided that:

- (a) you clearly display a disclaimer notice in a prominent place
- (b) the limit of indemnity for this extension shall not exceed the amount stated in the schedule
- (c) you will be responsible for the first amount of each claim as stated in the schedule

8. Legal defence cost extension

We will indemnify you or any of your employees against cost and expenses incurred with our consent in the defence of any criminal action brought against you or your employees in connection with the business stated in the schedule arising as a result of any alleged contravention of the statutes stated below and arising during the period of insurance

Provided that:

- (a) in the case of an appeal, we will not indemnify such person unless a senior counsel approved by us confirms that in his opinion the appeal will succeed
- (b) we will not indemnify you or your employees in respect of any fine that a judge or magistrate might impose on you or your employee nor will we be responsible for loss as a result of such fine
- (c) you and your employees ensure that all the terms exceptions and conditions apply to this Policy or schedule are complied with as strictly as possible
- (d) the limit of indemnity for this extension shall not exceed the amounts stated in the schedule.

BROAD FORM LIABILITY

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),

The Liquor Act No. 27 of 1989 (as amended),

The Tourism Act No. 72 of 1993 (as amended).

The Health Act No. 63 of 1977(as amended),

The Consumer Protection Act No. 68 of 2008 (as amended).

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

9. Wrongful arrest and defamation

We will indemnify you in respect of damages

- (a) resulting from wrongful arrest (including assault during the course of such wrongful arrest)
- (b) in respect of defamation

Provided that the limit of indemnity shall not exceed the amounts stated in the schedule.

10. Special exclusions

This section excludes liability

10.1 for compensation to you (other than under 4. Credit Cards and 5. Hole-in-one above)

10.2 For loss or damage to property belonging to you or in the custody or control of you or your domestic servant

10.3 directly or indirectly due to

10.3.1 your employment, business or profession other than that stated in the schedule

10.3.2 the ownership of land or buildings (other than buildings insured by Section 1 – Houseowners (Buildings) and land upon which they are situated provided the land is used for residential purposes only)

10.3.3 the occupation of land or buildings (other than your residence as defined in 1.2 of section 2 – Householders (Contents)

10.3.4 the use of any motor vehicle, caravan, trailer, air on water craft (other than model aircraft, a surfboard or paddle ski) owned by you or in the custody or control of you or your domestic servant.

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

10.5 Liability consequent upon injury or damage deliberately, consciously and intentionally caused by you, or your management

11. Liability to Visitors or Guests

Special exclusion 10.2 does not apply to any legal liability that you may incur in respect of claims made against you by any visitor or guest to your premises for loss of or damage to their property.

We will not be responsible for loss of or damage to

- a) animals or vehicles of any description nor the contents of such vehicles unless as provided for under 7. Vehicles and their contents extension
- b) jewellery ,money or other valuables unless deposited with the Insured for safekeeping. (For all the purposes of this extension only, where it can be proved by the Insured that the lost or damaged property was contained in a safe or similar lock up facility provided by the Insured at the time of the loss or damage, such property will be deemed to have been handed to the Insured for safekeeping.)

occurring as a result of an accident in connection with your business at your premises

Provided that

- a) the limit of indemnity shall not exceed the limits stated in the schedule
- b) you and /or the liquor licence holder shall comply with the requirements of the Liquor Act No 27 of 1989 or any amendment thereof as far as they relate to anything to be done or performed by you or the liquor licence holder
- c) we shall not be liable under this extension for the loss of guests property deposited with you unless such property is kept in a locked safe or strongroom

12. Errors and Omissions (if stated in the schedule to included)

We will indemnify you for liabilities arising out of neglect, error or omission in the course of the business provided that the company's limit of liability including all costs and expenses shall not exceed the amount stated in the schedule any one event and in all any one (annual) period of insurance.

13. Pollution Liability

We will indemnify you against claims for injury or damage arising out of pollution but only to the extent that it can be proved that such pollution:

was the direct result of a sudden specific and indemnifiable event occurring during the period of insurance;

was not the direct result of the insured failing to take reasonable precautions to prevent such pollution.

PERSONAL ACCIDENT, SICKNESS AND CREDIT CARD

Section 7 – Personal Accident, Sickness and Credit Card

1. Definition

For this section you means a persona named in the personal accident, sickness and credit card section of the schedule.

2. Personal accident

2.1 Insured events

We will pay compensation if you

- 2.1.1 sustain bodily injury by violent external and visible means as a direct result of an accident
- 2.1.2 die from or are permanently disabled by exposure following and accident to a conveyance in which you were travelling
- 2.1.3 disappear following an accident to a conveyance in which you were travelling subject to proof that would satisfy a court of law that death caused by such accident should be presumed.

2.2 Compensation

Where, within twelve months from the date of the accident the injury causes We will pay

2.2.1	death	the sum insured for death	
2.2.2	permanent total disablement being an inability to follow usual occupation or any other occupation for which you are fitted by knowledge or training	the sum insured for permanent disablement	
2.2.3	permanent partial disablement being loss by separation at or above the wrist or ankle of one or more limbs (permanent total loss of use of a limb will be accepted as loss by separation)	the percentage of the sum insured for permanent disablement indicated below	100%
2.2.4	irrecoverable total loss of		
	2.2.4.1 sight in both eyes		100%
	2.2.4.2 sight in one eye		60%
	2.2.4.3 hearing in both ears		80%
	2.2.4.4 hearing in one ear		25%
	2.2.4.5 speech		75%
2.2.5	loss of		
	2.2.5.1 four entire fingers on one hand		75%
	2.2.5.2 entire thumb		25%
	2.2.5.3 entire index finger		15%
	2.2.5.4 any other entire finger		7%
	2.2.5.5 all toes on one foot		30%
	2.2.5.6 entire big toe		5%
	2.2.5.7 any other entire toe		3%

provided that where the injury is not specified we will apply a percentage consistent with this scale

- 2.2.6 temporary total disablement being an inability to engage in or attend to usual business or occupation the sum insured for each week of temporary total disablement excluding the first week
- 2.2.7 medical expenses being the reasonable cost of medical attendance upon you, including operation fees, prescribed medicines and surgical appliances and nursing home or hospital charges, necessarily incurred in connection with any accident for which compensation is payable under 2.2.1 to 2.2.6 above up to the sum insured for medical expenses

provided that

- 2.2.8 compensation paid for permanent partial disablement (see 2.2.3, 2.2.4 and 2.2.5) will be deducted from compensation payable for death (see 2.2.1) or permanent total disablement (see 2.2.2) resulting from the same accident
- 2.2.9 total compensation other than for temporary total disablement (see 2.2.6) and medical expenses (see 2.2.7) will not exceed the sum Insured for death (see 2.2.1) or permanent total disablement (see 2.2.2) whichever is the greater
- 2.2.10 compensation for temporary total disablement (see 2.2.6) will cease immediately any compensation becomes payable for death (see 2.2.1) or permanent total disablement (see 2.2.2) or when the injury has healed or been cured as far as reasonably possible or upon expiry of 104 weeks whichever occurs first.

PERSONAL ACCIDENT, SICKNESS AND CREDIT CARD

3. Sickness

3.1 Insured events and compensation

If you contract any sickness which directly and independently of any other cause

We will pay

3.1.1 prevents you from attending to or engaging in your usual occupation or business for a period of more than 4 weeks

the sum insured for each week of temporary total disablement

3.1.2 renders you totally and irremediably blind or results in the complete and permanent paralysis of two or more limbs and such blindness or paralysis has continued for a period of not less than one year

the sum insured for permanent total paralysis or blindness

provided that

3.1.3 compensation for temporary total disablement (see 3.1.1) will cease immediately any compensation becomes payable for paralysis or blindness (see 3.1.2) or when the sickness has been healed or cured as far as reasonably possible or upon expiry of 52 weeks whichever occurs first

3.1.4 no compensation is payable under 3.1.1 or 3.1.2 above if compensation is payable under the personal accident subsection (see 2 on previous page).

4. Credit card

If you die in circumstances as defined in insured events of the personal accident subsection (see 2.1) we will pay the outstanding balance at the time of death on your credit card up to a maximum of R 3 500.

5. Special exclusions

We will not be liable

5.1 for interest on compensation payable

5.2 for compensation to you if you are

5.2.1 under 16 years of age at time of an injury or sickness

5.2.2 over 55 years of age at the time of a sickness

5.2.3 over 70 years of age at the time of an injury

5.3 for any compensation for sickness which manifested itself within 21 days of the inception of this section of the policy

5.4 to pay compensation for temporary total disablement if you are unemployed at the time of the injury or sickness

5.5 for bodily injury, death, sickness, disablement or disappearance

5.5.1 sustained while carrying on any business or occupation not disclosed at the commencement of this insurance

5.5.2 big game hunting

5.5.3 sustained while participating in

5.5.3.1 mountaineering where the use of ropes or a guide is necessary

5.5.3.2 big game hunting

5.5.3.3 any sport as a professional

5.5.3.4 polo, steeplechasing, parachuting, skydiving, bungi-jumping, rugby, winter sports, ice-hockey, wrestling, boxing, martial arts, aqualung diving, water-skiing, hang-gliding or any other sport or pastime involving exceptional risk of accident

5.5.4 sustained while travelling in an aircraft

5.5.4.1 not licensed for the carriage of passengers

5.5.4.2 piloted by a person not licensed for the purpose for which it was being used

5.5.4.3 as a member or acting member of the crew or for trade or technical operation connected with the aircraft

5.5.5 sustained while serving on duty in any armed force

5.5.6 caused by or attributed to

5.5.6.1 venereal disease or acquired immune deficiency syndrome

5.5.6.2 or, in the case of females, resulting from or prolonged or accelerated by pregnancy, childbirth, abortion, miscarriage, obstetrical procedure or any sequelae

5.5.7 resulting from an accident or sickness caused by or attributable to

5.5.7.1 your wilful misconduct

5.5.7.2 any physical or mental defect or infirmity from which you were suffering before the accident or sickness

PERSONAL ACCIDENT, SICKNESS AND CREDIT CARD

- 5.5.7.3 you being under the influence of intoxicating liquor or drugs
- 5.5.7.4 your participation in any riot, civil commotion, labour disturbance, strike or lock-out or public disorder or any act or activity which is calculated or directed to bring these about
- 5.5.7.5 the performance or attempt to perform any act whether on behalf of any organisation, body 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
- 5.5.7.6 the performance or attempt to perform any act which is calculated or directed to bring about destruction or damage or bodily injury or sickness 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.

6. Special conditions

- 6.1 You must notify us immediately you are affected by any physical or mental defect or infirmity.
- 6.2 We will not be bound to accept notice of any trust, charge, lien, assignment or other dealings with or related to this section.
- 6.3 You must, if required by us, submit to medical examination on our expense. In the event of death we will be entitled to be represented at any enquiry or to arrange for a post-mortem examination.
- 6.4 Your inability to participate in sports and pastimes shall not, in itself, constitute total disablement (see 2.2.2, 2.2.3, 2.2.6 and 3.1.1).
- 6.5 General exclusions 4.1, 4.4, 4.5, 4.6 and 4.7 do not apply to this section.



Section 8 – Motor

1. Definitions

For this section

- 1.1 You means the person in whose name this policy is issued and spouse
- 1.2 vehicle means
 - 1.2.1 private type motor cars (including station wagons, safari vans, estate cars, open game driving vehicles and the like or similar vehicles designed to seat no more than 7 persons including the driver.)
 - 1.2.2 Light commercial vehicles with a carrying capacity of less than 3 500 kilograms (including Bakkies and light delivery vehicles and open game drive vehicles) or vehicles designed to seat 8 or more persons including the driver, being minibuses, kombi's or the like.
 - 1.2.3 Commercial vehicles with a carrying capacity exceeding 3 500 kilograms and special type vehicles as described in the schedule.
 - 1.2.4 Motor cycles (including motor scooters and 3-wheeled vehicles)
 - 1.2.5 Buses (including any vehicle used for business purposes and designed to seat more than 9 persons, including the driver).
 - 1.2.6 Trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto.listed in the schedule and owned by you.

2. Basis of settlement

If the vehicle or any part of it is lost or damaged we will by payment or at our choice by repair or replacement indemnify you provided that

- 2.1 the maximum we will pay will be the sum insured stated in the schedule or the reasonable retail value of the vehicle at the time of loss or damage whichever is the lower less the first amount payable (Excess) (see 10.1)
- 2.2 if within 12 months of its purchase as a new vehicle by you and before it has been driven for more than 25 000 kilometres the vehicle is
 - 2.2.1 stolen and not recovered
 - 2.2.2 damaged and the assessed cost of repairs exceeds 70% of the current new retail price including taxthe maximum we will pay will be the current purchase price at the time of the loss or damage of a new similar model vehicle or the sum insured stated in the schedule whichever is the lower less the first amount payable (Excess) (see 10.1)
- 2.3 if the vehicle is
 - 2.3.1 stolen and not recovered
 - 2.3.2 damaged and we treat the vehicle as a total lossin addition to 2.1 or 2.2 above if the reasonable retail value of the vehicle (or the current purchase price in terms of 2.2 above, if applicable) is less than the amount owing by you under a valid instalment sale or lease agreement we will pay the difference (subject to the total payments including the payments under 2.1 or 2.2 above not exceeding the sum insured stated in the schedule) less
 - 2.3.3 any payments and/or interest in arrears on the date of loss
 - 2.3.4 any discount in respect of finance charges and/ or interest for the unexpired term of the instalment sale or lease agreement on a date not more than 30 days after the date of the loss
 - 2.3.5 any monthly or interim payment which on the date of loss has not been made solely because such payment in terms of the conditions of the agreement has not become due
 - 2.3.6 any other refund due to you
 - 2.3.7 the first amount payable (Excess) (see 10.1)
- 2.4 if any replacement part or fitment necessary for the repair of damage to the vehicle is not available as standard (ready manufactured) within the country in which the vehicle is being held for repair we will not be liable for more than the maker's latest list price in the country of origin plus import duty and the reasonable cost of freight (other than by air) as well as the estimated cost of fitting
- 2.5 if you declare on the claim form that the vehicle is the subject of an instalment sale or lease agreement any money due to you will be used first towards the repayment of the debt under the agreement. The receipt of the owners referred to in the agreement will be a complete discharge to us for the repayment.

3. Protection and repair

If insured loss or damage occurs

- 3.1 we will pay the reasonable cost of protection and removal of the vehicle to the nearest repairer
- 3.2 you may authorise repairs up to R2 500 without our consent provided a detailed quotation is immediately given to us
- 3.3 Car hire extension (if stated in the schedule to be included)

We will pay per a maximum of R350 per day towards those costs reasonably incurred by you for the hire of a vehicle whilst the Insured vehicle is being repaired or is unrecovered following theft provided that

- 3.3.1 compensation will be payable from and including the day on which
 - 3.3.1.1 we receive the repair quotation
 - 3.3.1.2 the theft of the vehicle is reported to us
 - 3.3.1.3 We will not pay for the hire of a more expensive vehicle than the one which has been damaged or stolen
- 3.3.2 compensation will not be payable
 - 3.3.2.1 for more than 30 days
 - 3.3.2.2 after the day you regain possession of the vehicle
 - or
 - after the day we discharge our liability for a total loss of the vehicle.

4. Delivery after repair

After repair we will pay the reasonable cost of delivering the vehicle to your address stated in the schedule form anywhere within the territorial limits except Zimbabwe (see 9.1.1)

5. Medical expenses

If any occupant of the vehicle sustains bodily injury as a direct result of an accident we will pay the medical expenses in connection with the injury up to R 2 000 for each occupant injured but not exceeding R20 000 in total for any one accident.

6. Special exclusions relating to the vehicle

We will not be liable for

- 6.1 more than R750 in total for any type of radio and other sound reproduction equipment
- 6.2 depreciation wear and tear mechanical or electrical breakdown
- 6.3 damage to tyres unless some other part of the vehicle is damaged at the same time

7. Liability to third parties

7.1 In the event of an accident caused by or in connection with the vehicle or attached trailer, caravan, car or goods vehicle with a gross mass not exceeding 1 500 kg being towed (other than for reward) we will indemnify you against all sums including claimant's costs and expenses for which you become legally liable following

- 7.1.1 death of or bodily injury to any person
- 7.1.2 damage to property.
- 7.2 We will pay costs and expenses incurred with our written consent.
- 7.3 We may arrange for
 - 7.3.1 representation at any inquiry into death
 - 7.3.2 the defence of criminal proceedings arising from any act related to an indemnifiable event.
- 7.4 In terms of liability to third parties 7.1 and 7.2 above we will
 - 7.4.1 indemnify any person who is driving or using the vehicle with your permission provided such person
 - 7.4.1.1 is not entitled to indemnity under any other policy
 - 7.4.1.2 as though he were you is subject to the terms of the policy as far as they can apply
 - 7.4.1.3 has not been refused any motor vehicle insurance
 - 7.4.2 indemnify you while driving a car or goods vehicle with a gross mass not exceeding 3 500kg excluding damage thereto not
 - 7.4.2.1 owned, hired or leased by you
 - 7.4.2.2 being purchased by you under a credit or similar agreement.

8. Special exclusions relating to liability to third parties

We will not be liable for

- 8.1 death of or bodily injury to
 - 8.1.1 a member of your family
 - 8.1.2 any person being carried in or on a part of the vehicle not designed for the carriage of passengers
 - 8.1.3 any person being carried in a trailer or caravan referred to in 7.1
 - 8.1.4 an employee, other than a domestic servant, of yours or your family who is killed or injured in the course of such employment

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- 8.2 damage to property
- 8.2.1 belonging to or held in trust by or in the custody or control of you, your family or an employee of yours
 - 8.2.2 being carried in a trailer or caravan referred to in 7.1
- 8.3 so much of any compensation provided or insurable in terms of any motor vehicle insurance legislation
- 8.4 more than R50 000 including all costs and expenses for death of or bodily injury to persons travelling in the vehicle if it is an open sports car or any other type of vehicle that does not have a permanently fixed metal roof over the area originally designed for the seating of the driver and passengers
- 8.5 more than R5 000 000 including all costs and expenses for any one accident or series of accidents arising out of one event.

9. Special exclusions relating to the entire motor section

- 9.1 We will not be liable for loss, damage, injury or liability caused, sustained or incurred
- 9.1.1 outside the territorial limits of the Republic of South Africa, Lesotho, Botswana, Swaziland, Namibia, Zimbabwe except for loss or damage to the vehicle while in transit by water between ports in the territorial limits
 - 9.1.2 while the vehicle is being used
 - 9.1.2.1 other than in accordance with the class of use (*see schedule and 10.*)
 - 9.1.2.2 by you (or any person with your consent) unless licensed and driving the vehicle in terms of legislation applying to the territory in which the vehicle is being used
 - 9.1.2.3 by any person who is under the influence of intoxicating liquor or drugs or while the concentration of alcohol in his blood exceeds the statutory limit
 - 9.1.2.4 in a condition which does not comply with the provisions and regulations of The Road Traffic Ordinance of the Republic of South Africa or any similar legislation which applies to the territorial limits referred to in special exclusion 9.1.1 of this section
 - 9.1.3 while a goods vehicle is being used to carry goods for business or professional purposes.
- 9.2 We will not be liable for any claim arising out of contractual liability.

10. Special conditions

10.1 First amount payable (Excess)

In the event of loss or damage to the vehicle you will be responsible for the first amount payable (Excess) stated in the schedule and will immediately reimburse us for any first amount payable we may have paid. If the vehicle is damaged by hail the first amount payable (Excess) stated in the schedule (except for a voluntary first amount payable) will be waived provided the damage is repaired by the "Dent Removal Process" and no panel beating or replacement parts are required.

10.2 Class of use

The vehicle may only be used in accordance with the class of use stated in the schedule and defined below.

Class of use O: Social and Domestic

Social, domestic and pleasure purposes EXCLUDING travelling to and from your place of employment, business or professional purposes, hiring, carriage of passengers for hire or carriage of fare-paying passengers (provided that this exclusion shall not apply to passengers being carried in an insured vehicle directly in connection with the Insured's business as a Bed and Breakfast establishment), commercial travelling, driving instruction for reward, racing, speed or other contests, rallies, trials or use for any purpose in connection with the motor trade.

Class of use 1: Private and to work

Social, domestic and pleasure purposes and travelling to and from your place of employment EXCLUDING business or professional purposes, hiring, carriage for passengers for hire or carriage of fare-paying passengers (provided that this exclusion shall not apply to passengers being carried in an insured vehicle directly in connection with the Insured's business as a Bed and Breakfast establishment), commercial travelling, driving instruction for reward, racing, speed or other contests, rallies, trials or use for any purpose in connection with the motor trade.

Class of use 2: Business

Social, domestic, pleasure, business and professional purposes EXCLUDING hiring, carriage of passengers for hire or carriage of fare-paying passengers (provided that this exclusion shall not apply to passengers being carried in an insured vehicle directly in connection with the Insured's business as a Bed and Breakfast establishment), commercial travelling, driving instruction for reward, racing, speed or other contests, rallies, trials or use for any purpose in connection with the motor trade.

The term "motor trade" will not invalidate any cover provided to you while the vehicle is in the custody or control of any member of the motor trade and used only for its maintenance or repair.

10.3 Traffic offences

You must notify us in writing immediately you know of

- 10.3.1 the endorsement, suspension or cancellation of any driving license issued to you or your authorised driver
- 10.3.2 any driver of the vehicle being charged with or convicted of reckless, negligent or inconsiderate driving.

10.4 Care of the vehicle

You must take all reasonable steps to safeguard and protect the vehicle and maintain it in accordance with the roadworthy requirements of any legislation applying within the territorial limits. We will have access to examine the vehicle or any part of it at any time.

10.5 Indemnity to others

If more than one person is entitled to indemnity by this section any limitation applies to the total amount of indemnity and you will receive priority.

11. Clauses

11.1 Third party. Applies if the schedule shows the Type of Cover as "Third Party".

The following are deleted

- Basis of settlement** (see 2.)
- Protection, repair and car hire** (see 3.)
- Delivery after repair** (see 4.)
- Medical expenses** (see 5.)
- Loss of Keys** (see 16)
- Passenger Liability** (see 17)
- Unauthorised Passenger Liability** (see 18)
- Contingent Liability** (see 19)
- Fire Extinguisher Charges** (see 20)
- Emergency Accommodation Expenses** (see 21)
- Wreckage removal extension** (see 22)

11.2 Third party, fire and theft. Applies if the schedule shows the Type of Cover as "Third Party, Fire & Theft"

11.2.1 **Basis of settlement** (see 2). Is restated

2. **Basis of settlement**

If the vehicle or any part of it is lost or damaged by fire, lightning, explosion, theft or attempted theft we will by payment or at our choice by repair or replacement indemnify you provided that

- 2.1 the maximum we will pay will be the sum insured stated in the schedule or the reasonable market value of the vehicle at the time of loss or damage whichever is the lower less the first amount payable (Excess) (see 10.1)
- 2.2 if you declare on the claim form that the vehicle is the subject of an instalment sale or lease agreement any money due to you will be used first towards the repayment of the debt under the agreement. The receipt of the owners referred to in the agreement will be a complete discharge to us for the repayment.

11.2.2 **Special exclusions relating to the vehicle** (see 6.) is restated

6. Special exclusions relating to the vehicle

We will not be liable for

- 6.1 any type of radio and other sound reproduction equipment
- 6.2 depreciation wear and tear mechanical or electrical breakdown
- 6.3 damage to tyres unless some other part of the vehicle is damaged at the same time.

11.2.3 The following are deleted

Subsection 3.3 (Car hire) of **Protection, repair and car hire** (see 3.3)

Medical expenses (see 5.)

Claim-free discount (see 12. below)

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12. Claim-free discount

12.1 Annual policies

At the renewal of this policy a claim-free discount for each vehicle may be allowed based upon the following table.

Claim-free discount at the beginning of the preceding insurance year	0%	15%	20%	30%	40%	50%	Old Discount
No claims in preceding insurance year	15%	20%	30%	40%	50%	50%	New Discount
One claim in preceding insurance year	0%	0%	0%	15%	20%	30%	
Two claims in preceding insurance year	0%	0%	0%	15%	20%	30%	
Three claims in preceding insurance year	0%	0%	0%	0%	0%	0%	

12.2 Monthly policies

12.2.1 In the event of a claim the claim-free discount for the vehicle will continue to be allowed in the month following the month in which the claim is reported but will be reduced from the 1st of the next month in accordance with the following table

Claim-free discount at time of claim	0%	15%	20%	30%	40%	50%	Old discount
Discount effective following month plus one	0%	0%	0%	15%	20%	30%	New discount

12.2.2 Provided there have been no claims in respect of a vehicle for twelve months after the claim-free discount for the vehicle became effective an increased claim-free discount for the vehicle may be allowed based on the following table

Claim-free discount at time of claim	0%	15%	20%	30%	40%	50%	Old discount
Discount effective following month plus one	15%	20%	30%	40%	50%	50%	New discount

12.3 Window glass

The claim-free discount for a vehicle will not be altered following a claim for damage to window glass provided the vehicle sustained no other damage.

13. Mozambique extension

Notwithstanding the territorial limits set out in 9.1.1 whilst the vehicle is in Mozambique Section 6 of the policy will be deemed to be in force subject to the following special terms, conditions and exceptions.

13.1 Under **2. Basis of settlement** we will not be liable for loss or damage to the vehicle or any part of it following an accident involving the vehicle until the vehicle has been repatriated at your cost and has been cleared through a border post into the Republic of South Africa. If you do not repatriate the vehicle on the basis of the vehicle being a total loss the onus of proving this will rest on you and failure to do so will relieve us of all liability.

13.2 The following will be deemed to be deleted until the vehicle has been repatriated to the Republic of South Africa and then will be applied as if the date of the accident was the date on which the vehicle was cleared through a border post into the Republic of South Africa.

Protection, repair and car hire (see 3.)

Delivery after repair (see 4.)

13.3 The following is deleted

Medical expenses (see 5.)

13.4 In addition to any first amount payable stated in the schedule you will be responsible for a first amount payable (excess) equal to 10% of the sum insured on the vehicle.

14. Parking Facilities and Movement 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 employed by you or acting on your behalf provided that such vehicle was being moved

14.1 with the authority of any visitor or guest

14.2 in connection with your parking arrangements

14.3 to facilitate the carrying on of your business

15. Excess Waiver

It is agreed that, in respect of those vehicles specified on the schedule, the total cumulative excesses applicable for any single event giving rise to a claim are waived under this extension. This extension does not include any reinstatement of the cover provided hereunder and the excess is waived in respect of a single event only.

16. Loss of Keys

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

- (i) the Company's liability shall not exceed a limit of R 5 000
- (ii) such amount shall be reduced by the first amount payable of 10% of claim, minimum R 250 any one claim

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

17. Passenger Liability (if stated in the schedule to be included)

Exception 8 shall not apply to vehicles described in definition 1.2.2, other than special types or in definitions 1.2.4, 1.2.5 and 1.2.6. The limit of indemnity for any one occurrence shall not exceed the amount of R 2 500 000.

18. Unauthorised Passenger Liability (if stated in the schedule to be included)

The indemnity under 7 – Liability to Third Parties, notwithstanding exception 8 thereto extends to cover the Insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the Insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

19. Contingent Liability (if stated in the schedule to be included)

The indemnity under 7 – Liability to Third parties shall include claims made against

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

provided that

- (i) all the words in exception 8.1 are deleted
- (ii) the Company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above
- (iii) the payment by the Insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension
- (iv) if, at the time of the occurrence of any accident giving rise to a claim under this extension, the Insured or such person as entitled to indemnity under any other policy in respect of the same occurrence, the Company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy.

20. Fire Extinguisher Charges

Any costs (not exceeding R5 000) relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the company may be liable in terms of this section, provided the Insured is legally liable for such costs and the insured property was in danger from the fire

21. Emergency Accommodation Expenses

In the event of a loss of damage to the insured vehicle we will pay for Emergency Accommodation Expenses necessarily incurred by you and any passenger/s up to R 250 per person per day for a maximum of one night and a maximum benefit of R 2 000 in any one annual period of insurance subject to the loss or damage not occurring less than 100 kilometres from your property.

22. Wreckage removal extension (automatically included)

The cover provided under 2.Basis of settlement of this section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a defined event, provided that, in addition to the limit of indemnity under 2.Basis of settlement of this section, the limit of the Company's liability under this extension shall not exceed, in respect of any one occurrence, R10 000, or the limit stated in the schedule to apply to this extension.

SMALL CRAFT

Section 9 – Small Craft

The Company agrees, subject always to the warranties, conditions, limitations and definitions hereinafter printed or endorsed hereon or in the Schedule, the due observance and accuracy of which shall be deemed to be a condition precedent to all liability hereunder, to indemnify the Insured as hereinafter provided in respect of accident; loss or damage to the said vessel occurring during the period of insurance stated in the Schedule or during any period for which the Company may accept payment for the renewal of this Policy.

Whilst in commission at sea or in rivers or on inland water or in port, dock, on ways, gridirons and pontoons or on the hard or mud, including hauling out launching with leave to sail with or without pilots to go on trail trips and to assist and to tow vessels or craft in distress or as is customary, but subject always to the cruising range stated in the Schedule.

Whilst laid up out of commission ashore or afloat or on mud or in dock or boathouse including hauling out and launching, striking over, dismantling, fitting out, overhauling or whilst under survey (also to include docking and undocking and periods laid up afloat incidental to lay up or fitting out and with leave to shift in tow or otherwise to or from her lay up berth but not outside the limits of the port or place in which the vessel is laid up) but excluding unless previous notice be given and an additional premium agreed any period for which the vessel is used as a houseboat or is under major repair or undergoing alteration.

Whilst on tow on land, provided that:

- (a) the boat trailer is fully licensed
- (b) and towing attachments must have been manufactured professionally
and
- (c) the towing speed does not exceed 100kph.

Subsection A – Loss or Damage

The Company will indemnify the Insured against:

Loss or damage to the insured vessel directly caused by external accident means, including stress of weather, stranding, sinking, collision, contact with aircraft, fire self-ignition and lightning or by malicious act or by theft of the entire vessel or following upon forcible entry theft or equipment, gear or machinery, provided such loss or damage has not resulted from want of due diligence by the Owners of the vessel or any of them or by the Manager, by accidents in loading, discharging or handling stores, equipment, gear or machinery, explosion on shipboard or elsewhere, bursting of boilers, breakage of shafts, negligence of any person whatsoever or any latent defect in the machinery or hull. The Company will also pay for the loss or damage to crew's clothes provided by the owner, binoculars, sextants, nautical books, oilskins, sea boots and yaughting clothes being the personal property of the Insured or Insured's wife (or husband as the case may be) caused by the Insured Vessel being stranded, sunk, burnt, or in collision, up to, unless otherwise specifically mentioned, a sum equivalent to 2½% of the insured value of the vessel in respect of any one accident. Provided always that the sum which the Insured can recover under this Section is: - (a) in the case of an actual or constructive total loss, the insured value of the Insured Property, or (b) in the case of a partial loss, the reasonable cost of repairing or reinstating the damage or lost part of the Insured Property and necessary expenses connected therewith, without deduction in respect of new material replacing old except in respect of sails, protective covers and running rigging.

Provided further that in no case shall the Company be liable to pay under this section more than the sum appearing in the Schedule as the sum insured under this Section in respect of any one accident (which shall be deemed to include a series of accident (which shall be deemed to include a series of accidents occurring in connection with or arising out of any one event) but unlimited in the aggregate.

Exceptions to Subsection A

Notwithstanding anything herein contained to the contrary this Section does not cover unless specifically agreed by endorsement of the policy:

1. Wear and tear, depreciation and deterioration from use, nor the cost of repairing, replacing or renewing any defective part condemned solely in consequence of a latent defect or fault or error in design or construction.
2. The cost of making good any defect in repair or alteration work carried out for the account of the Insured or in the maintenance of the Insured Vessel resulting from either negligence or breach of contract.
3. Loss of or damage to motor and electrical machinery and batteries and their connections (with the exception of the shaft and propeller) and metalling unless caused by the vessel being stranded, sunk, burnt on fire or in collision or contact with any external substance (ice included) other than water or by malicious act or by theft or by thieves following upon forcible entry or while being removed from or placed in the vessel or by fire in store ashore.
4. Loss or damage to outboard motors through dropping off or falling overboard unless the outboard motors are securely attached to the hull at all times when in use by means of either bolts or galvanised steel chains or terylene rope in addition to its normal method of attachment.
5. Loss of or damage to moorings, nets and fishing gear.
6. Loss of or damage to sails, masts, spars and fittings attached thereto, standing or running rigging and blocks whilst racing unless caused by the vessel being stranded, sunk, burnt or in collision or contact with any external substance (ice included) other than water.
7. Loss of or damage to sails and protective covers split by the wind or blown away whilst set unless occasioned by the vessel being stranded or in collision or contact with any external substance (ice included) other than water or in consequence of damage to the spars to which sails are bent.
8. Scratching, bruising or shipping whilst in transit.

Subsection B – Third Party Liability

The Company will indemnify the Insured in respect of

All claims made and law costs incurred by third parties which the Insured shall be reason of his interest in the Insured Vessel become legally liable to pay and shall pay for death of or bodily injury sustained by persons or damage to their property including damage to piers, wharves and jetties and/or cost of any attempted or actual raising, removal or destruction of the wreck of the Insured Vessel or any neglect of destroy the same up to the sum appearing in the Schedule as the sum insured in respect of any one accident (which shall be deemed to include a series of accidents occurring in connection with or arising out of any one event), but unlimited in the aggregate.

Provided that the Company shall not be liable under this Section for any claim of whatsoever nature in respect of any person or persons or the property of such person or persons being or about to be conveyed on the Insured Vessel whether such claims are made by the person or persons injured or his, her or their dependants, executors, administrators or assigns.

Exceptions to Subsection B

Notwithstanding anything herein contained to the contrary, this Section does not cover:

1. Claims arising directly or indirectly under the Employer's Liability Acts and any other Statutory or Common Law Liability in respect of accidents to or illness of Workmen or any other person employed directly or indirectly by the Insured in, on or about or in connection with the Insured Vessel.
2. Accidents arising whilst the Insured Craft is in transit by road.
3. Claims in respect of fare-paying passengers unless specifically indicated in the schedule.

Subsection C – Passenger Liability

The Company will indemnify the insured in respect of

All claims made and law costs incurred by passengers which the Insured shall be reason of his interest in the Insured Vessel become legally liable to pay and shall pay for death of or bodily injuries sustained by persons or damage to their property whilst travelling upon the Insured Vessel or embarking thereon or disembarking therefrom up to the sum appearing in the Schedule as the sum insured in respect of any one accident (which shall be deemed to include a series of accidents occurring in connection with or arising out of any one event), but unlimited in the aggregate.

Exceptions to Subsection C

Notwithstanding anything herein contained to the contrary, this section does not cover:

1. Claims arising directly or indirectly under the Employers' Liability Acts and any other Statutory or Common Law Liability in respect of accidents to or illness of Workmen or any other person employed directly or indirectly by the Insured in, on or about or in connection with the Insured Vessel
2. Accidents arising whilst the Craft is in transit by road.
3. Claims in respect of fare-paying passengers unless specifically indicated in the schedule.

Special Benefits

Salvage and sue and labour

In the case of misfortune to the Insured Vessel it shall be lawful to the Insured or the Insured's factors and servants to sue labour and travel for in and about the defence safeguard or recovery of the Insured Vessel, without prejudice to this insurance and all reasonable charges thereof including salvage charges the cost of towing the vessel to a place of safety so necessarily incurred shall form part of the claim provided that the Insured forwards at once to the Company a detailed estimate from a competent firm for any immediate necessary repairs authorised together with full particulars of the Accident. The Company will also pay all expenses reasonably incurred in sighting the bottom after the Insured Vessel has been stranded, sunk or in collision notwithstanding that no damage shall have been found. And it is especially declared and agreed that no acts of the Company or the Insured in recovering saving or preserving the property shall be considered as a waiver or acceptance of abandonment.

Persons navigating

The cover given by Subsections B and C of this Section extends to any person (other than a person operating or employed by the operator of a shipyard, repair yard, slipway, yacht club, sales agency or similar organisation) navigating or in charge of the Insured Vessel, shall in consequence of any occurrence for which the Insured is covered under Subsections B and C hereto become liable to pay and shall pay any sum or sums by way of damage to any persons other than the Insured named in this Policy.

This benefit shall be subject to the limitations of the Company's liability imposed by this Section and to all other terms, conditions, exceptions and warranties thereof.

Law costs

The Company will be responsible for all expenses properly incurred by the Insured in connection with Board of Trade Inquiries Coroner's Inquests and Law Costs incurred with the consent in writing of the Company in settling or defending any claim.

Sistership clause

Should the Insured vessel come into collision with or receive salvage services from another vessel belonging wholly or in part to the Insured or under same management the Insured shall have the same rights under this Section as he would have were the other vessel entirely the property of owners not interested in the Insured Vessel; but in such cases the liability for the collision shall be referred to a sole arbitrator to be agreed upon between the company and the Insured.

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Medical expenses

The Company will refund any Doctors' or Surgeons' Fees (limited to R250) for attendance upon the Insured or the Insured's wife (or husband as the case may be) as the direct result of personal injuries caused by violent accidental external and visible means, sustained as the direct result of the Insured Vessel sinking or being in collision with another vessel or with any external object other than water.

Excess

Notwithstanding anything herein contained to the contrary, this Section is warranted free from all claims other than for total loss unless the aggregate of such claims in respect of each accident exceeds the amount stated in the Schedule in which case the Company shall be liable for the sum by which such aggregate exceeds this amount. Such excess to apply to claims under Subsection A only.

General exceptions applicable to all sections

Notwithstanding anything herein contained to the contrary, this Section does not cover unless specially agreed by endorsement of the policy:

- Capture, seizure, restraint or detainment, and consequences thereof or of any attempt thereat, nor the consequences of hostilities or warlike operations, whether there shall be a declaration of war or not; but this exception shall not exclude collision, contract with any fixed or floating object (other than a mine or torpedo), standing heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the vessel concerned, or in the case of a collision, by other vessel involved therein, is performing) by a hostile act by or against a belligerent power; and for the purpose of this exception "power" includes any authority maintaining naval, military or air forces in association with a power.
 - The consequences of civil war, revolution, rebellion, insurrection or civil strife arising therefrom or piracy.
- Loss or damage caused by strikers, locked out workmen or persons taking part in labour disturbances or riots or civil commotions.
- Claims whilst vessel is let out on hire, or charter, or used for other than private purposes unless specifically indicated in the schedule.
- Claims while the vessel is being towed, except as is customary or when in need of assistance, or claims while the vessel is undertaking towage or salvage services under a pre-arranged contract made by the Owners, Managers and/or Charterers.

Cancellation

Should the vessel be sold or transferred to new ownership then, unless the Company agrees in writing to continue the insurance, the policy shall become cancelled from the time of sale or transfer and a pro Rata daily return of premium shall be made.

General Conditions

- If this Section or any previous policy of which this Section may be a renewal has been obtained through omission to state any material fact, or through any mis-statement by the Insured or by anyone acting on the Insured's behalf of if in any statement or declaration made in support of any claim there shall be any untruth or suppression, then this Section is null and void, and the premium paid in respect thereof shall be retained by the Company and all benefits hereunder and all rights to recover for past or future damage or loss shall be absolutely forfeited.
- It is agreed that no assignment of or interest in this Section or in any moneys which may be or become payable thereunder is to be binding on or recognised by the Company unless a dated notice of such assignment or interest signed by the Insured and (in the case of subsequent assignment) by the assignor be endorsed in this Section and the policy with such endorsement be produced before payment of any claim or return of premium thereunder. But nothing in this clause is to have effect as an agreement by the Company to a sale or transfer to new management.
- Warranted that the designed speed of the Insured Vessel does exceed the figure stated in the Schedule.
- Warranted that no amount shall be insured policy proof of interest or full interest admitted for the account of the Insured and/or mortgages on this disbursements, commission, profits or other interests or excess or increased value of Hull and/or Machinery however described unless the sum insured on the vessel is over R20 000 and then not to exceed ten per cent of the total sum insured as stated herein.
- If at the happening of any loss or damage, the property Insured be of greater value than the sum insured, the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable proportion of the loss accordingly.
- Warranted that the Insured shall maintain and keep the vessel in a proper state of repair and seaworthiness at all times during the currency of this insurance.
- It is necessary for the Insured to give prompt notice to the Company when they become aware of an event for which they are "held covered" under this insurance and the right to such cover is dependant on compliance with this obligation. Furthermore compliance by the Insured with the conditions and/or obligations of this Policy, and any Annexure or Attachment hereto, shall be a condition precedent to the right of the Insured to be indemnified in terms hereof.

Conditions Relating to Accidents and Claims

- In the event of an accident whereby loss or damage may result in a claim under this Policy notice shall be given immediately in writing prior to survey to the Company where practicable and, if abroad to the nearest Lloyd's agent so that a surveyor may be appointed if they so desire. The right of the Insured to recover any claim on the policy is conditional upon compliance with this obligation.
- The Company shall be entitled to decide the port to which a damaged vessel shall proceed for docking or repairing (the actual additional expense of the voyage arising from the compliance with the Company's requirements being refunded to the Insured)

and the Company shall also have the right of veto in connection with place of repair or repairing firm proposed and, whenever the extent of the damage is ascertainable, the Company may take or may require to be taken tender for the repair of such damage.

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3. The Insured shall also give full information as to the circumstances of the accident and of all claims made, with names and addresses of claimants and all witnesses of the accident, as soon as possible after occurrence of the accident or receipt of claim or notice of claim, and shall send to the Company as soon as possible all claims, letters, summonses, writs, etc., relating to any accident addressed to the Insured or to the Insured's servants by the authorities or by third parties.
4. No liability of any sort shall be admitted nor any offer promise or payment made by the Insured to claimants nor legal expenses incurred without the written consent of the Company who shall be entitled, if it so desires, to take over and conduct in the name of the Insured the defence of any action, or to prosecute any claim for indemnity of damages or otherwise against any third party.
5. In no case shall the Company be liable for unprepared damage in addition to subsequent total loss sustained during the term covered by this Policy.
6. In ascertaining whether the vessel is a constructive total loss the insured value shall be taken as the repaired value, and nothing in respect of the damage or the break up value of the vessel or wreck shall be taken into account.
7. In the event of a claim for loss or damage under subsection A of this Section, the company's liability shall in no circumstance whatsoever exceeds the reasonable cost of repair.

Definitions

1. **Vessel.** Includes machinery, boats, canoes (but excluding boat having a designed speed exceeding 20 m.p.h. and boats not permanently marked with name of vessel), gear and equipment such as would normally be sold with the vessel if she changed hands. Including stores, gear, equipment and boats, if any separately housed ashore.
2. **Total loss.** (A) An actual total loss under this Section arises where the vessel, as defined in 1, is wholly destroyed, or where the Insured is irretrievably deprived wholly thereof, and not otherwise.

(B) A constructive total loss under this Section arises where the vessel, as defined in 1, is reasonably abandoned on account of its actual loss as defined in (A) appearing to be unavoidable or where it could not be preserved from such actual total loss without an expenditure which, if incurred, would exceed the sum appearing in the Schedule as the insured value of the vessel.
3. **In commission.** The period when the vessel is fitted out, ready for sea, and available for the Owner's immediate use.
4. **Laid up out of commission.** The period when the vessel is dismantled not fitted out or available for immediate use. During the laid up period the vessel must not be used for any purpose whatsoever other than dismantling, fitting out, or customary overhauling and is not covered whilst being used as a houseboat or under major repair or undergoing alteration unless specially agreed.
5. **Laid up used as a houseboat.** A vessel is said to be used as a houseboat when she is not used under way, or navigating, but is used whilst on moorings or in her berth by the Owners or others living on board.

Section 9 – SASRIA (Riot)

If a premium is printed in line with the heading SASRIA (Riot Insurance) on the schedule then we will arrange SASRIA insurance (generally known as unrest, riot, strike or public disorder cover) for the property insured by Section 1 – Buildings, Section 2 – Contents, Section 3 – All risks, Section 6 – Motor with the South African Special Risk Insurance Association.

The premium for this SASRIA cover is stated on the schedule and a separate SASRIA policy is issued by us on behalf of the South African Special Risks Insurance Association.

A specimen of the SASRIA policy wording is available on request.

