

OLDMUTUAL

# BODY CORPORATE POLICY WORDING



**INSURE**

DO GREAT THINGS EVERY DAY

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Old Mutual Insure Limited, Registration Number 1970/006619/06. A licensed FSP and Non-Life Insurer.



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

The number of pages in each included section is shown at the foot of each page of such section. In addition, each section schedule makes reference to the relevant section and general section wording that applies to that section. Please check to ensure that all correct pages of all included sections are contained in this document.

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





## GENERAL EXCEPTIONS, CONDITIONS AND PROVISIONS

Subject to the terms, Exceptions and Conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the Insured and receipt thereof by or on behalf of the Company, Old Mutual Insure Limited ("Company") agrees to indemnify or compensate the Insured by payment or at the option of the Company, by replacement, reinstatement or repair in respect of the Defined Events occurring during the Period of Insurance and as otherwise provided under the within Sections up to the Sums Insured, Limits of Indemnity, Compensation and other amounts specified.

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

Specific Exceptions, Conditions and Provisions shall override General Exceptions, Conditions and Provisions.

The colours, headings and titles in this Policy are for ease of reference only and the entire Exception, Condition, Provision, Extension, Limitation or clause must be read to get its full meaning.

Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular and plural forms thereof

Sometimes policy wording is quite technical and may be difficult to understand. Please use the following URL address to access a handy guide that explains the more complex concepts.

<https://www.oldmutual.co.za/business/goals/run/multisure>

### General Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Policy unless specifically otherwise indicated:

**1 Body Corporate**

shall mean the controlling and governing body of the building(s) as described in the Schedule.

**2 Business**

shall mean the business conducted by the Body Corporate and/or its Trustees in exercising its powers referred to in Section 38 of The Act

**3 Common property**

shall mean that part of the property insured which does not form a part of a Section but which is described on the Sectional plan stated in the Schedule.

**4 Employee**

shall mean

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

4.2 any person while hired or seconded from any other party into the service of the Insured;

who the Insured has the right at all times to govern, control and direct in the performance of his/her work in the course of the Business of the Insured and who is described in the Schedule by name and/or by the position held by him/her but excluding managing agents.

**5 Owner**

shall mean all registered Owners of a Unit including the spouse and children of the Owner normally resident with the Owner.

**6 Participation quota in the common Property**

the participation quota of a section or of the Owner of a Section shall be a decimal fraction correct to three places arrived at by dividing the floor area correct to the nearest square metre of the Section by the floor area correct to the nearest square metre of all the Sections in the building or buildings comprised in the Scheme.



## **7 Section**

shall mean a Section as designated as such on the sectional plan bearing the number stated in the Schedule.

## **8 The Act**

shall mean the Sectional Titles Act No. 95 of 1986 as amended or substituted from time to time

## **9 The Insured**

the Body Corporate and all Unit Owners and all mortgagees of registered mortgage bonds over the units in the scheme for their respective rights and interests.

## **10 The Scheme**

shall mean the Sectional Title Development Scheme constituted in respect of the property.

## **11 Trustees**

shall mean the elected Trustees of the Body Corporate and who is described in the Schedule by name and/or the position held by him.

## **12 Unit**

shall mean a Section with its individual share in the common property apportioned to it in accordance with its participation quota.

## **13 VAT**

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

# **General Exceptions**

## **1 Asbestos (applicable to the Section 09 Broadform Public Liability)**

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

## **2 Communicable disease**

2.1 Notwithstanding any Provision of this Policy including any Exclusion, Exception or Extension or other Provision which would otherwise override a General Exception, this Policy does not cover loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

2.2 Subject to the other terms, conditions and exclusions contained in this Policy, this Policy will cover loss, damage, liability, cost or expense directly caused by, resulting from, or arising out of physical loss and/or physical damage to property insured under this Policy and any Time Element Loss directly resulting therefrom where such physical loss and/or physical damage is directly occasioned by otherwise covered perils under this Policy and not otherwise excluded under this Policy.

2.3 If the Company alleges that, by reason of this exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured

2.4 Definitions

2.4.1 Communicable Disease

shall mean any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

2.4.1.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

2.4.1.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between



organisms, and

2.4.1.3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

2.4.2 Time Element Loss shall mean

business interruption, contingent business interruption or any other consequential losses.

### 3 Cyber losses

3.1 Notwithstanding any Provision of this Policy including any Exclusion, Exception or Extension or other Provision which would otherwise override a General Exception, this Policy does not cover loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

3.1.1 any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System, unless subject to the Provisions of paragraph 3.2;

3.1.2 any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the Provisions of paragraph 3.2.

3.2 Subject to the other Terms, Conditions and Exclusions contained in this Policy, this Policy will cover:

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

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

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

3.3 If the Company alleges that, by reason of this exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

3.4 Definitions

3.4.1 Computer System shall mean

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

3.4.2 Data shall mean

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

3.4.3 Time Element Loss shall mean

business interruption, contingent business interruption or any other consequential losses.

3.4.4 Data Processing Media shall mean

any Property insured by this Policy on which data can be stored but not the data itself



#### **4 Defective design, lack of maintenance and cost of maintenance**

This Policy does not cover loss of or damage caused by or attributed to defective design, defective workmanship, defective construction or defective material or lack of maintenance and the cost of maintenance to the insured property.

#### **5 Floor coverings**

This Policy does not cover the replacement of floor coverings other than in the room or rooms in which the damage occurred.

#### **6 Grid Failure**

Notwithstanding any Provision of this Policy, including any Exclusion, Exception, Extension, insuring Provision, or any Provision which would otherwise override this General Exception, this policy does not cover any loss, damage, claim, cost, expense or other sum of any nature, including any consequential losses in terms of any section of this policy, that is directly or indirectly caused by, attributable to, in consequence of, resulting from, arising out of, following, or in any way in connection with a National Electricity Grid Interruption.

National Electricity Grid Interruption means an interruption or suspension of the electricity supply from the national electricity grid of South Africa concurrently for whatsoever reason, whether due to damage, an inability and/or failure (whether partial or total) of the utility supplier to generate, transmit or distribute electricity, or otherwise.

#### **7 Nuclear weapons and radiation**

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

- 7.1 ionising, radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- 7.2 nuclear material, nuclear fission or fusion, nuclear radiation;
- 7.3 nuclear explosives or any nuclear weapon;
- 7.4 nuclear waste in whatever form;

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

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

#### **8 Sanctions**

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

#### **9 War, riot and terrorism**

- 9.1 This Policy does not cover loss of or damage to property related to or caused by:
  - 9.1.1 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;
  - 9.1.2 war, invasion, act of foreign enemy, hostility or warlike operations (whether war be declared or not) or civil war;
  - 9.1.3 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;
  - 9.1.4 insurrection, rebellion or revolution;
  - 9.1.5 any act (whether on behalf of any organization, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;
  - 9.1.6 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;

9.1.7 any attempt to perform any act referred to in clause 9.1.5 or 9.1.6 above.

9.1.8 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 9.1.1, 9.1.2, 9.1.3, 9.1.4, 9.1.5, 9.1.6 or 9.1.7 above.

If the Company alleges that, by reason of clause 9.1.1, 9.1.2, 9.1.3, 9.1.4, 9.1.5, 9.1.6, 9.1.7 or 9.1.8 of this exception, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

9.2 This Policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this Policy applies.

9.3 Notwithstanding any Provision of this Policy including any Exclusion, Exception or Extension or other Provision not included herein which would otherwise override a General Exception, this Policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purpose of this General exception 9.3 an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organization or government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

If the Company alleges that, by reason of clause 9.3 of this exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

## 10 Wear and tear

This Policy does not cover loss or damage arising from depreciation of or gradual deterioration to insured Property occurring over a period of time.

# General conditions

## 1 Breach of conditions

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

## 2 Cancellation

This Policy or any Section may be cancelled at any time by the Company giving 31 days' notice in writing (or such other period as may be mutually agreed) or by the Insured giving immediate notice. On cancellation by the Insured, the Company shall be entitled to retain the customary short period or minimum premium for the period the policy or Section has been in force. On cancellation by the Company, the Insured shall be entitled to claim a pro-rata proportion of the premium for the remainder of the period of insurance from the date of cancellation.

## 3 Claims

3.1 On the happening of any event which may result in a claim under this Policy the Insured shall, at their own expense

3.1.1 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

3.1.2 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

3.1.3 as soon as practicable after the event submit to the Company full details in writing of any claim





- 3.1.4 give the Company such proofs, information and sworn declarations as the Company may require and forward to the Fowner 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.
- 3.2 No claim (other than a claim under the Gross Rentals, Fidelity or the Personal Accident (Assault) extension under the Money Section, if applicable) shall be payable after the expiry of 24 months or such further time as the Company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the Insured's legal liability to a third party.
- 3.3 No claim shall be payable unless the Insured claims payment by serving legal process on the Company within 12 months of the rejection of the claim in writing and pursues such proceedings to finality.
- 3.4 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.

#### **4 Collective insurance**

- 4.1 If this insurance policy is a collective insurance policy then the following amendment is made to general condition 3.1.4 above
- 3.1.4 give the leading insurer on behalf of the insurers such proofs, information and sworn declarations as the insurers may require and forward to the leading insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
- and general condition 5 (Company's rights after an event) is substituted by the following:

#### **5 Insurer's rights after an event**

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



- 4.2 Where more than one insurance company or insurer participates in this insurance, the definition of "Company" is amended to "Insurers" wherever it appears in the policy. In this event
- 4.2.1 the percentage share of each insurer will be as expressed in the Schedule of this policy;
  - 4.2.2 the company that has issued this policy (called the Lead Insurer) on behalf of the co-insurers shall incur no additional liability on behalf of the co-insurers and the liability of each insurer individually shall be limited to the percentage share set against its name;
  - 4.2.3 any dispute and any subsequent legal process following rejection of a claim by a specific insurer/s shall be a matter restricted between the Insured and such specific insurer/s only.

## **5 Company's rights after an event**

- 5.1 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 authorized by them may, without thereby incurring any liability and without diminishing the right of the Company to rely upon any conditions of this policy,
- 5.1.1 take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and license of the Insured to the Company to do so. The Insured shall not be entitled to abandon any property to the Company whether taken possession of by the Company or not.
  - 5.1.2 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.
- 5.2 The Insured shall, at the expense of the Company, do and permit to be done all such things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights to which the Company shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.
- 5.3 In respect of any Section of this Policy under which an indemnity is provided for liability to third parties, the Company may, upon the happening of any event, pay to the Insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Company shall thereafter not be under further liability in respect of such event.

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

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

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

- 6.1 each third
- 6.2 each sixth or
- 6.3 each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.

## **7 Fire protection**

It is a condition precedent to liability that fire-fighting equipment must be installed on the insured Property and such equipment must be maintained and serviced in accordance with the requirements of the National Building Regulations and/or any other applicable laws and/or By-laws.

## **8 Fraud**

If any claim under this Policy is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit



under this Policy or if any event is occasioned by the wilful act or with the connivance of the Insured, the benefit afforded under this Policy in respect of any such claim shall be forfeited.

## **9 Matching building materials**

While the Company has a duty to repair and/or reinstate insured Property to its previously undamaged condition

- 9.1 should materials required to give effect to such repair be unavailable, the Company will make every endeavour to obtain such materials failing which the Company's obligation will be limited to utilising materials which in the Company's estimation closely match such unavailable materials.
- 9.2 the obligation to replace and/or repair insured Property shall not include any costs that may be required to achieve aesthetic uniformity with the rest of the insured Property.

## **10 Misrepresentation, misdescription and non-disclosure**

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

## **11 No rights to other persons**

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

## **12 Other insurance**

If, at the time of any event giving rise to a claim under this Policy, an insurance policy is in place 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.

## **13 Prevention of loss, maintenance compliance and access to Insured Property**

- 13.1 The Insured shall take all reasonable steps to prevent loss by
  - 13.1.1 safeguarding and protecting the Insured Property
  - 13.1.2 preventing accidents or losses and minimise loss, Damage or liability;
- 13.2 The Insured shall take all reasonable steps to maintain all Property in a condition that will prevent damage from occurring or will reduce the amount of damage in the event of the operation of a peril;
- 13.3 The insured shall endeavour to comply with all of those laws, regulations, by-laws or rules applicable to the business.

Where such failure to comply is material to a claim the Company may, at its discretion, reject the claim;
- 13.4 From time to time, the Company may, at its discretion, wish to inspect or examine the Property Insured.
  - 13.4.1 The insured shall allow a duly authorised representative of the Company to inspect and examine all Property Insured by this Policy at any reasonable time and the Insured shall provide all relevant details and information relating to the Property Insured at the request of the authorised representative of the Company.
  - 13.4.2 Following any inspection or examination of the Property Insured by the Company the Insured shall at all times ensure that all risk improvement requirements identified and stipulated by the Company are adhered to within the required timeframes.
  - 13.4.3 Notwithstanding the inspection or examination carried out by the Company, the requirement of 13.1, 13.2 and 13.3 still apply.

## **14 Reinstatement of cover after loss**

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



## General Provisions

### 1 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 3 (Claims) or to substantiate the amount of any claim, provided that the liability of the Company for such costs in respect of any one claim shall not exceed in respect of a particular Section the amount stated in the Schedule to each Section against an item for claims preparation costs.

### 2 First amount payable

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

### 3 Holding covered

If the Company agrees to hold covered on a risk the Company may not reject a claim on the basis that the premium has not been agreed. Payment of such claim will however be conditional on the subsequently agreed premium being paid before any claim payment is made or repairs or replacement is authorised.

### 4 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.

### 5 Meaning of words

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

### 6 Members

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

### 7 Payments on account

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

### 8 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.

### 9 Schedule sums Insured blank

If, in a Schedule of this Policy, the Sum Insured, Limit of Indemnity or compensation is:

9.1 left blank or has no monetary amount stipulated against it

9.2 reflected as nil or not applicable or not covered or no indemnity extended

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

### 10 Security firms

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

The Company shall not raise as a defence to any valid claim submitted under any Section or Sub-Section of this policy that the Company's rights have been prejudiced by the terms of any contract entered into between the Insured and any security firm relating to the protection of the insured Property.



## 11 Value added tax

All monetary amounts stated in this Policy such as Sums Insured, Limits of Indemnity and Premiums are deemed to be Value Added Tax (VAT) inclusive amounts. Excesses are not subject to VAT.



## SECTION 01 BUILDINGS

### Defined Events

- 1 Damage by the perils described in Sub-Section A to the buildings including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the schedule), landlord's fixtures and fittings, walls (except dam walls), gates, posts and fences (excluding hedges), sporting and recreational structures including landlord's fixtures and fittings therein and thereon, plant, equipment and other structures and improvements of a permanent nature, fire extinguishing equipment, railway sidings, tenants fixtures and fittings (if stated in the schedule to be included), tarred, concrete and paved roads, driveways, paths, parking areas and patios situate as stated in the schedule
- 2 Loss of rent as provided for in Sub-Section B
- 3 Replacement of geysers as provided for in Sub-Section C
- 4 Maintenance of geysers as provided for in Sub-Section D

### Sub-Section A - Property

#### 1 Fire

Fire, lightning, thunderbolt, subterranean fire, explosion

#### 2 Aerials

accidental loss or damage, breakage or collapse of radio or television Aerials or masts or satellite dishes.

#### 3 Aircraft

Aircraft or other aerial devices or articles dropped there from

#### 4 Bursting

Bursting or overflowing or leakage of water or oil from any tanks, apparatus or pipes including loss of or damage to such tanks apparatus or pipes excluding loss or damage:

- 4.1 to the contents of such tanks, apparatus or pipes
- 4.2 to geysers as defined under Sub-Section C (Geyser replacement)
- 4.3 as a result of visible wear or tear or gradual deterioration, rust, corrosion, mildew or damp;
- 4.4 as a result of subsidence or landslide;
- 4.5 as a result of the Insured's failure to take reasonable precautions for the maintenance and safety of the Property Insured and for the minimisation of any destruction or Damage.

#### 5 Earthquake

Earthquake

#### 6 Glass and Sanitaryware

accidental breakage of fixed Glass and Sanitaryware in the buildings insured herein provided that the Company shall not be liable for:

- 6.1 the first amount payable as stated in the schedule for this peril;
- 6.2 Damage caused by chipping, scratching and other disfiguration;
- 6.3 more than R15 000 in the event of loss or Damage to Glass in or on buildings which buildings are not utilised for residential buildings.



## 7 Impact

Impact by falling objects, animals, trees, Aerials, satellites, satellite dishes or vehicles excluding damage to such falling objects, animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles

## 8 Pumps and Machinery

accidental loss of or damage to Pumps or Machinery required to operate swimming pools, boreholes, sauna/spa baths, automatic gates and garage doors other than loss or Damage:

8.1 to gate motors;

8.2 caused by wear and tear, lack of maintenance, or any process of cleaning repairing altering or restoring, gradual deterioration, mechanical or electrical breakdown, failure or derangement

up to the amount as stated in the schedule for any one claim provided that the Insured shall be responsible for the first amount payable as stated in the schedule.

## 9 Storm and Water

storm, wind, water, hail or snow excluding loss or damage

9.1 arising from its undergoing a process necessarily involving the use or application of water

9.2 wear and tear or gradual deterioration

9.3 the Insured's failure to take all reasonable precautions for the maintenance and safety of the Property Insured and for the minimisation of any destruction or damage

9.4 arising from mildew, damp, rising damp, rust corrosion or rot

9.5 caused or aggravated by subsidence or landslip

9.6 to retaining walls

## 10 Theft by forcible and violent entry or exit

theft (or any attempt thereof) accompanied by forcible and violent entry into or exit from such building. If any building insured or containing the Insured Property becomes unoccupied for 30 consecutive days, cover will be suspended as regards such unoccupied building unless the insured before the occurrence of Damage obtains the written agreement of the Company to provide cover in terms of this peril. The Insured shall during the period of initial unoccupancy become a co-insurer with the Company and shall bear a rateable proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before deduction of any first amount payable.

## 11 Water, sewerage, gas, electricity, telecommunications and other similar services

accidental damage to water, sewerage, gas, electricity, telecommunications and other similar services situated between the property of the insured and the public supply or mains the property of the insured or for which the insured is legally responsible.

## Specific condition applicable to Sub-Section A

### Average

If the Property Insured is, at the commencement of any Damage to such Property by any peril insured against, collectively of greater value than the sum insured thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. This condition shall apply to the individual units and not to the Scheme as a whole.

## Clauses and Extensions applicable to Property Insured by Sub-Section A

### 1 Accidental death and emergency expenses shortfall benefit

If any security guard, caretaker, building supervisor or gardener in the permanent employment of the Insured is the victim of unlawful physical assault which occurs in the course and scope of his/her employment, the Company will pay to the Insured, on behalf of such employee or employee's estate, up to the limits stated in the schedule in respect of:

1.1 emergency costs and expenses incurred by the Insured and/or employee as a direct result of such assault excluding any amounts as may

1.1.1 fall within the scope of any Act in terms of which any employee may claim compensation for work related injuries. This exclusion shall apply regardless of whether or not the applicable legislative fund is capable of providing or able to provide compensation;





1.1.2 be payable by a registered Medical scheme including any amounts payable from a member's Medical scheme Savings account.

1.2 accidental death of the employee directly caused by and occurring within three months of such assault.

The Company's maximum liability under this extension per event shall be the limit as stated in the schedule.

## **2 Animal kennelling**

The Company will indemnify the Insured for the cost of animal kennelling following damage to a Unit or number of Units where the owner(s) or tenant of the unit is required to vacate the unit in order to give effect to reinstatement and/or repair of the unit up to the limit as stated in the schedule.

## **3 Architect's and other professional fees clause**

The insurance under this Section includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the Property Insured following Damage by a defined event, but in no case exceeding 15% of the reinstatement and/or replacement costs and provided that the total claim amount shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include costs incurred in connection with the preparation of the Insured's claim.

## **4 Automatic sprinkler system update clause**

Costs and expenses necessarily incurred by the Insured in complying with any legal requirements to upgrade or replace undamaged portions of any automatic sprinkler system, or automatic drencher, gas or foam installation following Damage by an insured peril limited to the amount stated in the schedule per event. Cover will only apply if the insured can produce evidence of a current ASIB certificate at the time of the loss.

## **5 Bacterial infection**

The insurance under this Section is extended to include costs required to procure professional contract bacterial disinfection services to the interior of any building as a result of the interior having been subjected to sewage or waste-water back-flooding. The costs are limited to the amount stated in the schedule and the insured shall be responsible for the first amount payable as stated in the schedule.

## **6 Capital additions**

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property up to an amount not exceeding 15% of the Sum Insured on condition that the Insured advises the Company each quarter (or if the period of insurance is more often than quarterly, each month) of such alterations, additions and improvements and to pay to the Company the appropriate additional Premium thereon.

## **7 Cost of demolition, clearing and erection of hoardings**

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

The Company will not pay for any costs or expenses

7.1 incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site

7.2 arising from pollution or contamination of property not insured by this Policy/Section

## **8 Damage to landscaped gardens**

The insurance under this Section includes costs up to the amount stated in the schedule reasonably and necessarily incurred by the Insured and as required for the replacement of trees, shrubs, lawns, plants and fixed sprinkler installations installed on the Insured Property following loss or damage caused by fire, fire-fighting or other emergency services operations, explosion, impact by vehicles or aircraft or other aerial devices or articles dropped therefrom, deliberate or malicious acts but excluding theft and provided that the total amount payable shall not exceed the sum insured on the property stated in the schedule.





## 9 Escalator clause extension

The sum(s) insured under Sub-Section A of this Section shall be increased as follows:

- 9.1 during the period of insurance the percentage specified in the schedule reflected against "current insurance period", which the number of days since the commencement of such period bears to the whole of such period;
- 9.2 at the time of any damage to Property Insured under Sub-Section A by any peril insured against, the sum(s) insured at such time shall be increased by the percentage specified in the schedule reflected against "further reinstatement period".

## 10 Fire extinguishing charges

Any costs relating to the extinguishing or fighting of fire shall be deemed to be Damage to the Insured Property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section provided the Insured is legally liable for such costs and the Property Insured was in danger of destruction in part or in whole from the fire.

## 11 Furniture temporary storage and transit

In the event of Damage to Insured Property where it becomes necessary to remove and store furniture and other personal effects belonging to any unit owner in a storage facility the Company will reimburse the Insured for such costs incurred per event up to the limit as stated in the schedule.

Under no circumstances will the Company compensate the Insured for loss or damage to such furniture or personal effects.

The costs under this extension are limited to the time period as may be reasonably required to reinstate the damaged property with an additional period of seven days added thereto.

## 12 Generators

If, in the event of Damage to any electrical reticulation installed on the Insured Property by an insured peril, it becomes necessary to hire a generator(s) (including power connecting cables and reticulation) in order to continue to provide electrical power to the Insured Property as existed prior to such Damage, then the Company will pay for the costs incurred for such hire but only for the period necessary to repair or replace such electrical reticulation up to the amount stated in the schedule.

## 13 Home modifications – this extension only applies to residential buildings insured under this Section.

The Company shall at its discretion contribute up to the limit stated in the schedule towards the costs of altering or modifying any Unit and/or Property Insured following an insured event where such event resulted in permanent disability to the owner of the Unit.

## 14 Leakage extension

The Company will indemnify the Insured for damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installation/appliance

## 15 Locks and keys

The Company will indemnify the Insured for the cost of replacing Locks, Keys and access devices to the insured premises following a loss for which the Company has admitted liability under peril 10 (Theft by forcible and violent entry or exit) up to the limit as stated in the schedule.

## 16 Loss of water

The Company will indemnify the Insured for the increased units of water resulting from leaking pipes in any Unit or on the common property on the Insured Property as stated in the schedule provided that the Insured may be held legally liable to pay for such costs subject to the following:

- 16.1 the Company will only indemnify the Insured if the meter reading for four consecutive months confirms that the average unit count of water has exceeded 50%
- 16.2 if the Insured discovers a leak, either by physical evidence or from an abnormally high water bill, the Insured must take immediate steps to repair the pipes at their own cost or the Company will not indemnify the Insured for the costs of the loss of water
- 16.3 the Company will not indemnify the Insured for water lost from:
  - 16.3.1 leaking taps, geysers, or toilet systems and storage tanks;
  - 16.3.2 swimming pools or leaks in their inlet or outlet pipes;
  - 16.3.3 leaks resulting where the building is unoccupied for more than 30 consecutive days.



- 16.3.4 as a result of the deliberate act of the Insured or any person acting on his behalf
- 16.3.5 for the cost of refilling of swimming or other pools or ponds whether following leakage or otherwise

- 16.4 the Insured can claim for a maximum of two separate events in every 12-month period.
- 16.5 the Company will indemnify the Insured up to the limit as stated in the schedule.

## **17 Maintenance and cleaning equipment – this Extension only applies to non-residential buildings insured under this Section.**

This policy is extended to include cover to such equipment as a result of loss or damage caused by perils 1 (Fire), 3 (Aircraft), 5 (Earthquake), 7 (Impact), 9 (Storm and Water) and 10 (Theft by forcible and violent entry or exit) of the policy up to the limit stated in the schedule.

## **18 Malicious damage extension**

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained herein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such loss or Damage other than loss or Damage to

- 18.1 movable property which is
  - 18.1.1 stolen
  - 18.1.2 damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured
- 18.2 movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured
- 18.3 immovable property owned or occupied by the Insured occasioned by or through or in consequence of
  - 18.3.1 the removal or partial removal or any attempt thereof of
  - 18.3.2 the demolition or partial demolition or any attempt thereof ofthe said immovable Property or any part thereof with the intention of stealing any part thereof.

Provided this extension does not cover

- 18.1 loss or damage related to or caused by fire or explosion
- 18.2 consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured
- 18.3 loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation
- 18.4 loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority
- 18.5 loss or damage related to or caused by an occurrence referred to in General Exception 8.1.1, 8.1.2, 8.1.3, 8.1.4, 8.1.5, 8.1.6 or 8.1.7 of this Policy or the act of any lawfully established authority in controlling preventing or suppressing or in any other way dealing with such occurrence

If the Company alleges that, by reason of proviso 18.1, 18.2, 18.3, 18.4, or 18.5, loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

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

During the period of the initial unoccupancy of 30 consecutive days the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before the deduction of any first amount payable.

## **19 Municipal plans scrutiny fee clause**

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

## **20 Public authorities' requirements clause**

The insurance under this Section includes such additional cost of repairing or rebuilding the damaged Property incurred solely by reason of the necessity to comply with building or other regulations under, or



framed in the pursuance of any act of parliament or ordinance of any provincial, municipal or other local authority, provided that:

- 20.1 the amount payable under this clause shall not include
  - 20.1.1 the cost incurred in complying with any of the aforesaid regulations
    - 20.1.1.1 in respect of damage occurring prior to the granting of this clause
    - 20.1.1.2 in respect of damage not insured by this Section
    - 20.1.1.3 under which notice has been served upon the Insured prior to the happening of the damage
    - 20.1.1.4 in respect of undamaged Property or undamaged portions of Property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged
  - 20.1.2 the additional cost that would have been required to reinstate the Property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen
  - 20.1.3 the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the Property or by the owner thereof by reason of compliance with any of the aforesaid regulations
- 20.2 the work of repairing or rebuilding must be commenced and carried out with reasonable dispatch and may be carried out wholly or partially on another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased
- 20.3 if the liability of the Company under any item of this Section apart from this clause shall be reduced by the application of any of the terms, exceptions and conditions of this Section, then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion
- 20.4 the total amount payable under any item of this Section shall not exceed the sum insured thereby.

## **21 Railway and other subrogation clause**

The Insured shall not be prejudiced by signing the "Transnet cartage (hazardous premises) indemnity" or other special agreements with the Transnet administration regarding private sidings or similar agreements with other government bodies.

## **22 Reinstatement value conditions**

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

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



22.4.2 the Insured are unable or unwilling to replace or reinstate the Property on the same or another site

### **23 Removal of trees**

The Company will pay for the cost of removing trees (including parts of trees) that have fallen on and caused damage to the Property Insured up to the amount stated in the schedule.

### **24 Riot and strike extension (excluding loss or damage occurring in the Republic of South Africa and Namibia) (if stated in the schedule to be included)**

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained therein Sub-Sections A, B and C of this Section are extended to cover loss or Damage directly occasioned by or through or in consequence of:

- 24.1 civil commotion, labour disturbances, riot, strike or lockout;
- 24.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 24.1 above;

Provided that this extension does not cover:

- 24.1 loss or damage occurring in the Republic of South Africa and Namibia;
- 24.2 consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- 24.3 loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- 24.4 loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- 24.5 loss or damage related to or caused by any occurrence referred to in General Exception 8.1.2, 8.1.3, 8.1.4, 8.1.5, 8.1.6 or 8.1.7 of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Company alleges that, by reason of proviso 24.1, 24.2, 24.3, 24.4 or 24.5, loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

### **25 Security services**

The Company will indemnify the Insured for the cost of hiring security guards and/or security services to protect the Property Insured as a result of such Property being damaged by an insured peril up to the amount stated in the schedule.

### **26 Subsidence and landslip – limited cover**

The Company will indemnify the Insured against loss or damage caused by subsidence and landslip other than loss or damage caused to or by:

- 26.1 drains, water courses, boundary walls, garden walls, screen and retaining walls, gate posts, gates; fences, driveways, paving, swimming pool borders or tennis courts;
- 26.2 or attributable to faulty design, insufficient compacting or filling, poor construction;
- 26.3 removal or weakening of support;
- 26.4 structural alterations, additions or repairs;
- 26.5 surface or subterranean excavations except those performed during mining operations;
- 26.6 normal settlement, shrinkage or expansion;
- 26.7 contraction or expansion of clay and similar soil types due to its moisture or water content;
- 26.8 existing damage at inception of this extension;
- 26.9 consequential loss of any kind whatsoever except loss of rent.

Should the Company allege cover under this extension does not apply the Insured shall have the burden of proving the contrary.

### **27 Subsidence and landslip extended cover (if stated in the schedule to be included)**

The following peril is added to the perils applicable to Sub-Section A:

Loss or damage caused by subsidence or landslip

Provided that the Insured shall bear the first amount payable as stated in the schedule of each and every claim.



This extension does not cover

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

Should the Company allege that, by cover under this extension does not apply, the Insured shall have the burden of proving the contrary.

## **28 Temporary removal clause**

Except insofar as otherwise insured, landlord's fixtures and fittings are covered while temporarily removed to any other premises including transit by road, rail or inland waterway anywhere within the Republics of South Africa and Botswana, the Kingdoms of Eswatini and Lesotho and the Republics of , Malawi, Namibia and Zimbabwe.

Provided that the amount payable under this clause shall not exceed that which would have been payable had the loss occurred on the premises from which the property is temporarily removed.

## **29 Tenants clause**

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

## **30 Theft of landlord's exterior fixtures and fittings (if stated in the schedule to be included)**

The following peril is added to the perils applicable to Sub-Section A:

"theft of exterior landlord's fixtures and fittings removed by forcible and violent means from the building, limited to the amount stated in the schedule. If any building or part of the building insured becomes unoccupied for 30 consecutive days cover will be suspended as regards such unoccupied building unless the Insured before the occurrence of damage obtains the written agreement of the Company to provide cover in terms of this peril. In the event that the Company has been duly notified and the Company has agreed to provide cover in terms of this peril, the Insured shall during the period of the initial unoccupancy become a co-insurer with the Company and shall bear a rateable proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before deduction of any first amount payable".

## **31 Unit owners clause**

The insurance by this Section shall not be invalidated by any act or omission by the owner of a unit whereby the risk of loss, destruction or damage or liability is increased provided that the Insured shall notify the Company as soon as such act or omission comes to their knowledge and pay any additional Premium for the time such increased hazard shall have been assumed by the Company.

## **Sub-Section B - Loss of rent**

Loss of rent as a result of the Property Insured or any part thereof being so damaged by any of the perils specified in Sub-Section A as to be rendered untenable but only for the period necessary for reinstatement and for an amount not exceeding the amount as stated in the schedule or the sum insured on the portion(s) affected. The basis of calculation shall be:

- 1 the annual rental value of the unfurnished section(s) if it was permanently occupied by the owner;
- 2 the annual rent of the unfurnished section(s) if it was tenanted at the time of the damage.



## Sub-Section C – Geyser replacement

### Defined event

This Sub-Section covers the replacement of geysers installed in the buildings insured under Sub-Section A due to any rupturing or leaking that may arise from impact, rust, decay, gradual deterioration, wear and tear or hidden defects in the geyser or its components.

### Definition of a geyser

For the purposes of this Sub-Section a geyser shall mean:

any system or device (excluding boilers, pressure vessels, economisers or super heaters but including heat pumps, gas geysers solar geysers and integrated systems) used solely for the heating of water, including all its components and piping within two metres from the system or device.

### Limit of liability

The maximum liability of the Company under this Sub-Section for any one geyser shall be limited to the amount for which the Company's specialist geyser replacement facility is able to replace the geyser.

### Specific conditions applicable to Sub-Section C

#### 1 Replacement of electrical geyser with an environmentally friendly option

In the event of the Company admitting liability and a new electrical geyser is to be installed, the Insured may opt to replace the existing electrical geyser with a gas or solar geyser, a hybrid solar system, heat pump or induction heating geyser provided that the maximum amount that the Company will pay is limited to

- 1.1 the amount that the Company would have paid for a conventional electrical geyser plus
- 1.2 the amount that the Insured would have received from Eskom as a rebate. This is conditional upon the Insured ceding such rebate to the Company's contracted geyser replacement specialists plus
- 1.3 any additional amount reflected in the schedule as environmentally friendly additional amount.

#### 2 Reporting of damage

Loss or Damage to geysers must be reported to the Company's call centre on 0860 24 7 365 so that the claim can be administered through the Company's specialist geyser replacement facility.

Non-compliance with this requirement will not result in the claim being rejected but the maximum amount payable for any costs incurred by the Insured in respect of the replacement of any geyser shall not exceed the amount for which the Company's specialist geyser replacement facility is able to replace such geyser.

### Specific exceptions applicable to Sub-Section C

The Company shall not be liable for:

#### 1 Consequential loss

consequential loss of any kind whatsoever;

#### 2 Failure of supply

loss or damage directly or indirectly caused by or contributed to or arising from the failure of and/or the deliberate withholding and/or lack of supplies of water, gas, electricity or fuel;

#### 3 Faulty design

loss or damage directly or indirectly caused by or contributed to or arising from faulty or defective design;

#### 4 First amount payable

the first amount payable, as stated in the schedule. Such first amount payable is payable directly to the contractor appointed by the Company's call centre.

#### 5 Manufacturer's guarantee

any loss or damage that is or should be covered by the manufacturer's guarantee or warranty. The Company shall not provide cover in the circumstance where the terms of the manufacturer's guarantee or warranty has been breached by the Insured;





## Sub-Section D – Electrical geyser Maintenance

### Defined Event

Costs for emergency repairs or replacement of part(s) or components arising from the bursting, leaking, overflowing or non-functioning of the electrical geyser and any other related electrical geyser components as defined hereunder.

### Definition of an electrical geyser

For the purposes of this Sub-Section an electrical geyser shall include:

- 1 control valves;
- 2 stop cocks, inlet pipes and fittings installed no more than 1.5 metres from the geyser unit for the purpose of controlling the water flow to the geyser unit only;
- 3 drain cocks
- 4 safety valves
- 5 vacuum breaker(s)
- 6 elements
- 7 thermostats
- 8 drip trays
- 9 feeder tank valves

### Limit of liability

Unlimited emergency repairs for loss or damage following the events defined herein.

### Specific conditions applicable to Sub-Section D

#### 1 Manufacturer's warranty period

Where the electrical geyser falls within the manufacturer's warranty or guarantee period, the manufacturer will be contacted on behalf of the Insured to handle such manufacturing warranty failure.

#### 2 Reporting of defined event

Any defined event must be reported to the Company's call centre on 0860 24 7 365 for cover to operate and in no instance will the Company's call centre refund any service provider who carried out repairs without the prior approval of the Company's call centre and such costs will be for the Insured's account.

### Specific Exceptions

The Company shall not be liable for:

#### 1 Call out cost

the call out cost to attend to

- 1.1 ripple relays;
- 1.2 faulty circuit breakers;
- 1.3 tripped isolator switch;
- 1.4 tripped earth leakage;
- 1.5 tripped geyser mains.

#### 2 Compliance certificate

repairs to obtain compliance certificates;

#### 3 Consequential loss

consequential loss of any kind whatsoever;

#### 4 Failure of supply

loss or damage directly or indirectly caused by or contributed to or arising from the failure of and/or the deliberate withholding and/or lack of supplies of water, gas, electricity or fuel including but not limited to the non-payment of electricity, water and other local governmental, municipal, service agency, any other private or body corporate services account;



## **5 Faulty design**

loss or damage directly or indirectly caused by or contributed to or arising from faulty or defective design;

## **6 First amount payable**

the first amount payable, as stated in the schedule. Such first amount payable is payable directly to the contractor appointed by the Company's call centre.

## **7 Follow-up or preventative maintenance**

loss or damage directly or indirectly caused by or contributed to or arising from events requiring follow-up maintenance or preventative maintenance not affected as prescribed by the manufacturer of the electrical geyser covered under this Section of the policy;

## **8 Integrated or split heat pump geyser systems**

maintenance services on integrated or split heat pump geyser systems;

## **9 Isolator switches and non-return valves**

electrical isolator switches and consequential replacement of non-return valves on unbalanced water systems. Unbalanced water systems results from the installation of water mixer apparatus at the Insured Property without the installation of accompanying water pressure release valves or non-return valves to prevent geyser bursts or leaks;

## **10 Leak detection**

any water and/or any other leak detection services;

## **11 Manufacturer's warranty**

11.1 any loss or damage that is covered by the manufacturer, installer or supplier's guarantee or warranty;

11.2 services and/or repairs to equipment and/or installations still under manufacturer warranty;

## **12 Pipes and fittings**

any loss or damage to cold and hot water supply pipes and fittings;

## **13 Power surge**

damage to geyser components caused by power surges or any other external cause including but not limited to events such as ripple relay switching, load shedding or equipment such as power generators, power generating or power back-up equipment, heat pumps and any maintenance resulting therefrom;

## **14 Repair or replacement work**

loss or damage directly or indirectly caused by or contributed to or arising from any subsequent destruction or damage to the electrical geyser installation following repair or replacement work carried out by the Insured on the Insured Property;

## **15 Routine installations**

routine installations, electrical connections and installations and/or connections of any sort not related to the electrical geyser;

## **16 SANS 10254-2004**

any loss or damage after the geyser inspection or services provided by a service provider appointed by the Company's call centre finds that the geyser installation does not comply with the SANS 10254-2004 (as amended from time to time) and the Insured was notified of such non-compliant installation by registered letter and the Insured failed to ensure that the geyser installation is maintained and compliant with the SANS 10254-2004, no cover shall be afforded under this Sub-Section for subsequent damage to such installation.

## **17 Solar, gas or photovoltaic panels**

emergency geyser maintenance services, including parts, on geyser systems operating on solar, gas or photovoltaic panels;

## **18 Solar geysers and heat pump systems**

any loss or damage to solar geysers and heat pump systems however, in the event of the non-functioning of such systems, the following services will be provided:





Where the solar geyser or heat pump systems falls

- 18.1 outside of its manufacturer, supplier or installer's warranty period, an approved installer or plumbing and/or electrical service provider will be dispatched to provide a free assessment of the failure to the Insured. No repair or maintenance service costs will be covered under this Sub-Section of the policy.
- 18.2 within its manufacturer, supplier or installer's warranty period the relevant guarantor, if available, and upon request from the Insured, will be contacted on behalf of the Insured to handle such warranty failure. In this instance the onus is on the Insured to provide the company's call centre with the guarantor's information.

## General clause applicable to Sub-Sections A and B

### Mortgagee Clause

It is hereby specially agreed that:

- 1 This insurance as to the interest of the mortgagees in the buildings, improvements, landlord's fixtures and rent insured only shall not be invalidated by:
  - 1.1 any act or neglect of the body corporate or any of the owners of units as defined in the Sectional Titles Act No. 95 of 1986, or as amended or replaced; or
  - 1.2 any misrepresentation or non-disclosure by the body corporate or any of the owners of sections at the time when the insurance is effected or renewed or during the currency thereof; or
  - 1.3 the alienation of Property; or
  - 1.4 the occupation thereof for purposes which poses a risk in excess of that permitted by the policyProvided that
  - 1.1 such act, neglect, misrepresentation, non-disclosure, alienation or occupation shall have been effected without the knowledge or privity of the mortgagees; and
  - 1.2 the mortgagee shall notify the Company of the happening or existence of such act, neglect, misrepresentation, non-disclosure, alienation or occupation as soon as the same shall come to his or her knowledge; and
  - 1.3 the mortgagee shall on reasonable demand pay any additional Premium for any increase in risk thereby created from the time such increased risk may be or shall have been assumed by the Company during the continuance of this insurance; and
  - 1.4 any compensation payable in terms of this Section shall be payable direct to the mortgagees of the particular unit in the order of preference of their bonds up to the value allocated to the particular unit in this Policy or the aggregate of the amounts due by the unit owner to the mortgagees under their mortgage bonds whichever is the lesser.
- 2 As regards this clause the specific condition average, applies to the individual units (excluding the owner's interest in the land) and not to the Property as a whole
- 3 No amount shall be payable in terms of this Policy except in the event of actual physical damage to or destruction of the Insured Property, notwithstanding that the Insured Property may have been deemed to have been destroyed in terms of Section 48 of the Sectional Titles Act, No. 95 of 1986, as amended or replaced from time to time, and the provisions of that section shall not apply in regard to the application or interpretation of this Policy.



## SECTION 02 GROSS RENTALS

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

**1 Annual Gross Rentals**

shall mean the Gross Rentals during the twelve months immediately before the date of the Damage adjusted in terms of Clause 2 (Adjustment Clause)

**2 Gross Rentals**

shall mean the money paid or payable to the Insured by tenants in respect of rental of the premises and for services rendered

**3 Indemnity Period**

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

**4 Standard Gross Rentals**

shall mean the Gross Rentals during that period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period adjusted in terms of Clause 2 (Adjustment Clause)

### Defined Events

Loss following interruption of or interference with the Business in consequence of Damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under Section 1 Buildings but only in respect of defined events insured under Sub-Section A – Property of Section 1 hereof (hereinafter termed Damage).

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

The Company will indemnify the Insured in accordance with the provisions as set out below.

### Specific conditions

**1 Business rescue proceedings**

The insurance under this Section shall cease if the Business is subject to business rescue proceedings as defined in the Companies Act or is permanently discontinued, except with the written agreement of the Company.

**2 Claims**

On the happening of any Damage in consequence of which a Claim may be made under this Section, the Insured shall, in addition to complying with General Conditions 3 (Claims) and 5 (Company's rights after an event), with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss, and in the event of a Claim being made under this Section shall, not later than 30 days after the expiry of the Indemnity Period, or within such further time as the Company may in writing allow, at their own expense deliver to the Company in writing a statement setting forth particulars of their Claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No Claim under this Section shall be payable unless the terms of this Specific Condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the Claim already made shall be repaid to the Company forthwith.



## Specification

### 1 Item 1 Gross Rentals

The insurance under this item is limited to

**1.1 loss of Gross Rentals** and

**1.2 increase in cost of working**

and the amount payable as Indemnity hereunder shall be

**1.1 in respect of loss of Gross Rentals**

the amount by which the Gross Rentals during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Rentals

**1.2 in respect of increase in cost of working**

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Rentals which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the amount of the loss of Gross Rentals thereby avoided

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

## Extensions and Clauses

### 1 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.

### 2 Adjustment Clause

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

If the Damage occurs before the completion of the first year's trading of the Business at the premises, the value of annual Gross Rentals and Standard Gross Rentals shall be calculated by using values proportionate to the results obtained during the period between the commencement of the Business and the date of Damage.

If, during the Indemnity Period, goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Gross Rentals, during the Indemnity Period.

### 3 Prevention of Access

If property within a 15 km radius of the premises stated in the schedule is lost or Damaged by a peril defined in Section 1 Buildings during the period of insurance and this prevents or hinders the use of or access to the property insured by this Section, the Company will pay any loss of rent the Insured may incur as a result thereof up to the sum insured as stated in the schedule on the affected property. The basis of calculation shall be the rent receivable (for an unfurnished unit) immediately preceding the Damage.

Unless stated to the contrary in the schedule, any Claim under this extension is restricted to 90% of the sum insured and is subject to the resulting amount not exceeding R300 000 000.







## SECTION 03 ACCIDENTAL DAMAGE

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

#### 1 Insured Property

Shall mean any tangible Property belonging to the Insured or held in trust or on commission for which the Insured is responsible for other than

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

unless stated in the schedule to be insured.

### Defined events

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

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

and

notwithstanding General Condition 12 (Other Insurance), this Section shall not be called into contribution for any Defined Event for which more specific insurance has been arranged.

### Specific exceptions

The Company shall not be liable for

#### 1 Altering or cleaning

loss of or damage to Insured Property caused by altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;

#### 2 Breakdown, derangement or power surge

loss of or damage to Insured Property caused by breakdown, electrical, electronic and/or mechanical derangement or power surge;



### **3 Chemicals or liquids**

3.1 loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;

3.2 loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;

### **4 Collapse**

collapse of plant and machinery, buildings and structures (other than shelving or storage platforms);

### **5 Denting or chipping**

loss of or damage to Insured Property caused by denting, chipping, scratching or cracking which does not affect the functionality of the Insured Property claimed for other than in respect of marble and granite tops, but limited to the amount stated in the schedule any one event;

### **6 Detention**

detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process

### **7 Failure of supplies of water etc.**

failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;

### **8 Fault or defect**

loss of or damage to Insured Property caused by fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;

### **9 Fraud**

loss of or damage to Insured Property resulting from or caused by or in connection with any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the Insured Property) or fraud or the dishonesty of any principal or agent of the Insured;

### **10 Overheating**

loss of or damage to Insured Property caused by overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;

### **11 Pair or set**

more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;

### **12 Perils and circumstances otherwise excluded**

any peril excluded or circumstance precluded from any other insurance available from the Company at inception hereof or for any first amount payable by the Insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;

### **13 Settlement or bedding down**

settlement or bedding down, landslip, ground heave or cracking of structures or the removal or weakening of support to any Insured Property;

### **14 Termites, insects or vermin**

loss of or damage to Insured Property caused by termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;

### **15 Unexplained disappearance**

unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information.



## Clauses, Extensions and Limitations

### 1 Additional costs clause

In respect of buildings, plant and machinery insured, the Sum Insured includes

- 1.1 any costs incurred, due to the necessity to comply with building or other regulations of any public authority, in repair or reinstatement following an Insured Event, provided that such costs do not include
  - 1.1.1 anything for which notice had been served on the insured prior to the Insured Event
  - 1.1.2 anything connected with undamaged Property or undamaged portions of Property
  - 1.1.3 rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the Insured Property
- 1.2 fees for the examination of municipal or other plans
- 1.3 costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding
- 1.4 the professional fees of architects, quantity surveyors and other consultants

and the Sum Insured on all Insured Property includes

- 1.5 charges levied by any authorised fire brigade for their services

but the Company shall not be liable under 1.1, 1.2 or 1.4 unless the lost or damaged Property is replaced or reinstated without undue delay nor under 1.4 for any expenses in connection with the preparation of the insured's claim.

Further, the Company shall not be liable under 1.3 for any costs or expenses

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

### 2 Average clause (if stated in the schedule to be included)

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

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

### 3 Excluded property (if stated in the schedule to be included)

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

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

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

### 5 Mortgagees clause

- 5.1 This insurance, as to the interest of the mortgagees in the buildings, improvements, landlord's fixtures and rent insured only shall not be invalidated by,
    - 5.1.1 any act or neglect of the Body Corporate or any of the owners of units as defined in the Sectional Titles Act No. 95 of 1986 as amended or replaced; or
    - 5.1.2 any misrepresentation or non disclosure by the Body Corporate or any of the owners of sections at the time when the insurance is effected or renewed during the currency thereof, or
    - 5.1.3 the alienation of the property; or
    - 5.1.4 the occupation thereof for purposes which poses a risk in excess of that permitted by the policy
- provided that,





- 5.1.1 such act, neglect, misrepresentation, non-disclosure, alienation or occupation shall have been effected without the knowledge or privity of the mortgagee; and
  - 5.1.2 the mortgagee shall notify the Company of the happening or existence of such act, neglect, misrepresentation, non-disclosure, alienation or occupation as soon as same shall come to his or her knowledge; and
  - 5.1.3 the mortgagee shall on reasonable demand pay any additional premium for any increase in risk thereby created from the time such increased risk may be or shall have been assumed by the Company during the continuance of this insurance; and
  - 5.1.4 any compensation payable in terms of this section shall be payable direct to the mortgagees of the particular unit in the order of preference of their bonds up to the value allocated to the particular unit in this policy or the aggregate of the amounts due by the unit owner to the mortgagees under their mortgage bonds whichever is the lesser.
- 5.2 No amount shall be payable in terms of this policy except in the event of actual physical Damage to or destruction of the Insured Property, notwithstanding that the Insured Property may have been deemed to have been destroyed in terms of Section 48 of the Sectional Titles Act, No. 95 of 1986, as amended or replaced from time to time, and the provisions of that section shall not apply in regard to the application or interpretation of this policy.

## **6 Owners Clause**

The insurance by this section shall not be invalidated by any act or omission by the owner of a Unit whereby the risk of loss, destruction or damage or liability is increased provided that the Insured shall notify the Company as soon as such act or omission comes to their knowledge and pay any additional premium for the time such increased hazard shall have been assumed by the Company.

## **7 Railway and other subrogation clause**

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

## **8 Reinstatement (if stated in the schedule to be included)**

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

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

## **9 Tenants clause**

The Company's liability to the Insured shall not be affected by any act or omission on the part of any tenant (other than the Insured) without the Insured's knowledge. The Insured shall, however, inform the



Company as soon as any such act or omission which is a contravention of any of the terms, exceptions or conditions of this section comes to their knowledge and will be responsible for any additional premium payable from the date any increased risk was assumed by the Company.





## SECTION 04 OFFICE CONTENTS

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

#### 1 Electronic Data Processing Equipment

shall mean computers and all related hardware, peripherals and computer software and the information or data stored therein or thereon.

#### 2 Documents

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

### Defined Events

- 1 Loss of or damage to the contents of the office (other than Documents as defined in Sub-Section C if insured thereunder and Electronic Data Processing Equipment) situated at the premises as stated in the schedule and used by the Body Corporate including landlord's fixtures and fittings the Property of the Insured or for which they are responsible by any of the perils specified in Sub-Section A.
- 2 Loss of or damage to the whole or part of the Property Insured under item C and defined in Sub-Section C and the consequences thereof insured under item D and as described in Sub-Section D.
- 3 Loss and/or expenditure described in Sub-Sections B and E.

### Sub-Section A Contents

#### Perils

##### 1 Fire

fire, lightning, thunderbolt, subterranean fire, explosion

##### 2 Accidental breakage of mirror glass

accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.

Specific condition average shall not apply to this peril

##### 3 Aircraft

aircraft and other aerial devices or articles dropped therefrom

##### 4 Earthquake

earthquake but excluding loss of or damage to property in the underground workings of any mine

##### 5 Impact

impact by falling objects, animals, trees, aerials, satellite dishes or vehicles excluding damage to such falling objects, animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles



## 6 Storm and water

Storm, wind, water, hail or snow excluding loss of or damage to Property arising from its undergoing any process necessarily involving the use or application of water

### Limitations clause

The Company's liability under this Sub-Section is restricted in respect of Documents, manuscripts, business books, plans, designs, patterns, models and moulds to the value of materials and sums expended in labour.

### Specific condition

#### Average

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

### Specific exceptions applicable to Sub-Section A (Contents)

This Sub-Section does not cover

#### 1 Designs etc.

designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of subsection A), stock in trade, samples, motor vehicles and accessories therefor, money, securities, stamps, jewellery or precious stones

#### 2 Power surge and lightning strikes

the first amount payable as reflected in the Policy Schedule if the loss or damage is due to power surge or lightning strikes.

#### 3 Territorial limits

property outside the Republics of South Africa and Botswana, the Kingdoms of Eswatini and Lesotho and the Republics of Malawi, Namibia and Zimbabwe.

## Sub-Section B Rent

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

For the purpose of this Sub-Section, the term "office premises" shall be deemed to extend to any premises or portion thereof in the vicinity of the office premises, damage to which prevents or limits access to the office premises.

## Sub-Section C Documents

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

### Limitations clause

The Company's liability under this Sub-Section is limited to all costs, charges and expenses incurred by the Insured in replacing or restoring such Documents.

### Specific exceptions applicable to Sub-Section C (Documents)

This Sub-Section does not cover

#### 1 Dishonesty

loss or damage caused by the dishonesty of any trustee, principal, partner or director of the Insured whether acting alone or in collusion with others. This exception shall not apply to any director who is also an employee of the Insured and whom the Insured has the right at all times to govern, control and direct in the performance of his work in the service of the Insured and in the course of the business



## **2 Electronic or magnetic injury**

loss or damage caused by electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning in which case the amount payable will be reduced by the first amount payable as stated in the Policy Schedule

## **3 Gradual deterioration**

gradual deterioration or wear and tear

## **4 Reshooting of films**

costs involved in reshooting films and videos and rerecording audio tapes

## **5 Vermin etc.**

loss or damage caused by vermin or inherent defect or by processing, copying or other work upon the Documents

## **Sub-Section D Legal Liability Documents**

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

### **Specific exceptions applicable to Sub-Section D (Legal liability Documents)**

#### **1 Liability assumed by agreement**

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

#### **2 War and terrorism**

in respect of this Sub-Section only, General Exception 9 (War, riot and terrorism) is deleted and replaced by the following:

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

## **Sub-Section E Increase in Cost of Working**

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

The indemnity under this Sub-Section shall not exceed the percentage as stated in the Policy Schedule of the Sum Insured on all contents of the office premises affected.

## **Clauses, Extensions and Limitations**

### **1 Alterations and misdescription clause**

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

### **2 Capital additions clause to Sub-Section A (Contents)**

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the Sums Insured) to the Property for an amount not exceeding 20 per cent of the Sum Insured thereon, it being understood that the Insured undertakes to advise the Company each quarter (or if the period of insurance is more often than quarterly, each month) of such alterations, additions and improvements and to pay the appropriate additional premium thereon.



### 3 Fire extinguishing charges clause

Any costs relating to the extinguishing or fighting of fire shall be deemed to be damage to the Insured Property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided the Insured is legally liable for such costs and the Insured Property was in danger of destruction in part or in whole by such fire.

### 4 Locks and keys extension to Sub-Section A (Contents)

In addition to the limit of indemnity stated in the schedule, the Company will indemnify the Insured in respect of the cost of replacing locks and keys to any insured office premises following upon the disappearance of any key to such premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that the Company's liability shall not exceed the amount stated in the Policy Schedule in respect of any one event and that the Company shall not be liable for the first amount payable as stated in the Policy Schedule for each and every event.

### 5 Malicious damage extension to Sub-Sections A (Contents), B (Rent) and C (Documents)

Subject otherwise to the Terms, Conditions, Exceptions and Warranties contained therein, Sub-Sections A, B and C are extended to cover damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such damage, other than damage to

- 5.1 movable Property which is
    - 5.1.1 stolen
    - 5.1.2 damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured
  - 5.2 movable or immovable Property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured
  - 5.3 immovable Property owned or occupied by the Insured occasioned by or through or in consequence of
    - 5.3.1 the removal or partial removal or any attempt thereof of
    - 5.3.2 the demolition or partial demolition or any attempt thereof ofthe said immovable Property or any part thereof with the intention of stealing any part thereof
- provided that this extension does not cover
- 5.1 damage related to or caused by fire or explosion
  - 5.2 consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured
  - 5.3 damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation
  - 5.4 damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
  - 5.5 damage related to or caused by any occurrence referred to in General Exception 9.1.1, 9.1.2, 9.1.3, 9.1.4, 9.1.5, 9.1.6 or 9.1.7 of this Policy or the act of any lawfully established authority of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Company alleges that, by reason of proviso 5.1, 5.2, 5.3, 5.4 or 5.5, loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

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

During the period of the initial unoccupancy of 30 consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before deduction of any first amount payable.

### 6 New and additional premises clause

If the Insured occupies offices or consulting rooms other than those situated as stated in the schedule in the Republics of South Africa and Botswana, the Kingdoms of Eswatini and Lesotho and the Republics



of Malawi, Namibia and Zimbabwe, the insurance by this Section shall apply as though such offices or consulting rooms were office premises within the meaning of this Section provided that

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

## **7 Owners Clause**

The insurance by this Section shall not be invalidated by any act or omission by the owner of a Unit whereby the risk of loss, destruction or damage or liability is increased provided that the Insured shall notify the Company as soon as such act or omission comes to their knowledge and pay any additional premium for the time such increased risk shall have been assumed by the Company.

## **8 Removal of debris clause**

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

The Company will not pay for any costs or expenses

- 8.1 incurred in removing debris except from the site of such Property destroyed or damaged and the area immediately adjacent to such site
- 8.2 arising from pollution or contamination of Property not insured by this Policy/Section.

## **9 Replacement value condition to Sub-Section A (Contents)**

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

or

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

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

## **10 Riot and Strike (excluding loss or damage occurring in the Republic of South Africa and Namibia) extension Sub-Sections A (Contents), B (Rent) and C (Documents) (if stated in the schedule to be included)**

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained therein, Sub-Sections A, B and C of this Section are extended to cover loss or damage directly occasioned by or through or in consequence of:

- 10.1 civil commotion, labour disturbances, riot, strike or lockout;
- 10.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 10.1 above;

provided that this extension does not cover:

- 10.1 loss or damage occurring in the Republic of South Africa and Namibia;
- 10.2 consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- 10.3 loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- 10.4 loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;





10.5 loss or damage related to or caused by any occurrence referred to in General Exception 9.1.2, 9.1.3, 9.1.4, 9.1.5, 9.1.6 or 9.1.7 of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Company alleges that, by reason of Proviso 10.1, 10.2, 10.3, 10.4 or 10.5, loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

### **11 Temporary removal clause**

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

### **12 Temporary repairs and measures after loss clause**

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

### **13 Tenants clause**

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

### **14 Theft by forcible entry extension**

The following peril is added to the perils applicable to Sub-Section A (Contents)

#### **7 Theft by forcible entry**

Theft accompanied by forcible and violent entry into or exit from the offices, foyer, clubhouse, gatehouse, reception and laundry, or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence provided that

- 7.1 the Company will not be liable under this extension for theft or attempted theft by any member, trustee or employee of the Body Corporate
- 7.2 the amount payable will be reduced by the first amount payable shown in the schedule for this extension
- 7.3 the maximum amount payable will not exceed the Sum Insured shown in the schedule for this extension less its first amount payable
- 7.4 specific condition average shall not apply to this peril.

### **15 Theft extension (if stated in the schedule to be included)**

The following peril is added to the perils applicable to Sub-Section A (Contents)

#### **7. Theft**

Theft or any attempt thereat other than by any member, trustee or employee of the Body Corporate provided that

- 7.1 the amount payable will be reduced by the first amount payable shown in the schedule for this extension
- 7.2 the maximum amount payable will not exceed the Sum Insured shown in the schedule for this extension less its first amount payable
- 7.3 specific condition average shall not apply to this peril.



## SECTION 05 GLASS

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

#### 1 Glass

Unless specifically agreed, all Glass (other than mirrors) insured by this Section is presumed to be plain plate/float glass not exceeding 6 mm in thickness, whether coated with a film or not, or laminated safety glass not exceeding 8.0 mm in thickness.

### Defined events

This Section shall operate only once the limit as stated in Section 1 Buildings has been exhausted.

Loss of or Damage to internal and external glass (including mirrors), sign writing and treatment thereon at the Insured premises as stated in the schedule, the Property of the Insured or for which they are responsible.

Following loss of or Damage to Glass the Company will also indemnify the Insured for

#### 1 Boarding up

the cost of such boarding up as may be reasonably necessary;

#### 2 Fixtures and fittings

the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the Glass;

#### 3 Shop fronts etc.

Damage to shop fronts, frames, window displays (including fixtures and fittings), burglar alarm strips, wires and vibrators as a direct result of such loss or Damage;

#### 4 Watchman

the cost of employment of a Watchman service prior to replacement of Glass or boarding up or the repair of the burglar alarm system, unless payable under any other insurance arranged by the Insured;

provided that the liability of the Company shall not exceed

- 1 for the replacement of Glass, signwriting and treatment - the sum insured as stated in the schedule applicable to the premises at which loss or Damage occurs;
- 2 for all other costs and expenses provided for by this Section and resulting from one occurrence or series of occurrences attributable to one source or original cause - in the aggregate the sum as stated in the schedule.

### Specific conditions

#### 1 Average

If the Property Insured is, at the commencement of any Damage to such Property by any peril insured against, collectively of greater value than the sum insured thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss or Damage accordingly. This condition shall apply to the individual units and not to the scheme as a whole.

### Specific Exceptions

The Company shall not be liable for



### **1 Cracked or broken**

glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by the Company

### **2 Defacement**

defacement or Damage other than fracture through the entire thickness of the glass or any laminate thereof

### **3 Fire etc.**

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

### **4 Stock in trade**

glass forming part of stock in trade

## **Clauses, Extensions and Limitations**

### **1 Riot and strike (excluding loss or Damage occurring in the Republic of South Africa and Namibia) (if stated in the schedule to be included)**

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

- 1.1 civil commotion, labour disturbances, riot, strike or lockout;
- 1.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 1.1 above;

provided that this extension does not cover:

- 1.1 loss or Damage occurring in the Republic of South Africa or Namibia;
- 1.2 consequential or indirect loss or Damage of any kind or description whatsoever, other than loss of rent if specifically Insured;
- 1.3 loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- 1.4 loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- 1.5 loss or Damage related to or caused by any occurrence referred to in General Exception 8.1.2, 8.1.3, 8.1.4, 8.1.5, 8.1.6 or 8.1.7 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 1.1, 1.2, 1.3, 1.4 or 1.5 loss or Damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

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

### **2 Special replacement extension (if stated in the schedule to be included)**

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



## SECTION 06 ALL RISKS

### Defined events

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

provided that the Insured shall be responsible for the first amount payable stated in the schedule in respect of each and every event except a Claim resulting from fire, lightning or explosion.

### Specific Condition

#### 1 Average

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

### Specific Exceptions

The Company shall not be liable for

#### 1 Bill of lading

loss of or Damage to goods consigned under a bill of lading;

#### 2 Breakdown or derangement

mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;

#### 3 Cash

loss or Damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;

#### 4 Cleaning or repair

loss of or Damage to Property resulting from or caused by its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration;

#### 5 Detention

loss of or Damage to Property resulting from or caused by detention, confiscation or requisition by customs or other officials or authorities;

#### 6 Dishonesty

loss of or Damage to Property resulting from or caused by the dishonesty of any trustee or employee of the Insured whether acting alone or in collusion with others;

#### 7 Inherent vice

loss of or Damage to Property resulting from or caused by inherent vice or defect, vermin, insects, damp, mildew or rust;

#### 8 Repair

loss or Damage during the fitting, adjustment, repair or dismantling of any Insured Property;

#### 9 Scratching

scratching, denting or chipping not affecting the functionality of the Insured Property;

#### 10 Theft from unattended vehicles

loss of or Damage to Property resulting from or caused by theft from any unattended vehicle in the custody or control of the Insured or any trustee, employee of the Insured or owner unless the Property is



contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;

If the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but that the locking mechanism was blocked by thieves using an electronic device, such evidence shall be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle;

## **11 Wear and tear**

wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded.

## **Cluses, extensions and limitations**

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

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

### **2 Non forcible and violent entry into vehicle extension (if stated in the schedule to be included)**

Specific Exception 10 (Theft from unattended vehicles) shall not apply to goods in the cab or boot of the vehicle where the Insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:

- 2.1 the police case number is supplied to the Company;
- 2.2 this extension shall only apply to Property that is separately and individually specified in the schedule;
- 2.3 after the deduction of the first amounts payable specified in the schedule, the liability of the Company is further restricted to the lesser of 50% of the Claim or R10 000 in respect of any one event.

### **3 Replacement value condition**

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

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

or

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

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

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

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this Section is extended to cover loss or Damage directly occasioned by or through or in consequence of

- 4.1 civil commotion, labour disturbances, riot, strike or lockout;
- 4.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 4.1 above;

provided that this extension does not cover

- 4.1 loss or Damage occurring in the Republic of South Africa or Namibia;
- 4.2 consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- 4.3 loss or Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;



- 4.4 loss or Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- 4.5 loss or Damage related to or caused by any occurrence referred to in general exception 8.1.2, 8.1.3, 8.1.4, 8.1.5, 8.1.6 or 8.1.7 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 4.1, 4.2, 4.3, 4.4 or 4.5, loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the insured.







## SECTION 07 MONEY

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

**1 Clothing**

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

**2 Money**

shall mean cash, bank and currency notes, 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.

**3 Receptacle**

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

**4 Territorial Limits**

shall mean the Republics of South Africa and Botswana, the Kingdoms of Eswatini and Lesotho and the Republics of Malawi, Namibia and Zimbabwe

### Defined events

Loss of or Damage to Money occurring in the Territorial Limits 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.

### Specific Exceptions

The Company shall not be liable for loss of or damage

**1 Dishonesty**

to money arising from dishonesty of any principal, partner, director, trustee or person or persons in the employ of the Insured not discovered within 14 working days of the Occurrence thereof.

Loss of or damage to Money as insured under this Section arising from dishonesty of any principal, partner, director, trustee or person in the employ of the Insured (such person), as defined under this Section, shall be subject to the compulsory first amount payable as stated in the schedule.

**2 Error or omission**

to Money arising from shortage due to error or omission;

**3 Fidelity insurance**

arising from any event in respect of which a claim is payable, or would be payable but for any first amount payable or co-insured clause under the fidelity section of the policy or any other fidelity insurance.

**4 Money in unlocked safe**

to Money in an unlocked safe or strongroom whilst the portion of the premises containing such safe or strongroom is unattended but this exception will not apply if it can be shown to the satisfaction of the Company that the keyholder to the safe or strongroom deliberately left it unlocked with the intention of allowing the Money to be stolen;



## 5 Money not in locked safe

to Money not contained in a locked safe or strongroom whilst the portion of the premises containing such money is unattended but this exception will not apply if it can be shown to the satisfaction of the Company that the person(s) responsible for the Money deliberately left it outside the safe or strongroom with the intention of allowing it to be stolen;

## 6 Money in vehicle

to Money in any vehicle being used by the Insured unless a principal, partner, director, trustee 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.

## 7 Use of keys

to Money arising from the use of keys to any safe or strongroom unless the keys

- 7.1 are obtained by violence or threats of violence to any person
- 7.2 are used by the keyholder or some other person with the collusion of the keyholder and the Insured can prove to the satisfaction of the Company that the keyholder or such other person had used the keys to open the safe or strongroom;

Specific Exceptions 4 (Money in unlocked safe), 5 (Money not in locked safe), 6 (Money in vehicle) and 7 (Use of keys) do not apply up to the amount stated in the schedule and such losses shall not be reduced by any first amount payable.

## Specific Warranty

It is hereby warranted that the transport of money to and from the bank is made as follows:

- 1 up to R10 000 by one responsible person,
- 2 between R10 001 and R30 000, by two responsible persons
- 3 over R30 000, by an approved professional security company.

It is further warranted that the transit of Money between the Insured's premises and the bank will be uninterrupted. This does not apply where Money is transported by an approved professional security company.

## Clauses, Extensions and Limitations

### 1 Contingency extension

Where the Insured has entered into a contract with a cash in transit company or the Insured's bank to the effect that the cash in transit company or bank will insure the Insured's Money under their policy (hereinafter called "other policy"), the Company will subject to the Terms, Exceptions and Conditions of this Section and policy indemnify the Insured for a defined event on the following contingency bases:

#### 1.1 Difference in conditions

Should the other policy not provide indemnity due to a policy exception or a breach of a policy condition and should the bank or cash in transit company not compensate the Insured, this Section will operate as though such other policy did not exist

#### 1.2 Difference in limits

Should the amount recoverable in terms of the other policy be less than the limit of indemnity of this Section, this Section will provide cover for the difference between the amount recoverable under the other policy and the limit of indemnity of this Section

The limit of indemnity of this Section is inclusive of and is not in addition to any amount recoverable under the other policy and in the settlement of all such losses, the amount recoverable under the other policy will be subtracted from the limit of indemnity of this Section so that the actual claims payment will always be less than the limit of indemnity of this Section

The excess applicable to this Section will be waived if the other policy responds to the loss provided that where the indemnity provided by the other policy is less than this excess, the Insured shall still be responsible for a portion of the excess calculated by subtracting the amount paid by the other policy from the excess

General Condition 13 of this policy (Other insurance) shall not apply to this extension.



## 2 Credit cards extension

The Company will indemnify the Insured in respect of liability consequent upon loss of and subsequent unauthorised use by persons of any credit, charge or cash card issued in the name of the Insured anywhere in the world, provided that

- 2.1 the Company shall not indemnify the Insured for any losses arising after the issuers of such card have accepted liability for such unauthorised use
- 2.2 the Insured shall comply with the terms and conditions of issue of such card in so far as they relate to the loss or theft of the card
- 2.3 the Company's liability in respect of any one card shall be limited to R10 000.

## 3 Extortion extension

The Company will indemnify the Insured in respect of loss of or damage to Money if the Insured or any director, member, partner, trustee, or employee of the Insured or a relative of any such person is threatened with physical harm which induces such person to take Money belonging to the Insured, provided that the person threatened has made every reasonable attempt to report the threat to an associate and to the law enforcement authorities at the earliest reasonable opportunity.

This extension will not apply for any loss which is insured or which would be insurable in terms of any Section, policy or any other more specific insurance covering money.

## 4 Locks and keys extension

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

- 4.1 the Company's liability shall not exceed the amount stated in the schedule in respect of any one event
- 4.2 the Company shall not be liable for the first amount payable of each and every event as stated in the schedule.

## 5 Personal accident (assault) extension (if stated in the schedule to be included)

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

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

5.1	death	<b>the capital sum</b>
5.2	permanent disability	<b>the percentage of the capital sum specified</b>
		<b>Percentage of capital sum</b>
5.2.1	loss by physical separation at or above the wrist or ankle of one or more limbs_____	100
5.2.2	permanent and total loss of	
	5.2.2.1 whole eye_____	100
	5.2.2.2 sight of eye_____	100
	5.2.2.3 sight of eye except perception of light_____	75
5.2.3	permanent and total loss of hearing	
	5.2.3.1 both ears_____	100
	5.2.3.2 one ear_____	25
5.2.4	permanent and total loss of speech_____	100
5.2.5	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
5.2.6	loss of four fingers_____	70



5.2.7	loss of thumb (one or both phalanges) _____	25
5.2.8	loss of index finger (one, two or three phalanges) _____	10
5.2.9	loss of any other finger (one, two or three phalanges) – each finger _____	6
5.2.10	loss of metacarpals - first, second, third, fourth or fifth (additional) _____	5
5.2.11	loss of toes	
	5.2.11.1 all on one foot _____	30
	5.2.11.2 great, one or both phalanges _____	5
	5.2.11.3 other than great, if more than one toe lost, each _____	5

#### **Memoranda (applicable to permanent disablement benefits)**

- 1 Where the injury is not specified the Company will pay such sum as in its opinion is consistent with the above provisions;
  - 2 Permanent total loss of use of part of the body shall be considered as loss of such part;
  - 3 100 percent shall be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person.
- 5.3 in the case of total and absolute incapacity from following usual business or occupation the weekly sum specified in the schedule shall be payable.
- 5.4 the reasonable expenses, up to the sum specified in the schedule, shall be payable in respect of emergency expenses shortfall incurred within 24 months as a direct result of the defined event excluding any amounts as may
- 5.4.1 fall within the scope of any Act in terms of which any employee may claim compensation for work related injuries. This exclusion shall apply regardless of whether or not the applicable legislative fund is capable of providing or able to provide compensation;
- 5.4.2 be payable by a registered Medical scheme including any amounts payable from a member's Medical scheme Savings account.

provided that

- 5.1 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 5.3 and 5.4;
- 5.2 the sum specified under item 5.3 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;
- 5.3 this extension shall not apply to any such person under 15 or over 70 years of age;
- 5.4 after suffering bodily injury for which benefit may be payable under this extension, such person shall submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- 5.5 General Conditions 12 (Other insurance) and 14 (Reinstatement of cover after loss) do not apply to this extension;
- 5.6 in respect of this extension only General Exception 9 (War, riot and terrorism) is deleted and replaced by the following:

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

#### **Extensions to the personal accident (assault) extension**

##### **5.1 Disappearance extension**

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



## **5.2 Exposure extension**

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereof

## **6 Receptacles and clothing extension**

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

## **7 Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia) extension (if stated in the schedule to be included)**

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

- 7.1 civil commotion, labour disturbances, riot, strike or lockout;
- 7.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with, any occurrence referred to in 7.1 above;

provided that this extension does not cover

- 7.1 loss or damage occurring in the Republic of South Africa and Namibia;
- 7.2 consequential or indirect loss or damage of any kind or description whatsoever;
- 7.3 loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- 7.4 loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- 7.5 loss or damage related to or caused by any occurrence referred to in General Exception 9.1.2, 9.1.3, 9.1.4, 9.1.5, 9.1.6 or 9.1.7 of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with such occurrence.

If the Company alleges that, by reason of provisos 7.1, 7.2, 7.3, 7.4 or 7.5, loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

## **8 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.





## SECTION 08 FIDELITY GUARANTEE

### Defined Events

- 1 Loss of money and/or other Property belonging to the Insured or for which the Insured is responsible for, stolen by an Insured Employee or Trustee during the period of cover provided by this Section.
- 2 Direct financial loss sustained by the Insured as a result of fraud or dishonesty of an Insured Employee or Trustee all of which occurs during the period of cover provided by this Section which results in dishonest personal financial gain for the Employee or Trustee concerned

provided that

- 1 the Company is not liable for all losses which occurred more than 24 months prior to discovery;
- 2 all losses are discovered not later than 12 months after the termination of:
  - 2.1 this Section, or
  - 2.2 this Section in respect of any Insured Employee or Trustee concerned in a loss, or
  - 2.3 the employment of the Insured Employee or Trustee or the last of the Insured Employees or Trustees concerned in a loss

whichever occurs first;

- 3 **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 Trustee or any number of Employees or Trustees acting in collusion or independently of each other;
- 4 **Named or position basis** - the liability of the Company for all losses involving any employee shall not exceed the sum insured stated opposite his/her name in the schedule or, if he/she is unnamed, the sum insured stated opposite the position held by him/her in the business as stated in the schedule;
- 5 renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the sum insured stated in the schedule. If the period of insurance is less than 12 months the Company's liability is limited to the sum stated in the schedule during any 12-month period of insurance calculated from inception or renewal;
- 6 the term "dishonest personal financial gain" shall not include gain by an Employee or Trustee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.
- 7 the amount payable during any one period of 12 consecutive months from inception or anniversary date shall not exceed the sum insured stated in the schedule at the said inception or anniversary date as the case may be (or double the sum insured if the "Reduction/Reinstatement of the insured amount clause" applies). If the sum insured is increased the 12 consecutive months applies from the anniversary date. Any reinstatement between the date of increase and the anniversary date shall not exceed twice the sum insured

### Specific Conditions

#### 1 General Exceptions and Conditions

General Exceptions 6 (Nuclear weapons and radiation) and 9 (War, riot and terrorism) and General Condition 14 (Reinstatement of cover after loss) do not apply to this Section.

#### 2 Non-disclosure

Non-disclosure of his own fraud or dishonesty or that of others with whom he is in collusion by the person signing any proposal form or giving renewal or other instructions shall not prejudice any claim under this Section.

#### 3 Recoveries by the Insured

If the Insured shall sustain any loss to which this Section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken or effected by the Company or for the amount of





any first amount payable) by whomsoever made on account of such loss until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be applied to the reimbursement of the Company.

#### **4 Reporting to police**

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 3.1.2 of general condition 3 (Claims), refrain from reporting the matter to the police but shall do so immediately should the Company or legislation of the relevant country require such action to be taken.

#### **5 Sum Insured increase**

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.

#### **6 Systems of check and control**

The Insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his business as has been represented to the Company but the Insured may:

- 6.1 change the remuneration and conditions of service of any Employee or Trustee;
- 6.2 in respect of any Employee or Trustee who is described in the schedule by name, change his/her duties and position;
- 6.3 in respect of any Employee or Trustee who is described in the schedule only by the position held by him/her, remove such Employee or Trustee and place in his/her position any other person who falls within the definition of Employee or Trustee;
- 6.4 make such other changes as are approved beforehand in writing by the Insured's auditors.

### **Specific Exceptions**

#### **1 Acquisitions**

This Section does not cover any company or other legal entity acquired during the period of insurance.

#### **2 Consequential loss**

The Company shall not be liable for any consequential losses of any kind following losses referred to under defined events.

#### **3 Compulsory first amount payable**

The Company shall not be liable for the compulsory first amount payable.

#### **4 Losses after Insured becomes aware of fraud**

The Company shall not be liable for loss resulting from or contributed to by any defined event by any Trustee or Employee from the time the Insured shall become aware that such Trustee or Employee has committed any fraud or dishonesty.

#### **5 Manipulation of data**

The Company shall not be liable for any defined event if it results from the dishonest

- 5.1 manipulation of
- 5.2 input into
- 5.3 suppression of input into
- 5.4 destruction of
- 5.5 alteration of

any computer program, system, data or software by any Insured Employee or Trustee who is employed in the Insured's Electronic Data-Processing department or area.

This exception does not apply to Insured Employees or Trustees who are employed in the Electronic Data-Processing department/area of any non-networked micro/personal computer.



## Clauses, Extensions and Limitations

### 1 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.

### 2 Compulsory first amount payable clause

The amount payable under this Section in respect of a defined event involving one Employee or Trustee or any number of Employees or Trustees acting in collusion shall be reduced by an amount equal to 10% of the claim subject to a minimum of R2 500. This amount shall be borne in full by the Insured and remain uninsured.

### 3 Computer losses first amount payable clause

The percentage shown in clause 2 (Compulsory first amount payable clause) is increased from 10% to 20% if the defined event results from the dishonest

- 3.1 manipulation of
- 3.2 input into
- 3.3 suppression of input into
- 3.4 destruction of
- 3.5 alteration of

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

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

The Insured having completed a satisfactory questionnaire, specific exception 5 (Manipulation of data) and the clause 3 (Computer losses first amount payable clause) are deleted.

### 5 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 or Trustee in respect of whose dishonest or fraudulent acts the claim is made, of that part of the loss which exceeds the sum insured hereunder. All amounts recovered by the Insured in excess of the said part of the loss shall be for the benefit of the Company.

### 6 Extended cover for past Insured Employees / Trustees extension

Any person who ceases to be an Employee or Trustee shall, for the purposes of this Section, be considered as being an Employee or Trustee for a period of 30 days after such person in fact ceased to be an Employee or Trustee.

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

- 7.1 In consideration of the payment of an additional premium, Proviso 1 of the defined events is restated to read:
  - 1 the Company is not liable for all losses which occurred more than 36 months prior to discovery.
- 7.2 If this Section includes Extension13 (Superseded insurances extension (if stated in the schedule to be included)), the period referred to in Proviso 13.6 thereof is increased from 24 months to 36 months.

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

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



8.1 control

8.2 fraud dishonesty and theft detection

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

8.3 Proviso 1 of the defined events (which limits cover to that part of losses discovered within 24 months) and proviso 13.6 of extension13 (Superseded insurances extension (if stated in the schedule to be included)) (if applicable) are deleted

8.4 if any defined event is discovered more than 12 months after it was committed, the percentages contained in the undernoted first amount payable clauses are increased as follows:

First amount payable clause	First amount payable increased to percentage shown below if losses discovered more than 12 months after being committed
<b>Compulsory</b>	From 10% to 12.5%
<b>Computer losses</b>	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.

8.5 clause 9 (First amount payable for losses discovered more than 12 months after they were committed) is deleted.

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

If any loss is discovered more than 12 months after:

9.1 it was committed

9.2 the first event in a series of events committed by one person or a number of persons acting in collusion

the percentages contained in clauses 2 (Compulsory first amount payable clause) and 3 (Computer losses 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
<b>Compulsory</b>	From 10% to 15%	From 10% to 20%
<b>Computer losses</b>	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.

## 10 Other insurances clause

It is a condition of this Section that other than

10.1 a money policy;

10.2 a policy declared to the Company at inception or renewal or at the time a claim is submitted;

10.3 this Policy;

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

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

The payment by the Company of any loss involving one Employee or Trustee or any number of Employees or Trustees shall not reduce the Company's liability in respect of the remaining Insured Employees or Trustees provided that:



- 11.1 the maximum amount payable by the Company for all Insured Employees or Trustees shall not exceed double the Sum Insured shown in the schedule;
- 11.2 the Insured pays additional premium calculated in terms of the following formula:

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

Where the period of insurance is:

- 11.2.1 monthly, the words "Annual premium" are amended to read "Twelve times the monthly premium"
- 11.2.2 quarterly, the words "Annual premium" are amended to read "Four times the quarterly premium"
- 11.2.3 half-yearly, the words "Annual premium" are amended to read "Twice the bi-annual premium"

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

## **12 Retroactive cover extension - no previous insurance in force (if stated in the schedule to be included)**

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

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

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

- 13.1 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;
- 13.2 the losses are discovered within the shorter period of 12 months of the termination of the employment of the Employee concerned or within 12 months of the expiry of this Section;
- 13.3 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;
- 13.4 in the event of the loss involving one Employee or Trustee or any number of Employees or Trustees 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;
- 13.5 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;
- 13.6 the Company is not liable for any loss which occurred more than 24 months prior to discovery.

## **14 Voluntary excess clause (if stated in the schedule to be included)**

In addition to the amount payable by the Insured under clause 2 (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.





## SECTION 09 BROADFORM PUBLIC LIABILITY

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

#### 1 Damage

shall mean loss of possession or control of or actual damage to tangible Property or interference with servitude or right of access or other infringement of real or personal rights to the use of Property

#### 2 Injury

shall mean death, bodily Injury, illness or disease, mental Injury of or to any person

#### 3 Negligent Advice

shall mean incorrect or inadequate advice or information of a technical nature given in the promotion of the Insured's Products or services but not where such advice or information:

3.1 is given in exchange for a fee or similar consideration, or

3.2 is an essential part of a revenue earning activity of the Insured.

#### 4 Product

shall mean any tangible Property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured, but shall not mean food and drink supplied by or on behalf of the Insured primarily to the Insured's Employees as a staff benefit.

#### 5 Pollution

shall mean the emission, discharge, dispersal, disposal, seepage, release or escape of any liquid, solid, gaseous or thermal irritant, contaminant or pollutant into or upon land, the atmosphere or any water-course or body of water or the generation of smells, noises, vibrations, light, electricity, radiation, changes in temperature or any other sensory phenomena, but not fire or explosion

#### 6 Vehicle

shall mean any land Vehicle or trailer (including any machinery or apparatus attached thereto) whether or not subject to Vehicle registration or whether or not self-propelled including locomotives and rolling stock.

### Defined Events

Injury, Damage or loss as hereinafter provided for in the elected insuring Sub-Sections and extensions for which the Insured shall become legally liable in accordance with the law of any country but not in respect of any judgement, award, payment or settlement made within countries which operate under the laws of the United States of America or Canada or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part.

The indemnity provided herein applies only to Claims first made against the Insured during the period of insurance and arising out of the Business specified in the schedule.

### Indemnity Limits

The Company's total liability to pay compensation, claimants' costs, fees and expenses and defence costs shall not exceed the Indemnity Limits stated in the schedule. The Indemnity Limit shall be the maximum amount of the Company's liability in respect of all Claims arising out of one original cause. Where the Indemnity Limit is stated to be "in the annual aggregate" the Company's liability for all Claims arising in any



one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date) shall be limited to the stated amount irrespective of the number of events giving rise to such Claims.

In the event of any one originating cause giving rise to a Claim or series of Claims which form the subject of indemnity by more than one Sub-Section of this Policy, each Sub-Section shall apply separately and be subject to its own separate limit of liability provided always that the total amount of Company's liability shall be limited to the greatest Indemnity Limit of availability under any one of the Sub-Sections affording indemnity for the Claim or series of Claims. All limits stated are payable in excess of the first amount payable applicable to the relevant Claim.

## Sub-Section A - Public liability

### 1 Sub-Section A - Indemnity

The Insured is indemnified by this Sub-Section in respect of Injury or Damage but not against Claims for and/or arising out of:

- 1.1 pollution
- 1.2 any Product
- 1.3 Negligent Advice.

### 2 Sub-Section A - Exceptions

This Sub-Section does not cover liability for Claims arising out of:

#### 2.1 Aircraft, watercraft or hovercraft

the ownership possession or use by or on behalf of the Insured of any aircraft watercraft or hovercraft (other than watercraft not exceeding five metres in length and then only whilst on inland waterways)

#### 2.2 Airports, airstrips or helicopter pads

the ownership, hire, leasing or operation of any airport, airstrip or helicopter pad by or on behalf of the Insured other than airstrips and helicopter pads which are not equipped with control tower operation.

#### 2.3 Legislation controlling the possession or use of motor Vehicles

liability which is the subject of statutory or similar legislation controlling the possession or use of motor Vehicles or trailers and in respect of which liability:-

- 2.3.1 the Insured is compelled to effect insurance or otherwise furnish security, or
- 2.3.2 the state or other governmental authority has accepted responsibility

#### 2.4 Property owned by the Insured or in their custody or control

Damage to Property owned leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care, custody or control other than:

- 2.4.1 premises (or the contents thereof) temporarily occupied by the Insured for work therein or other property temporarily in the Insured's possession for work thereon (but no indemnity is granted for damage to the part of the property on which the Insured is working and which arises out of such work)
- 2.4.2 employees' and visitors' clothing and personal effects
- 2.4.3 premises tenanted by the Insured to the extent that the Insured would be held liable in the absence of any specific agreement
- 2.4.4 property belonging to any rail service provider or any government or quasi government department, provincial administration, municipality or similar body whilst on any premises permanently occupied by the Insured

#### 2.5 Vehicles

the ownership possession or use by or on behalf of the Insured of any Vehicle, other than Claims:

- 2.5.1 caused by the use of:
  - 2.5.1.1 any tool or plant forming part of or attached to or used in connection with any Vehicle
  - 2.5.1.2 any Vehicle as a tool of trade



- 2.5.1.3 a trailer which is not attached to nor has accidentally become detached from a motor Vehicle
- 2.5.2 arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any Vehicle
- 2.5.3 for damage to any bridge, weighbridge, road or anything beneath caused by the weight of any Vehicle or of the load carried thereon
- 2.5.4 arising out of any Vehicle temporarily in the Insured's custody or control for the purpose of parking
- 2.5.5 arising out of the possession or use by the Insured of any Vehicle belonging to any rail service provider or any government or quasi government department, provincial administration, municipality or similar body whilst on any premises permanently occupied by the Insured
- 2.5.6 which form the subject of extensions covering employers liability
- 2.5.7 arising out of damage to premises occupied (but not owned) by the Insured

## Sub-Section B - Pollution liability

### 1 Sub-Section B - Indemnity

The Insured is indemnified by this Sub-Section against Claims for Injury or Damage arising out of Pollution but only to the extent that it can be proved that such Pollution

- 1.1 was the direct result of a sudden specific and indemnifiable event occurring during the period of insurance
- 1.2 was not the direct result of the Insured failing to take reasonable precautions to prevent such Pollution.

The amount payable under this Sub-Section, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date), shall not exceed in the aggregate the limit of indemnity for this Sub-Section stated in the schedule.

### 2 Sub-Section B - Exceptions

This Sub-Section is subject to the exceptions to Sub-Section A insofar as they can apply, and also does not cover liability for Claims arising out of or in connection with any product.

## Sub-Section C - Products Liability / Defective Workmanship

### 1 Sub-Section C - Indemnity

The Insured is indemnified by this Sub-Section against Claims for Injury or Damage arising out of or in connection with any Product or Pollution resulting therefrom subject always to the provisions of Sub-Section B - Indemnity.

The amount payable under this Sub-Section, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date), shall not exceed in the aggregate the limit of indemnity for this Sub-Section stated in the Schedule.

### 2 Sub-Section C - Exceptions

This Sub-Section does not cover liability for Claims:

#### 2.1 Aircraft

arising

- 2.1.1 out of any product which with the Insured's knowledge is intended for incorporation into the structure, machinery or controls of any aircraft
- 2.1.2 from any work on any aircraft or part thereof.

#### 2.2 Failure to fulfil intended function





arising out of the failure of any product or part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed unless such failure shall result in Injury and/or Damage

**2.3 Handing over**

arising prior to the handing over of such work

**2.4 Inefficacy**

arising from inefficacy of such work or because the work did not produce the result anticipated or claimed

**2.5 Negligent advice**

arising out of Negligent Advice in respect of Defective Workmanship

**2.6 Product recall**

for costs arising out of the recall of any product of any part thereof

**2.7 Rectifying defective Work**

for the cost of rectifying or recalling defective work

**2.8 Repair**

for costs incurred in the repair, reconditioning, modification or replacement of any product or part thereof which is or is alleged to be defective

## Sub-Section D - Negligent Advice

### 1 Sub-Section D - Indemnity

The Insured is indemnified by this Sub-Section in respect of Claims arising out of Negligent Advice.

The amount payable under this Sub-Section, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date), shall not exceed in the aggregate the limit of indemnity for this Sub-Section stated in the schedule.

### 2 Sub-Section D - Exceptions

This Sub-Section does not cover liability for Claims arising out of:

**2.1 Defamation**

defamation or injuria.

**2.2 Financial services**

financial services and/or cost estimates given by or on behalf of the Insured

**2.3 Insolvency**

the insolvency of the Insured

**2.4 Products liability not insured**

Negligent Advice given in respect of any product unless the Insured shall have effected cover under Sub-Section C of this Section

## Specific conditions

(Specific Conditions 1 (Admission, offer, promise or payment), 2 (Claims reporting), 3 (Extended Claims reporting), 5 (Material change) and 6 (Payment of limit) are precedent to the Company's liability to provide indemnity under this Section)

### 1 Admission, offer, promise or payment

No admission offer promise or payment shall be made or given by or on behalf of the Insured without the written consent of the Company which shall be entitled to take over and conduct in the name of the Insured the defence or settlement of any Claim or to prosecute in the name of the Insured for its 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 and the Insured shall give all such information and assistance as the Company may reasonably require.



## 2 Claims reporting

The Insured shall give written notice to the Company as set out in general condition 3 (Claims), but in any event no later than the last day of the period of insurance, of any Claim made against the Insured (or any specific event or circumstance that may give rise to a Claim being made against the Insured) and which forms the subject of indemnity under this Section and shall give all such additional information as the Company may require. Every Claim, writ, summons or process and all documents relating to the Claim event or circumstance shall be forwarded to the Company immediately they are received by the Insured.

## 3 Extended Claims reporting

Notwithstanding specific condition 2 (Claims reporting), in the event of cancellation or non-renewal of the Section, the Insured may report an event in terms of general condition 3 (Claims) to the Company for up to 15 days after cancellation or non-renewal, provided

- 3.1 such event occurred subsequent to the retroactive date and prior to the termination of the period of insurance
- 3.2 any subsequent Claim first made in writing against the Insured as a result of such event shall be treated as if it has first been made on the last day preceding cancellation or non-renewal
- 3.3 no insurance in substitution hereof has been purchased by or on behalf of the Insured.

## 4 Interpretation

The interpretation of the terms and exceptions of this Section (and any phrase or word contained therein) shall be interpreted in accordance with the law of the Republic of South Africa.

## 5 Material change

The Insured shall give notice as soon as reasonably practicable of any fact, event or circumstance which materially changes the information supplied to the Company at the time when this Section was effected, and the Company may amend the terms of this Section according to the materiality of such change.

## 6 Payment of limit

The Company may at any time pay to the Insured in connection with any Claim or series of Claims under this Section to which a limit of indemnity applies the amount of such limit (after deduction of any sums already paid) or any lesser amount for which such Claims can be settled and upon such payment being made the Company shall relinquish the conduct and control of and be under no further liability in connection with such Claims.

## 7 Provisional premium

Where the premium is provisionally based on the Insured's estimates, the Insured shall keep accurate records and after expiry of the period of insurance declare as soon as possible such details as the Company require. The premium shall then be adjusted and any difference paid by or allowed to the Insured as the case may be subject to any minimum premium that may apply.

## Specific Exceptions (applicable to all Sub-Sections and extensions of this Section)

This Section does not cover liability:

### 1 Contract of employment

arising out of injury to any persons under a contract of employment or apprenticeship with the Insured where such injury arises out of the execution of such contract except to the extent and where the Insured has elected to purchase employers liability

### 2 Deliberate disregard

arising out of the deliberate, conscious or intentional disregard by the Insured's technical or administrative management of the need to take all reasonable steps to prevent Claims

### 3 Design, formula etc.

for any Claims arising out of any design, formula (other than design or formula of a product), specification or advice of a professional nature given by or on behalf of the Insured in exchange for a fee.



#### **4 First amount payable**

for the applicable first amount payable in respect of each Claim or series of Claims arising out of one originating cause. The provisions of this exception shall apply to Claims arising from Damage only and shall also apply to defence costs incurred by the Insured.

#### **5 Liquidated damages**

arising out of liquidated damages clauses, penalty clauses or performance warranties except to the extent that it can be proved that liability would have attached in the absence of such clauses or warranties

#### **6 Magnetic or electrical fields**

for Claims arising out of or which may arise out of or in connection with magnetic and/or electrical fields.

#### **7 Other insurances**

which forms the subject of insurance by any other policy or policies and this Section shall not be drawn into contribution with such other insurance

#### **8 Prior to inception**

for any Claims where the Insured was aware, before inception of this Section, of the circumstances or event which gave rise to the Claim

#### **9 Retroactive date**

occurring prior to the applicable retroactive date stated in the schedule

#### **10 Sexual abuse assault harassment or molestation**

for any Claims arising out of sexual abuse assault harassment or molestation including unwelcome sexual advances requests for sexual favours and any unwelcome verbal visual or physical contact of a sexual nature

#### **11 Specific insurances**

for Claims arising out of dishonesty of the directors, principals or Employees of the Insured or theft or fraud by any other person, nor does this Section provide indemnity for any liability arising out of the activities of operations domiciled in the United States of America or Canada.

#### **12 War and terrorism**

In respect of this Section only, General Exception 9 (War, riot and terrorism) is deleted and replaced by the following:

Notwithstanding any provision to the contrary within this Section or any endorsement thereto it is agreed that this Section excludes loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

12.1 war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or

12.2 any act of terrorism,

For the purpose of this exception an act of terrorism means - an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization (or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any Section of the public, in fear.

This specific exception also excludes loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way relating to 12.1 and/or 12.2 above.

If the Company alleges that by reason of this exception, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the Insured.

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

#### **13 Wrongful act**

arising out of any wrongful act committed by any director and/or officer of the Insured



For the purposes of this insurance "wrongful act" shall mean any actual or alleged breach of duty, breach of trust, neglect, error, omission, misstatement, misleading statement, mistreatment, breach of fiduciary obligation, libel, slander, wrongful trading, breach of warranty of authority or other legal liability on the part of any director or officer, jointly or severally, which arises solely by reason of the conduct of their duties or their capacity as directors and officers.

## Clauses, Extensions and Limitations

It is understood and agreed that this Section extends to include the following, subject to the limits and excesses specified in the schedule and subject to the terms, conditions and exceptions of the Section insofar as they can apply and provided that the total liability of the Company is not increased beyond that which would have applied in the absence of such extensions.

### 1 Acquisitions and new business

The indemnity granted by this Section extends to any company formed and/or acquired by the Insured during the period of insurance for a period of 30 days of such information or acquisition

Provided always that:-

- 1.1 the retroactive date in respect of such new company shall be deemed to be the date of formation or the date when a newly acquired company first purchased liability insurance of the type hereby insured on a "Claims Made" basis subject to a declaration from the newly acquired company's previous management of no known or reported Claims or circumstances likely to give rise to a Claim at date of acquisition. In the event of no such declaration the retroactive date shall be the date of acquisition
- 1.2 the Insured's business activity remains unchanged to that declared
- 1.3 the annual turnover of all newly formed and/or acquired companies does not exceed 5% (five percent) of the estimated annual turnover of the Insured as advised to the Company at Inception hereof
- 1.4 the Insured shall advise the Company of such formations and/or acquisitions before the expiry of 30 days thereof and the Company reserve the right to amend the terms of this insurance accordingly.

### 2 African territories extension

In respect of the Insured's operations in Africa outside of the Republic of South Africa, the indemnity provided by this Section is limited to the difference between the scope of cover or the difference between the limit of indemnity provided by any insurer in the territory in which the operation is situated and the indemnity available in terms of this Section.

Where this Section responds in excess of indemnity provided in terms of such locally purchased liability insurance:-

- 2.1 the indemnity payable hereunder shall be only up to but not exceeding such further amount as would provide the maximum indemnity in terms of this Section;
- 2.2 any decision of the underlying insurer to accept a claim "ex gratia" or "without prejudice" shall not be binding on the Company;
- 2.3 no action or decision of the underlying insurer which prejudices the Company in the conduct or settlement of any Claim under this Section shall be binding on the Company.

If no insurance of the class insured in terms of this Section is purchased locally, this Section shall act as primary insurance subject to the excess stipulated in the schedule provided that such cover will only apply:

- 2.1 to Claims made against the Insured during the period of insurance; and
- 2.2 in respect of liability arising from any Injury, Damage or event giving rise to pure financial loss (as provided for in coverage's providing for loss not related to physical damage to property) occurring or alleged to have occurred on or after the applicable retroactive date stated in the schedule.

### 3 Continuous exposure clause

In the event of any Injury or Damage arising from continuous or continual inhalation, ingestion or application of any substance where the Insured and the Company cannot agree when the Injury or Damage occurred then:



- 3.1 Injury shall be deemed to have occurred when the claimant first consulted a qualified medical practitioner in respect of such Injury
- 3.2 damage shall be deemed to have occurred when it first became evident to the claimant, even if the cause was unknown.

#### **4 Cross liabilities clause**

Each person or party indemnified is separately indemnified in respect of Claims made against any of them by any other, subject to the Company's total liability not exceeding the stated limits of indemnity.

#### **5 Defamation extension (if stated in the schedule to be included)**

The Company will indemnify the Insured in respect of Claims arising out of defamatory statements, whether written or verbal, made by the Insured

Provided always that:-

- 5.1 no indemnity shall be granted in respect of Claims:
  - 5.1.1 which form the subject of the wrongful arrest extension
  - 5.1.2 arising out of any publication in any journal, magazine or newspaper or on radio or television
- 5.2 the amount payable under this extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date), shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

#### **6 Defence costs clause**

The Company will pay all costs, fees and expenses incurred with its prior consent in the investigation defence or settlement of any Claim made against the Insured and the costs of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any Claim made or which might be made against the Insured, provided such Claim or Claims are the subject to indemnity by this Section. Such costs, fees and expenses are called defence costs.

The Company will also pay for such emergency medical treatment as may appear necessary in respect of Injury which may form the subject of indemnity by this Section.

#### **7 Employer's liability extension (if stated in the schedule to be included)**

Notwithstanding 'anything to the contrary contained in specific exception 1 (Contract of employment), this Section extends to include the Insured's legal liability for Claims arising out of Injury to any person employed under a contract of service or apprenticeship with the Insured where such Injury arises out of and in the course of the execution of such contract

Provided always that there is no cover provided in respect of: -

- 7.1 liability for Claims arising from illness or disease or contributed to by prolonged exposure to substances, factors or circumstances peculiar to any particular employment or occupation;
- 7.2 any amounts as may fall within the scope of any Act in terms of which any Employee may Claim compensation for work related injuries. This proviso shall apply regardless of whether or not the applicable legislative fund is capable of providing or able to provide compensation;
- 7.3 liability assumed by the Insured by agreement unless such liability would have attached to the Insured in the absence of such agreement.

The Company will also at the request of the Insured indemnify any Employee of the Insured subject to the agreement of the Company (which agreement shall not be unreasonably withheld) in respect of Claims made by one Employee against another provided always that:

- 7.1 such Injury arises solely during and in the course of his/her employment
- 7.2 no indemnity shall be provided hereunder where such injury is caused whilst the Employee is under the influence of intoxicating drugs or alcohol
- 7.3 no indemnity shall be provided hereunder for injury resulting from use of firearms
- 7.4 no indemnity shall be provided for liability arising out of any condition directly or indirectly caused by or associated with Human Immune Virus (HIV) or the mutant derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome or any Syndrome or condition of a similar kind howsoever it shall be named



Provided always that the amount payable under this extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date), shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

## **8 Extended reporting option extension (may be exercised by the Insured in the event of non-renewal)**

In the event of non-renewal of this Section, at the option of the Insured, any Claim first made against the Insured arising from any Claim or circumstance of which notice is required to be given in terms of specific condition 2 (Claims reporting), the Company agrees that notice given within 36 months (hereinafter referred to as the extended reporting period) immediately following the expiry of this insurance shall be deemed to have been made on the last day preceding the expiry.

Provided that:

- 8.1 this option may only be exercised in the event of the Company cancelling or refusing to renew this Section;
- 8.2 the Insured has not obtained insurance equal in scope and cover to this Section as expiring providing indemnity in respect of such Claim;
- 8.3 the Company shall only be liable for an insured event which occurred after the retroactive date but prior to the expiry of the period of insurance;
- 8.4 if the claimant is a minor this extended reporting period will continue until the expiry of 12 months after the attainment of majority by the claimant;
- 8.5 the total amount payable by the Company for Claims made or reported events during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable on the last day preceding the non-renewal;
- 8.6 this option must be exercised by the Insured in writing within 112 days of cancellation or non-renewal and the required premium paid within 30 days of demand;
- 8.7 once exercised, the option cannot be cancelled by either the Insured or the Company.

## **9 Indemnity to others extension**

The indemnity granted extends to:

- 9.1 any party who enters into an agreement with the Insured for any purpose of the Business, but only to the extent required by such agreement to grant such indemnity and subject to Sub-Section A - exception 2.4.3 (premises tenanted by the Insured) and specific exception 5 (Liquidated damages)
- 9.2 officials of the Insured in their business capacity arising out of the performance of the Business or in their private capacity arising out of their temporary engagement of the Insured's Employees
- 9.3 the officers, committee and members of the Insured's canteen, social, sports, medical, firefighting and welfare organisation in their respective capacities as such
- 9.4 any visiting sports team or member thereof in respect of the activities of any sports club formed by the Insured for the benefit of their Employees
- 9.5 the personal representatives of the estate of any person who would otherwise be indemnified by this Section, but only in respect of liability incurred by such person

provided always that all such persons or parties shall observe, fulfil and be subject to the terms, conditions and exceptions of this Section as though they were the Insured.

## **10 Notification extension clause**

Should the Insured notify the Company during the period of insurance in accordance with specific condition 2 (Claims reporting) of any specific event or circumstances which the Company accepts may give rise to a Claim or Claims which form the subject of indemnity by this Section, then acceptance of such notification means that the Company will deal with such Claim or Claims which may later arise as if they had first been made against the Insured during the period of insurance.





## 11 Statutory defence costs extension (if stated in the schedule to be included)

The Company will indemnify the Insured against legal costs, fees and expenses incurred with the consent of the Company in the defence of any criminal action brought against the Insured as a result of the alleged contravention of any statute governing the conduct of the Business [other than any statutes governing the ownership, possession, use or licensing of motor Vehicles, aircraft or watercraft, the relevant Labour Laws as promulgated in the Republic of South Africa from time to time, or the Companies Act No. 71 of 2008 (as amended from time to time)] and as read in conjunction with the Criminal Procedure Act No. 56 of 1955 (as amended from time to time)

Provided always that:-

- 11.1 no indemnity shall be granted for fines or penalties
- 11.2 in the case of an appeal, the Company shall not indemnify the Insured unless a senior counsel (to be agreed to by the Company) shall advise that such appeal should be likely to succeed.
- 11.3 the amount payable under this extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date), shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

## 12 Wrongful arrest extension (if stated in the schedule to be included)

The Company will indemnify the Insured in respect of Claims arising out of wrongful arrest (as hereinafter defined) committed or alleged (other than by the Insured) to have been committed by the Insured in the course of the Business

Provided always that:-

- 12.1 for the purposes of this extension, the term wrongful arrest shall mean:
  - 12.1.1 assault and battery committed or alleged to have been committed at the time of making or attempting to make an arrest or in resisting an overt attempt to escape by a person under arrest before such person has been or could be placed in the custody of the police or a law enforcement officer
  - 12.1.2 defamation, injuria, false imprisonment or malicious prosecution either committed or alleged to have been committed directly in connection with an arrest or arising out of the investigation of acts of shoplifting or theft
- 12.2 no indemnity shall be granted in respect of Claims:
  - 12.2.1 made against the Insured by any person or persons other than those being or having been or alleged to have been arrested or under arrest, or their personal representatives
  - 12.2.2 arising out of unfair labour practice as contemplated within the meaning of the relevant Labour Laws as promulgated in the Republic of South Africa from time to time.
- 12.3 the amount payable under this extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date), shall not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.







## SECTION 10 TRUSTEES INDEMNITY

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

#### 1 Claim

shall mean

- 1.1 a written or verbal allegation of any wrongful act communicated to the Trustees and/or Body Corporate or
- 1.2 a civil proceeding commenced by issue of summons, statement of Claim or any valid legal proceeding instituted against the Trustees and/or Body Corporate alleging any Wrongful Act or
- 1.3 a criminal proceeding commenced by summons or charge against the Trustees and/or Body Corporate alleging any Wrongful Act.

#### 2 Wrongful Act

shall mean any actual or alleged breach of trust, breach of duty, neglect, error, misstatement, misleading statement, omission or other act wrongfully committed or attempted by a Trustee which arises solely by reason of his acting in his capacity as Trustee of the Body Corporate

Where any such Wrongful Act results in more than one Claim all such Claims will jointly constitute one loss and be deemed to have originated in the earliest policy year in which any of such Wrongful Acts is first reported to the Company.

### Defined Events

All sums that the Body Corporate and/or Trustee(s) shall become legally liable to pay arising out of any Wrongful Act of a Trustee, by the actual or alleged breach of trust, breach of duty, neglect, error, misstatement, misleading statement, omission or other act wrongfully committed or attempted by a Trustee on or after the retroactive date reflected in the schedule and which results in a Claim or Claims first being made against the Insured in writing during the period of insurance, in the course of acting in his capacity as Trustee of the Body Corporate.

### The Limit of indemnity

The maximum amount payable under this Section is limited to the amount stated in the schedule for any one event or series of events and in all in any one (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date). Such amount shall include the amount payable in respect of a claim made against the Trustee(s) and/or Body Corporate for an illegal or fraudulent act and will include damages, judgments, settlements, order for costs as well as costs for charges and expenses incurred by the Company or with their consent in the investigation, defence, monitoring or settlement of any Claim.

### Specific Conditions

#### 1 Cancellation or non-renewal

In the event of cancellation or non-renewal of this Section

- 1.1 any Claim resulting from a reported event, first made in writing against the Insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant
- 1.2 the Insured may report an event in terms of General Condition 3 (Claims) to the Company for up to 15 days after cancellation or non-renewal, provided



- 1.2.1 such event occurred during the period of insurance
- 1.2.2 any subsequent Claim first made in writing against the Insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 month period specified in 1.1 above

## **2 Reported event**

Any Claim first made in writing against the Insured as a result of a defined event reported in terms of General Condition 3 (Claims) (hereinafter termed reported event) shall be treated as if it had been first made against the Insured on the same day as the Insured reported the event to the Company.

## **3 Series of claims**

Any series of Claims made against the Insured by one or more than one claimant during the period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had been made against the Insured

- 3.1 on the date that the event was reported by the Insured in terms of General Condition 3 (Claims) or
- 3.2 if the Insured was not aware of any event which could have given rise to a Claim, on the date that the first Claim of the series was first made in writing against the Insured.

## **Specific Exceptions**

The Company will not indemnify the Insured under this Section in respect of

### **1 Cancellation or non-renewal**

any claim (in the event of cancellation or non-renewal of this extension) not first made in writing against the Insured within the 48 month period (or extended period in respect of minors) as specified in Specific Condition 1 (Cancellation or non-renewal).

### **2 Conflict of duties**

a conflict of duty or interest of any Trustee(s)

### **3 Circumstances not arising out of advice or omission to perform a Trustee duty**

death, disease or illness of or bodily injury to any person other than an Employee of the Body Corporate or loss of or damage to property, unless arising out of advice or omission to perform a trustee duty

### **4 Defamation**

loss or liability arising out of a publication or utterance of libel and slander or other defamatory or disparaging material

### **5 Employee**

death, disease or illness of or bodily injury to any Employee of the Body Corporate arising out of or in the course of such employment

### **6 Fines and penalties**

finer, penalties, punitive, exemplary or vindictive damages

### **7 First amount payable**

any first amount payable stated in the schedule

### **8 Illegal or fraudulent acts**

any Trustee(s) committing any illegal or fraudulent act, provided that this exception shall not apply to any innocent party affected by such act(s)

### **9 Intentional exercise of the power of the Trustee**

any intentional exercise of the power of the Trustee(s) for the purpose other than the purpose for which such powers were conferred by the management rules of the Body Corporate

### **10 Jurisdiction**

- 10.1 damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republics of South Africa and Botswana and the Kingdoms of Eswatini and Lesotho and the Republic of Namibia.



10.2 costs and expenses of litigation recovered by a claimant from the Insured which are not incurred in and recoverable in the area described in 10.1 above

## **11 Known events and circumstances**

11.1 any Claim arising from an event known to the Insured prior to inception of this Section

11.2 any Claim arising from an event known to the Insured which is not reported to the Company in terms of General Condition 3 (Claims)

11.3 the consequences of any circumstance known to the Insured at inception of this Section and which might reasonably be expected to produce a Claim, unless declared in advance by the Insured and accepted by the Company

## **12 Other insurance**

any indemnity claimable or claimed in terms of any other insurance or otherwise more specifically insured or excluded by any Section of this Policy

## **13 Personal profit**

any Trustee(s) gaining or having gained any personal profit or advantage to which they were not legally entitled or for which they may be held accountable to the Body Corporate or any individual member thereof

## **14 Remuneration**

any remuneration or other monies for which the Body Corporate or Trustee(s) are legally liable

## **15 Sexual abuse assault harassment or molestation**

any Claims arising out of sexual abuse assault harassment or molestation including unwelcome sexual advances, requests for sexual favours and any unwelcome verbal, visual or physical contact of a sexual nature

## **16 Unauthorised monies**

monies or gratuity given to any Trustee(s) without authorisation by the Body Corporate where such authorisation is necessary pursuant to the management rules of the Body Corporate or prescribed law

## **17 VAT**

any liability for the payment of VAT





## SECTION 12 MACHINERY BREAKDOWN

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this section unless specifically otherwise indicated:

#### 1 Machinery

shall mean motors, motor generating sets, gearboxes, braking equipment, drums and all associated equipment and controlling switchgear in lift rooms and lift shafts, boilers, air-conditioning plant and standby generator sets forming part of the building insured at the premises stated in the schedule.

### Defined Events

Sudden and unforeseen physical Damage to the Insured Machinery as defined.

### Basis of settlement

#### 1 Partial Loss

The basis of settlement shall be the cost of restoring to working order based on the customary daily rates of wages in the district and normal freight erection and custom dues less

1.1 the value of any reusable parts

1.2 the cost of alterations, additions, improvements and other overhauls of the Machinery carried out at the time of a repair.

#### 2 Total Loss

The basis of settlement shall be the new replacement value immediately before the accident plus the costs of removing the damaged Machinery less a reasonable allowance for use and value of the remains.

N.B. An insured item of Machinery shall be regarded as totally destroyed if the cost of repairs equals or exceeds the new replacement value immediately before the accident less reasonable amount for use

The Company may at its option repair or replace any damaged Machinery or pay the amount of damage in cash.

#### 3 Limitation

If the Damage is restricted to a part or parts of the insured Machinery, the Company will not be liable for more than the value of such parts allowed for in the sum insured plus dismantling, re-erection and freight expenses.

### Specific Conditions

#### 1 Access

The Insured shall permit the Company to inspect the Machinery at any reasonable time. If, arising from such inspection any facts likely to increase the risk of Damage are revealed the Insured must take immediate steps to restore the Machinery to normal. The Company may give written notice to the Insured suspending cover under this Section until the Insured advises the Company that the risk has been restored to normal.

#### 2 Alterations to working conditions

Notice of any alteration to or departure from normal working conditions which would affect the risk of samage must be given to the Company as soon as possible. The Company may either approve such changes or cancel the insurance under this Section and, provided there has not been a Claim during the current period of insurance, refund a proportionate part of the premium paid.



### **3 Average**

If at the time of the Damage the sum insured is lower than the installed new replacement value then the Insured will be considered to be his own insurer for the difference and will bear a rateable share of the loss accordingly. Every item of Machinery will be separately subject to this condition.

### **4 Claims**

On the happening of an event giving rise or likely to give rise to a Claim the Insured

4.1 shall exercise all means in his power to salvage the insured items and ensure their preservation

4.2 may proceed with the repair of the Machinery provided that

4.2.1 he complies with 4.1 above

4.2.2 the carrying out of the repair is without prejudice to any question of liability

4.2.3 any damaged part requiring replacement is kept for inspection by the Company.

### **5 Insured value**

The sum insured for each item of Machinery specified in the schedule must be equal to the installed new replacement value at all times.

### **6 Maintenance of Machinery**

The Insured shall take reasonable precautions to ensure that the Machinery is maintained in good working order and neither habitually nor intentionally overloaded and that Government and other regulations relating to the operation of the Machinery are observed.

### **7 Physical destruction or Damage**

No amount shall be payable hereunder except in the event of actual physical Damage to or destruction of the insured property, notwithstanding that the insured property may have been deemed to have been destroyed in terms of the Sectional Titles Act No. 95 of 1986, or as amended or replaced, and the provisions thereof shall not apply in regard to the application or interpretation of this Section.

### **8 Reinstatement of sum insured**

In the event of the payment by the Company of any sum or sums in discharge of the Company's liability in terms of this insurance the sum insured shall automatically be reinstated for the remainder of the current period of insurance provided that the Insured shall pay any additional premium required by the Company calculated pro rata from the date the repaired item is again put to work.

## **Specific Exceptions**

The Company will not indemnify the Insured under this Section in respect of

### **1 Collapse**

Damage caused by the collapse of buildings or any movement of the land supporting the buildings

### **2 Expendable parts**

Damage to expendable parts or tools. If such parts or tools are damaged as a result of an accident as provided for in this Section to other parts of the Machinery insured the Company will indemnify the Insured for the residual value of such parts or tools

### **3 Experiments**

damage resulting from experiments, overload or similar tests requiring the imposition of abnormal conditions or from the execution of repairs

### **4 First amount payable**

the amount specified in the schedule as the first amount payable for each and every occurrence

### **5 Foundations**

foundations masonry or refractories unless specifically mentioned

### **6 Maintenance contract**

any damage to Machinery which is not subject to a regular maintenance contract

### **7 Ordinary use**

any damage caused or attributable to wastage by or naturally resulting from ordinary use, working or gradual deterioration



**8 Other insurance**

any Damage for which an insurance is provided under any other contingency in this policy

**9 Temporary repairs**

temporary repairs and any consequences arising therefrom unless the Company has authorised the temporary repairs







## SECTION 13 ELECTRONIC EQUIPMENT

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

#### 1 Accident

shall mean

- 1.1 (applicable to increased cost of working only) physical loss of or damage to the Property Insured described in the schedule from any cause as provided for under Sub-Section A of this Section, liability under which Sub-Section shall, except for the provisions relating to the first amount payable or the maintenance/lease agreements, be a condition precedent to liability hereunder.
- 1.2 failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any Accidental cause other than
  - 1.2.1 the deliberate act of the Insured or any supply authority
  - 1.2.2 drought or shortage of fuel at any electricity utilityprovided that
  - 1.2.1 the liability of the Company shall not exceed the Sum Insured by this Sub-Section.
  - 1.2.2 the Indemnity Period shall commence 12 hours after the failure and end not later than 30 days after such failure.

#### 2 Indemnity Period

shall mean the period during which the results of the business shall be affected in consequence of the Accident beginning with the number of hours/days detailed in the schedule as the time excess after the occurrence of the Accident and ending not later than the expiry of the period detailed in the schedule as the Indemnity Period after such occurrence.

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

#### 3 Market Value

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

- 3.1 20% (twenty per cent) for the first year after the date of purchase
- and

- 3.2 10% (ten per cent) per year for each succeeding year

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

#### 4 New Property Insured

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.

#### 5 Territorial Limits

territorial limits shall mean

- 5.1 in respect of Property other than that described in 5.2 below, the Republics of South Africa, and Botswana, the Kingdoms of Eswatini and Lesotho, and the Republics of Malawi, Mozambique, Namibia and Zimbabwe



- 5.2 in respect of laptops, notebooks, palmtop computers, smartphones and other portable computer equipment temporarily outside the territories referred to in 5.1 above, anywhere in the world

## 6 Unattended Vehicle

unattended vehicle shall mean

any vehicle being used by the Insured or any principal, partner, director or employee of the Insured where such person is not in a position to keep the vehicle under constant observation and at the same time have a reasonable prospect of preventing any unauthorised interference with the vehicle

## Defined Events

### 1 Loss of or damage as provided for in Sub-Section A

### 2 Loss and/or expenditure as provided for in Sub-Section B

## Sub-Section A: Material Damage

Physical loss of or damage to the Property Insured described in the schedule from any cause not hereinafter excluded whilst

- 1 at work or at rest anywhere within that part of the building occupied by the Insured at the Insured premises described in the schedule
- 2 in transit including loading and unloading or whilst temporarily stored at any premises en route
- 3 temporarily removed from that part of the building occupied by the Insured at the Insured premises described in the schedule to any other building.

### 1 Sub-Section A – Basis of indemnification

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

#### 1.1 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

- 1.1.1 the value of damaged parts which can be used will be deducted
- 1.1.2 the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this Sub-Section
- 1.1.3 if, without the consent of the Company, temporary repairs are carried out by the Insured in the interests of safety or to minimize further loss or damage to the Property Insured, the cost of such temporary repairs will be borne by the Company. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the Property Insured, any additional costs so incurred or consequence arising therefrom will be for the account of the Insured
- 1.1.4 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.

#### 1.2 Total loss

1.2.1 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 provided always that

- 1.2.1.1 the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the Market Value of the



- Property Insured immediately before the damage shall be made
- 1.2.1.2 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
- 1.2.1.3 these conditions shall be without force or effect if
- 1.2.1.3.1 the Insured fails to intimate to the Company within six (6) months of the date upon which the damage occurred (or such further time as the Company may in writing allow) his intention to replace or reinstate the Property Insured
- 1.2.1.3.2 the Insured is unable or unwilling to replace or reinstate the Property Insured on the same or another site
- 1.2.1.4 at the sole option of the Company, following commercial and technical appraisal by a representative of the Company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this Section.
- 1.2.2 In respect of Property Insured not provided for in 1.2.1 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 1.1 (Partial loss) above equal or exceed its Market Value immediately before the damage.

## 2 Sub-Section A – Specific Condition

### Average

In respect of 1.1 (Partial loss) and 1.2 (Total loss) above, if at the time of repair, replacement or reinstatement, the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the Property Insured had been lost or damaged exceeds the Sum Insured thereon at the time of any loss of or damage to such Property, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Each item of this Section (if more than one) to which these conditions apply shall be separately subject to this provision.

## 3 Sub-Section A – Specific Exceptions

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

### 3.1 Cost of reproducing data

the cost of reproducing data and/or programs whether recorded on cards, tapes, disks or otherwise unless specifically provided for in Sub-Section B hereof

### 3.2 Derangement

derangement unless accompanied by physical damage otherwise covered by this Section

### 3.3 Faults or defects

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

### 3.4 First amount payable

the first amount payable as stated in the schedule in respect of Sub-Section A, of each and every event giving rise to a claim. Where more than one item of Property Insured suffers physical loss or damage in any one event, the first amount payable shall be the highest single amount applicable to such Property Insured

### 3.5 Loss of use

loss of use of the Property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein

### 3.6 Maintenance agreement



loss or damage recoverable in terms of any maintenance and/or leasing agreement effected by or on behalf of the Insured covering the Insured equipment

### **3.7 Parts having a short life**

parts having a short life such as (but not limited to) bulbs, valves, contacts, X-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of physical loss or damage as provided for by this Sub-Section to other parts of the Property Insured, the Company shall indemnify the Insured for the residual value prior to the loss of such exchangeable parts

### **3.8 Theft**

3.8.1 loss by theft or by disappearance of the Property Insured unless accompanied by forcible and violent entry into or exit (or any attempt thereat) from that part of the building occupied by the Insured at the insured premises described in the schedule or as a result of theft or any attempt thereat, following violence or threat of violence

3.8.2 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

### **3.9 Unattended vehicle**

loss or damage resulting from or caused by theft from any unattended vehicle unless the Property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit.

If the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but that the locking mechanism was blocked by thieves using an electronic device, such evidence shall be deemed to satisfy the requirement for a completely closed and securely locked vehicle;

This exception will not apply to loss or damage which may occur as a result of an Accident involving a road vehicle rendering any principal or employee or entrusted person incapable of retaining possession or control of the Property on account of bodily injury sustained.

### **3.10 Wastage of material**

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

## **Sub-Section B: Consequential Loss**

### **1 Sub-Section B – Basis of Indemnification**

#### **1.1 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

1.1.1 the cover provided for in item 1.2 (Reinstatement of data/programs) of this Sub-Section

1.1.2 the intrinsic value (including reinstatement value) of the Property Insured by Sub-Section A of this Section.

#### **1.2 Reinstatement of data/programs**

The insurance under this item is limited to costs and expenses necessarily and reasonably incurred by the Insured for the reconstitution or recompilation of data and/or programs recorded on or stored in data-carrying media which are lost as a result of Accidental erasure (which shall include the events defined in the indemnity clause to Sub-Section A of this Section) or by theft or by the deliberate, wilful or wanton intention of causing the cancellation or corruption of data or programs as provided for in Sub-Section A of this Section



provided that

- 1.2.1 the indemnity shall not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs
- 1.2.2 in respect of each and every event or series of events arising out of or in connection with one original cause or source indemnifiable by this item, the Insured shall bear the amount stated in the schedule as the excess
- 1.2.3 where the Insured elects to insure programs (software), a schedule of such programs shall be lodged with the Company at the commencement of each (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date).

## **2 Sub-Section B – Specific Exceptions**

Unless specifically provided for, the Company shall not be liable to indemnify the Insured in respect of

### **2.1 Fines and penalties**

finer or penalties for breach of contract for late or non-completion of orders or any penalties of whatsoever nature

### **2.2 Loss of profit**

loss of profit or consequential loss of whatsoever nature unless specifically provided for herein.

## **Special Exception (applicable to Sub-Sections A (Material damage) and B (Consequential loss))**

### **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.

## **Clauses, Extensions and Limitations**

### **1 Architects' and other professional fees extension to Sub-Section A (Material damage)**

The Company will in addition to the sums insured stated in the schedule pay for professional fees necessarily and reasonably incurred in the repair or reinstatement of Property following indemnifiable loss or damage, provided that the amount payable in respect of such fees does not exceed 15% of the total amount of the claim, but shall not include expenses incurred in connection with the preparation of the Insured's claim.

### **2 Capital additions and currency fluctuations extension**

The indemnity by this Section shall include

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

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

### **3 Clearance costs extension to Sub-Section A (Material damage)**

The Company will in addition to the sums insured stated in the schedule pay for costs necessarily and reasonably incurred by the Insured in respect of demolition or dismantling of Property and/ or removal of debris and in providing, erecting and maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss of or



damage to such Property, provided that the total amount recoverable does not exceed 15% of the total amount of the claim.

#### **4 Express delivery and overtime extension to Sub-Section A (Material damage)**

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

#### **5 Fire brigade charges extension to Sub-Section A (Material damage)**

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.

#### **6 Hire purchase / finance agreements clause**

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

#### **7 Incompatibility cover extension to Sub-Sections A (Material damage) and B (Consequential loss) (if stated in the schedule to be included)**

Notwithstanding anything to the contrary contained in this Section, the indemnity by Sub-Sections A (Material damage) and B (Consequential loss) of this Section shall indemnify the Insured for costs incurred in respect of

- 7.1 modifications or alterations to the Property Insured directly consequent upon indemnifiable loss or damage to ensure the operating integrity of the electronic system
- 7.2 replacement or upgrading of legal programs to achieve compatibility with the modified or altered electronic system
- 7.3 the restoration of previously captured data which has become inaccessible due to the modifications to or alterations of the electronic system or in consequence of the replacement or upgrading of legal programs;

provided always that

- 7.1 the costs provided for in 7.1, 7.2 and 7.3 above shall be necessarily and reasonably incurred to maintain normal working conditions
- 7.2 such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of Sub-Sections A (Material damage) or B (Consequential loss) (item 1.2 (Reinstatement of data/programs)) of this Section
- 7.3 the cover afforded hereunder shall be restricted to
  - 7.3.1 parts or components of the electronic system which are not indemnifiable under Sub-Section A (Material damage) hereof
  - 7.3.2 programs or data reinstated not indemnifiable under item 1.2 (Reinstatement of data/programs) of Sub-Section B (Consequential loss) hereof;
- 7.4 the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to 20% of the applicable total Sum Insured under Sub-Section A (Material damage) and sub Section B (Consequential loss) (item 1.2 (Reinstatement of data/programs)) with a maximum amount of R25 000.

#### **8 Non-forcible and violent entry into vehicle extension to Sub-Section A (Material damage) (if stated in the schedule to be included)**

Exception 3.9 (Unattended vehicle) shall not apply to goods contained in a completely closed and securely locked vehicle where the Insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:

- 8.1 the police case number is supplied to the Company;
- 8.2 after the deduction of the excesses specified in the schedule, the liability of the Company is further restricted to 50% of the claim with a maximum of R10 000.





## 9 Power surge or lightning strikes limitation to Sub-Section A (Material damage)

All loss or damage to the Property Insured by power surges or lightning strikes will be subject to the first amount payable as stated in the schedule. However, should the Property Insured be appropriately and adequately protected by suitable safeguards against electrical supply fluctuations, then this additional first amount payable will be waived.

## 10 Prevention of access extension to Sub-Section B (Consequential loss)

If, during the Indemnity Period, the business at the premises is interrupted or interfered with in consequence of the Insured being prevented from having access to the Property Insured situated at the premises caused by damage to property within a 15km radius of the insured premises as described in the schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, the Company shall indemnify the Insured for loss resulting from such interruption or interference in accordance with the provisions contained herein

provided that

- 10.1 the Insured is not entitled to indemnity as provided for in this extension under any other policy or Section of this policy
- 10.2 this Section shall not be brought into contribution with any other policy or Section of this policy bearing a like extension.

## 11 Reinstatement limitation to Sub-Section B (Consequential loss)

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

- 11.1 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
- 11.2 additions, alterations or improvements being effected to the Property Insured on the occasion of its repair,

the Company's liability under this Section shall be related solely to the business interruption which would have arisen in the absence of 11.1 and 11.2.

## 12 Telkom access lines extension to Sub-Section B (Consequential loss) (if stated in the schedule to be included)

Subject to the limits specified in the schedule, consequential loss as provided for under 1.1 (Increased cost of working) and 1.2 (Reinstatement of data/programs) of Sub-Section B arising from Accidental failure of the Telkom access lines is included, provided always that the insurance under this extension shall be subject to the special conditions below.

### Special conditions applicable to Telkom access lines

- 12.1 The liability of the Company shall not exceed the Sum Insured by this Sub-Section.
- 12.2 The Indemnity Period shall commence 12 hours after the failure and end not later than the 30 days stated after such failure.
- 12.3 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.

## 13 Tenants extension

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







## SECTION 14 MOTOR

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this section unless specifically otherwise indicated:

**1 Damage**

shall mean physical damage including physical loss

**2 Injury**

shall mean bodily Injury including death and illness

**3 Occurrence**

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

**4 Property**

shall mean tangible Property

**5 Retail Value**

shall mean the value as determined by reference to the retail value from the Auto Dealer's guide published by Trans Union Auto Information Solutions (Pty) Limited, or any similar publication approved by the Company. The vehicle's age, condition and odometer reading could affect the Retail Value.

At each Annual Renewal or Anniversary Date, the Company will automatically adjust the insured value of Vehicles described in definition 7.1 and commercial Vehicles described in definition 7.2 with a gross vehicle mass not exceeding 3 500 kg, to align to the Retail Value at that time.

Optional extras, additional accessories and spare parts and modifications must be separately insured as optional extras.

**6 Territorial Limits**

shall mean the Republics of South Africa, Angola (except for Cabinda) and Botswana, the Kingdom of Eswatini, the Republic of Kenya, the Kingdom of Lesotho, the Republics of Malawi, Mozambique and Namibia, the United Republic of Tanzania and the Republics of Zambia and Zimbabwe

**7 Vehicle**

shall mean

7.1 private type motor cars (including motorised motor homes, station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 12 persons including the driver)

7.2 commercial vehicles and special type vehicles as described in the Schedule

7.3 motor cycles (including motor scooters and motor tricycles)

7.4 buses (including any vehicle used for business purposes and designed to seat more than 12 persons, including the driver)

7.5 trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto

any such vehicle being owned by or hired or leased to the Insured, including any such Vehicle temporarily operated by the Insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the Company's maximum liability shall not exceed the lesser of the Retail Value of the replacement vehicle or the Limit of Indemnity of the replaced Vehicle as stated in the Schedule.



## Sub-section A - Damage

### Defined Events

Damage to any Vehicle described in the Schedule and its accessories and spare parts whilst therein or thereon. In addition, if such Vehicle is disabled by reasons of any Damage insured hereby, the Company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the Company to the extent of but not exceeding R10 000 provided that a detailed estimate is first obtained and immediately forwarded to the Company. The Company will also pay the reasonable cost of delivery to the Insured, after repair of such damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republics of South Africa or Botswana, the Kingdoms of Eswatini or Lesotho or the Republics of Malawi, Mozambique, Namibia, or Zimbabwe

provided that

- 1 in respect of specified Vehicles described in definition 7.1 and specified commercial Vehicles described in definition 7.2 with a gross vehicle mass not exceeding 3 500 kg and where Extension 11 (Retail Value Top-up Cover Extension to Sub-Section A (if stated in the schedule to be included)) is included, the maximum amount payable by the Company in respect of such Damage shall not exceed the Retail Value of the Vehicle at the time of such Damage increased by the Retail Value Top-up Percentage as shown in the Schedule plus any optional extras, additional accessories and spare parts and modifications that have been separately insured as optional extras, subject always to paragraph 11.2 of Extension 11 (Retail Value Top-up Cover Extension to Sub-Section A (if stated in the schedule to be included)) ;

In all other instances the Limit of Indemnity for each type of Vehicle is as stated in the Schedule and shall be the maximum amount payable by the Company in respect of such Damage, but shall not exceed the Retail Value of the Vehicle plus any optional extras, additional accessories and spare parts and modifications that have been separately insured as optional extras at the time of such Damage subject always to paragraph 11.2 of Extension 11 (Retail Value Top-up Cover Extension to Sub-Section A (if stated in the schedule to be included));

- 2 the Company may, at its own option, repair, reinstate or replace such Vehicle or any part thereof and its accessories and spare parts therein or thereon or may pay in cash the amount of the Damage not exceeding the Retail Value of such Vehicle (increased by the Retail Value Top-up Percentage if applicable) plus any optional extras, additional accessories and spare parts and modifications that have been separately insured as optional extras at the time of such Damage;
- 3 notwithstanding anything in Provisos 1 and 2 to the contrary and only in respect of Vehicles described in definition 7.1 and commercial Vehicles described in definition 7.2 with a gross vehicle mass not exceeding 3 500 kg, if such Vehicle within a period of 12 months of the date of first registration as new, is stolen or hijacked and not recovered and physically returned to the Company or Damaged to the extent that it is in the opinion of the Company beyond economical repair, the basis of indemnity will be the current purchase price of a new Vehicle of the same or a similar model less the Excess provided that
  - 3.1 The Vehicle has travelled less than an average of 3 500 kilometres per month. The onus of proving the kilometres travelled by the Vehicle shall rest upon the Insured;
  - 3.2 If the Vehicle is replaced as described above, the Company shall be become entitled to possession and ownership of the Damaged Vehicle;
- 4 if, to the knowledge of the Company, the Vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such Damage;
- 5 in respect of each and every Occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this Sub-Section, the Insured shall be responsible for the Excess stated in the Schedule according to the type of Vehicle.

If any expenditure incurred by the Company shall include any Excess for which the Insured is responsible, such Excess shall immediately be paid by the Insured to the Company;
- 6 where a Vehicle is Damaged outside the Republic of South Africa the Company will in addition pay the reasonable costs of repatriation of such Vehicle to the South African side of the nearest border post, provided that the Company's liability shall not exceed, in respect of any one event, R20 000;
- 7 the Company shall not be liable in respect of theft or attempted theft of fitted Vehicle audio, visual, communication, and navigational equipment for more than:



- 7.1 If factory fitted by the manufacturer of the Vehicle when new, the replacement value of the item provided that the Insured shall be responsible for the basic Excess stated in the Schedule;
- 7.2 If not factory fitted by the manufacturer of the Vehicle when new and
  - 7.2.1 not specified as a separate item in the Schedule, R7 500 per item and in total R20 000 per event provided that the Insured shall be responsible for the basic Excess stated in the schedule;
  - 7.2.2 specified as a separate item in the Schedule, the amount stated in the Schedule less the Excess for which the insured shall be responsible.

### **Specific Exceptions to Sub-Section A (Damage)**

The Company shall not be liable to pay for

#### **1 Consequential loss**

consequential loss a result of any cause whatsoever;

#### **2 Depreciation**

depreciation in value whether arising from repairs following a Defined Event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages or any resultant Damage;

#### **3 Springs**

Damage to springs or shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;

#### **4 Tyres**

Damage to tyres unless some other part of the Vehicle is Damaged at the same time.

### **Sub-Section B - Liability to third parties**

#### **Defined Events**

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

- 1 Injury to any person, but excluding Injury to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured
- 2 Damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from such Vehicle.

#### **Limits of Indemnity**

Unless otherwise stated, the liability of the Company under this Sub-Section in respect of any one Occurrence shall not exceed the Limits of Indemnity as stated in the Schedule.

The Company will also, in terms of and subject to the Limitations of and for the purposes of this Sub-Section,

- 1 pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Sub-Section, or for defending in any court of law any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Sub-Section, provided that the total of the Company's liability under both this Extension and Sub-Section B shall not exceed the Limit of Indemnity stated to apply to Sub-Section B
- 2 indemnify any person who is driving or using such Vehicle on the Insured's order or with the Insured's permission provided that
  - 2.1 such person shall, as though he were the Insured, observe, fulfil and be subject to the terms, Exceptions and Conditions of this insurance in so far as they can apply
  - 2.2 such person driving such Vehicle has not been refused any motor insurance or continuance thereof by any insurer
  - 2.3 indemnity shall not apply in respect of claims made by any member of the same household as such person
  - 2.4 such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder



- 3 indemnify the Insured while personally driving or using any private type motor car or commercial Vehicle with a gross vehicle mass not exceeding 3 500 kg not belonging to him and not leased or hired to him under a lease or suspensive sale agreement, provided the Insured is an individual and has insured hereunder a Vehicle described under definition 7.1 or 7.2 and provided the Company shall not be liable for Damage to the Vehicle being driven or used
- 4 indemnify the Insured in respect of liability arising from the towing by a Vehicle (other than for reward) of any other Vehicle or trailer (including liability in connection with the towed Vehicle or trailer), provided the Company shall not be liable for Damage to the towed Vehicle or trailer or to property therein or thereon.

### **Specific Exceptions to Sub-Section B (Liability to third parties)**

The Company shall not be liable under this Sub-Section in respect of

#### **1 Compulsory motor vehicle insurance enactment**

so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment.

This Exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected and regardless of whether or not the applicable legislative fund is capable of providing or able to provide compensation

#### **2 Excess**

the Excess stated in the Schedule according to the type of Vehicle for each and every Occurrence giving rise to a claim under this Sub-Section

#### **3 Liability to passengers**

Injury to any person being carried in or upon or entering or getting onto or alighting from a Vehicle described in definition 7.2, 7.3, 7.4 or 7.5 at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger-carrying compartment of a Commercial Vehicle with a gross vehicle mass not exceeding 3 500 kg)

#### **4 Tool of Trade**

liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the Vehicle) of any tool or plant forming part of or attached to or used in connection with a Vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

## **Sub-section C Emergency Expenses Shortfall**

### **Defined Events**

If an occupant in the specified part of a Vehicle described below, in direct connection with such Vehicle, sustains bodily injury by violent, accidental, external and visible means, the Company will pay to the Insured the emergency costs and expenses (including any costs incurred to free such injured occupant from such Vehicle or to bring such injured occupant to a place of safety) incurred as a result of such injury up to R7 500 (seven thousand five hundred rand) per injured occupant but not exceeding R30 000 (thirty thousand rand) in total for all occupants injured as a result of an Occurrence or series of Occurrences arising out of one event.

Provided that the amount payable under this Sub-Section shall be reduced by any amount as may

- 1 fall within the scope of any
  - 1.1 Act in terms of which any employee may claim compensation for work related injuries
  - 1.2 compulsory motor vehicle insurance enactmentThis Proviso shall apply regardless of whether or not the applicable legislative fund is incapable of providing or unable to provide compensation
- 2 be payable by a registered Medical scheme including any amounts payable from a member's Medical scheme Savings account.



#### **Defined Vehicle but only if it is insured under Sub-Section A of this Section**

- 1 Any private type motor car or motorised motor home
- 2 Any other type of insured Vehicle other than a bus or taxi

#### **Specified part of Vehicle in which the injury must occur**

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

## **No Claim Rebate Provisions (applicable to specified Vehicle basis)**

The Policy Schedule reflects the Claim Free Group (CFG) of each Vehicle. These are awarded based on the number of claims made or arising for the particular Vehicle during the preceding (Annual) Periods of Insurance (being the period of twelve consecutive months from the Inception Date or Anniversary Date). The Renewal premium is then based on the revised Claim Free Group according to the following explanation:

- 1 Claim Free Groups range from 0 to 10 for Vehicle definitions 7.1, 7.2, 7.3 and 7.4 with 10 having the lowest and 0 having the highest Premium.
- 2 As an example, a Claim Free Group 3 would be awarded to a Vehicle that has been claim free for the preceding 3 years and a 6 for a Vehicle that has been claim free for the preceding 6 years.
- 3 Each claim made or arising in a Period of Insurance will result in the Claim Free Group reducing by 2 at the next renewal. As an example, if a Vehicle with a Claim Free Group 5 has a claim during the Period of Insurance this will result in a Claim Free Group 3 at the next renewal. If the same Vehicle with a Claim Free Group 5 has 2 claims during the Period of Insurance the Claim Free Group will reduce to 1 at the next renewal.

## **Specific Conditions applicable to all Sub-Sections**

### **1 Licence**

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

### **2 Roadworthiness**

It is a condition precedent to the liability of the Company and warranted that all Vehicles whether on their own or forming part of a combination of Vehicles shall at all times be kept in a roadworthy state or condition.

## **Specific Exceptions applicable to all Sub-Sections**

The Company shall not be liable for

### **1 Contractual liability**

any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.

### **2 Intoxicating liquor, drugs, not licenced or breach of the Road Traffic Act**

any accident, Injury, Damage or liability incurred while any Vehicle is being driven by

- 2.1 the Insured
  - 2.1.1 while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself); or
  - 2.1.2 while not licensed to drive such Vehicle; or
  - 2.1.3 who materially breaches any of the provisions or requirements of the National Road Traffic Act, 93 of 1996 (as amended) or any of its regulations including inter alia the National Road Traffic Regulations (as amended) or similar legislation applicable in the country where the Vehicle is being driven or used.
- 2.2 any other person with the general consent of the Insured who, to the Insured's knowledge



- 2.2.1 is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself); or
- 2.2.2 who is not licensed to drive such Vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his Business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured Vehicles; or
- 2.2.3 materially breaches any of the provisions or requirements of the National Road Traffic Act, 93 of 1996 (as amended) or any of its regulations including inter alia the National Road Traffic Regulations (as amended) or similar legislation applicable in the country where the vehicle is being driven or used.

Provided that any driver shall be deemed to be licensed to drive the Vehicle if he is complying with the licensing laws relating to any of the territories referred to in the Territorial Limits, or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal, or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learner drivers. The term licensed shall include the requirement of having a Professional Driving Permit in addition to a driver's license for those Vehicle types requiring such permits by law

### **3 Outside of territorial limits**

any accident, Injury, Damage or liability incurred outside the Territorial Limits, but the Company will indemnify the Insured against Damage to any Vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit

### **4 Vehicle not being used in accordance with Description of Use**

any accident, Injury, Damage or liability whilst the Vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with Clause 4 (Description of Use clause)

## **Clauses, Extensions and Limitations**

### **1 Contingent liability Extension to Sub-Section B (Liability to third parties) (if stated in the Schedule to be included)**

The indemnity under Sub-Section B includes claims made against

- 1.1 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)
- 1.2 any Such Person in the event of an accident arising in the course of the Business and caused by or through or in connection with any motor Vehicle not belonging to him 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

- 1.1 Exception 3 (Liability to passengers) of the Exceptions to Sub-Section B is deleted
- 1.2 the Company shall not be liable for Damage to any motor Vehicle being used for the purposes and in the manner described in 1.1 and 1.2 above
- 1.3 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
- 1.4 if, at the time of the occurrence of any accident giving rise to a claim under this Extension, the Insured or Such Person is entitled to indemnity under any other policy in respect of the same occurrence, the Company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy
- 1.5 the terms, Exceptions and Conditions of the Policy shall otherwise apply.





## **2 Credit shortfall Extension to Sub-Section A (Damage) (if stated in the Schedule to be included)**

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

- 2.1 any arrears instalments or rentals including interest payable on such arrears
- 2.2 all refunds of Premium for cancellation of any insurance cover relating to the motor Vehicle
- 2.3 the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
- 2.4 the Excess under Sub-Section A

provided always that

- 2.1 the amounts payable shall not exceed the maximum indemnity less the Excess under Sub-Section A plus the amount of the credit shortfall
- 2.2 this Extension shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% from any other instalment
- 2.3 if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this Extension shall be void.

## **3 Cross liabilities Clause to Sub-Section B (Liability to third parties)**

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

## **4 Description of Use clause**

Use for social, domestic and pleasure purposes and use for the Business or occupation of the Insured excluding

hiring, carriage of passengers for hire or carriage of fare-paying passengers, racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade.

The indemnity to the Insured in connection with any Vehicle shall operate while such Vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair.

## **5 Fire extinguishing charges Extension to Sub-Section A (Damage)**

Any costs (not exceeding R15 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.

## **6 Loss of keys Extension to Sub-Section A (Damage) (if stated in the schedule to be included)**

The Company will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote controller and, if necessary, the reprogramming of any coded alarm system of any insured Vehicle, following upon the disappearance of any key or 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 controller, provided that

- 6.1 the Company's liability shall not exceed, in respect of any one event, the amount stated in the schedule for any claim or number of claims for any one event or series of events with one originating cause or source
- 6.2 the provisions of this Section relating to Excess and No Claim Rebate shall not apply to this Extension.



## **7 Parking facilities and movement of third-party vehicles Extension to Sub-Section B (Liability to third parties) (if stated in the Schedule to be included)**

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

7.1 with the authority of any tenant, customer or visitor of the Insured or

7.2 in connection with the Insured's parking arrangements or

7.3 to facilitate the carrying out of the Insured's business,

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

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

## **8 Passenger liability Extension to Sub-Section B (Liability to third parties) (if stated in the Schedule to be included)**

Exception 3 (Liability to passengers) to Sub-Section B shall not apply to Vehicles described in definition 7.2 other than special types, or in definitions 7.3, 7.4 or 7.5. The Limit of Indemnity for any one Occurrence shall not exceed the amount stated in the Schedule.

## **9 Premium adjustment Clause**

If this Section is issued on a non-specified Vehicle basis, the Insured shall submit to the Company at the end of each (Annual) Period of Insurance (being the period of twelve consecutive months from the Inception Date or Anniversary Date) a declaration of the total number of Vehicles owned, hired or leased at such expiry date. The Company shall, upon receipt of this declaration, make a premium adjustment of 50 per cent of the Annual rate per Vehicle applied to the difference in the number of Vehicles at inception or Renewal and the number declared.

## **10 Principals Clause to Sub-Section B (Liability to third parties)**

Notwithstanding Specific Exception 1 (Contractual liability) of this Section, the indemnity under Sub-Section B extends to indemnify, to the extent required by the conditions of any contract of the Building Industries Federation of South Africa, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the Insured for the purposes of the Business, provided that the liability of the Company shall not exceed the Limit of Indemnity stated in the Schedule.

## **11 Retail Value Top-up Cover Extension to Sub-Section A (if stated in the schedule to be included)**

(applicable only to specified Vehicles described in definition 7.1 and specified commercial Vehicles described in definition 7.2 with a gross vehicle mass not exceeding 3 500 kg and insured for comprehensive or third-party fire and theft cover)

11.1 If a specified Vehicle as described in definition 7.1 or a specified commercial Vehicle as described in definition 7.2 with a gross vehicle mass not exceeding 3 500 kg and insured for comprehensive or third-party fire and theft cover is stolen or hijacked and not recovered and physically returned to the Company or Damaged to the extent that it is in the opinion of the Company beyond economical repair, the maximum amount payable by the Company in respect of such Damage shall not exceed the Retail Value of the Vehicle at the time of such Damage increased by the Retail Value Top-up Percentage as stated in the Schedule plus any optional extras, additional accessories and spare parts and modifications that have been separately insured as optional extras;

11.2 The maximum amount payable in terms of this Extension shall, however, not exceed the proven dealer resale value of the insured Vehicle at the time of the Damage as determined by the Company.

11.3 This extension does not apply to Damage indemnified in terms of Proviso 3 of the Defined Events.





## **12 Replacement of undamaged tyres, springs or shock absorbers Extension to Sub-Section A (Damage)**

Where the Company is liable to indemnify the Insured in respect of Damaged or stolen tyres, springs or shock absorbers, the Company will in addition indemnify the Insured for the replacement of the remaining tyres, springs or shock absorbers provided that

- 12.1 this Extension will only apply if such additional replacement is required by the Vehicle manufacturer or where the Vehicle manufacturer confirms in writing that non-replacement will adversely influence the Vehicle warranty.
- 12.2 the Company shall be entitled to possession and ownership of the tyres, springs or shock absorbers which were undamaged or not stolen
- 12.3 fair wear and tear will be deducted for the tread already used on the remaining tyres or the wear and tear on springs or shock absorbers.
- 12.4 where the Excess is stated as a percentage of the claim such Excess will be calculated on the total amount of the claim including the cost of the replacement of the tyres, springs or shock absorbers which were undamaged or not stolen.

## **13 Riot and strike (excluding Damage occurring in the Republic of South Africa and Namibia) Extension to Sub-Section A (Damage) (if stated in the Schedule to be included)**

Subject otherwise to the terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this Section is extended to cover Damage directly occasioned by or through or in consequence of:

- 13.1 civil commotion, labour disturbances, riot, strike or lockout;
- 13.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any Occurrence referred to in 13.1 above;

provided that this Extension does not cover:

- 13.1 Damage occurring in the Republic of South Africa and Namibia;
- 13.2 consequential or indirect Damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- 13.3 Damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- 13.4 Damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority;
- 13.5 Damage related to or caused by any Occurrence referred to in General Exception 9.1.2, 9.1.3, 9.1.4, 9.1.5, 9.1.6, 9.1.7 or 9.1.8 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 13.1, 13.2, 13.3, 13.4 and 13.5, Damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

## **14 Temporary removal of audio or visual equipment Extension to Sub-Section A (Damage)**

The insurance under Sub-Section A includes Damage to removable audio or visual equipment (including removable faceplates of audio or visual equipment) fitted in any insured Vehicle whilst such equipment or faceplates are temporarily removed from the Vehicle.

## **15 Third party, fire and theft only Limitation (if stated in the Schedule to be applicable)**

The liability of the Company under Sub-Section A is restricted solely to Damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereof. Further, Sub-Section C and the No Claim Rebate Provisions are cancelled.

## **16 Third party only Limitation (if stated in the Schedule to be applicable)**

Sub-Sections A and C and the No-Claim Rebate Provisions are cancelled.

## **17 Unauthorised passenger liability Extension to Sub-Section B (Liability to third parties) (if stated in the Schedule to be included)**

The indemnity under Sub-Section B, notwithstanding Exception 3 (Liability to passengers) thereto, extends to cover the Insured's legal liability for death of or 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.



## **18 Vehicle canopies Extension to Sub-Section A (Damage)**

The insurance under Sub-Section A includes Damage to any canopy insured as an accessory to any insured commercial Vehicle with a gross vehicle mass not exceeding 3 500 kg, whilst temporarily removed and stored inside a building on any premises provided that in respect of Damage as a result of theft or any attempt thereat, the Company shall only be liable where such theft or attempt thereat is accompanied by forcible and violent entry into or exit from the building where the canopy is stored.

## **19 Vehicle glass Extension to Sub-Section A (Damage) (applicable only to Vehicles insured for comprehensive cover)**

The Provisions of this Section relating to Excess and No Claim Rebate shall not apply to any payment for Damage to window and sunroof glass (if specified in the Schedule as an accessory) and headlamp, foglight and taillight units forming part of any Vehicle provided that

19.1 no other Damage has been caused to the Vehicle giving rise to a claim under the Policy

19.2 the Insured shall be responsible for the Excess applicable to this Extension stated in the Schedule of each and every loss.

## **20 Waiver of subrogation rights Clause**

For the purposes of this Section, the Company waives all rights of subrogation or action which they may have or acquire against any other person to whom the indemnity hereunder applies, and each such person shall observe, fulfil and be subject to the terms, Exceptions and Conditions (both General and Specific) of this insurance in so far as they can apply.

## **21 War clause to Sub-Sections B (Liability to third parties) and C (Emergency expenses shortfall): War**

In respect of Sub-Sections B and C only, General Exception 9 (War, riot and terrorism) is deleted and replaced by the following:

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

## **22 Wreckage removal extension to sub-section A (Damage) (if stated in the schedule to be included)**

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured Vehicle following Damage to such Vehicle by a Defined Event, provided that, in addition to the Limit of Indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one Occurrence, the limit stated in the schedule to apply to this Extension



## SECTION 15 UMBRELLA LIABILITY

### Definitions

The following definitions apply to the words or terms listed below wherever they appear in this Section unless specifically otherwise indicated:

**1 Damage**

shall mean loss of or Damage to tangible Property, conversion, trespass, nuisance or wrongful interference with the enjoyment of rights over tangible Property.

**2 Injury**

shall mean death of or Injury to or illness, disease, false imprisonment or arrest of or to any person.

**3 Malice**

shall mean malicious legal proceedings, malicious falsehood, defamation, unfair competition or infringement of copyright, title, slogan or idea.

**4 Negligent Advice**

shall mean incorrect or inadequate advice given in the promotion of the Insured's Products, but without expectation of any other reward.

**5 Product**

shall mean any article after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured.

**6 Territorial Limits**

shall mean anywhere in the world but not in respect of any demand, claim, judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).

**7 Underlying Insurance**

shall mean cover in force under those Sections listed in the schedule under the heading "Underlying Insurance Sections".

### Defined Events

Subject to the provisions of Sub-Sections A, B and C (Basis of indemnification) - Damages, costs, fees and expenses which the Insured shall become legally liable to pay consequent upon

**1 Damage**

**2 Injury**

**3 Malice**

**4 Negligent Advice**

which occur in the course of or in connection with the business within the Territorial Limits.

### Limits of indemnity

The amount payable, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent

**1** in respect of

**1.1** Claims arising out of or in connection with

**1.1.1** Products

**1.1.2** Negligent Advice



1.1.3 liability consequent upon Injury or Damage occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work

1.2 Claims under Sub-Section C (Additional risks protection)

for any one event or series of events with one original cause or source or in the aggregate during any (annual) period of insurance (being the period of twelve consecutive months from the inception date or anniversary date)

2 in respect of all other Claims for any one event or series of events with one original cause or source (subject always to proviso 1 of Sub-Section A (Excess layer protection))

shall not exceed the limit of indemnity stated in the schedule

## Basis of indemnification

Subject to the defined events, limits of indemnity, Specific Conditions and Exceptions of this Section as well as the General Exceptions, Conditions and Provisions of this Policy, the indemnity provided by this Section is restricted to those circumstances defined under Sub-Sections A, B and C hereunder:

### Sub-Section A - Excess layer protection

This Sub-Section provides indemnity in accordance with the defined events of this Section in excess of the limit of indemnity of the Underlying Insurance provided that:

- 1 the cover provided by this Sub-Section is subject to the same Terms, Exceptions and Conditions as the Underlying Insurance and where such insurance states that generally or in respect of specified Claims the limit of indemnity is the aggregate of all indemnifiable Claims occurring or made during the (annual) period of such Underlying Insurance, then the limit of indemnity under this Section is declared to be on an identical basis as such Underlying Insurance;
- 2 the Claim is covered by the Underlying Insurance and is not met in full solely because of the inadequacy of the limit of indemnity of such Underlying Insurance;
- 3 where the limit of indemnity of the Underlying Insurance has been reduced by reason of previous Claims, this Sub-Section shall provide indemnity in excess of such reduced limit of indemnity;
- 4 where the limit of indemnity of the Underlying Insurance has been exhausted by reason of previous Claims, the Company will interpret this Section as if such Underlying Insurance is still in force and this sub-Section shall provide indemnity in excess of the excess (if any) of such Underlying Insurance;
- 5 unless specifically agreed to by the Company under this Section, any decision by the Company to accept a Claim on an "ex gratia" or "without prejudice" basis in terms of the Underlying Insurance shall not be covered under this Sub-Section.

### Sub-Section B - Difference in Conditions

This Sub-Section provides indemnity in accordance with the defined events of this Section for Claims covered by the defined events of the Underlying Insurance but excluded by a subsequent Policy term, Exception or Condition of such Underlying Insurance provided that:

- 1 where the limit of indemnity of the Underlying Insurance has been exhausted solely by reason of previous Claims, the Company will interpret this Sub-Section as if such Underlying Insurance's defined events and related Terms, Exceptions and Conditions are still in force;
- 2 where the Underlying Insurance is on a Claims Made Basis, any Policy term, Exception or condition on the Underlying Insurance relating to when a Claim is made or reported or must be made or reported shall also apply to this Sub-Section;
- 3 if a Claim is rejected under the Underlying Insurance on the basis of an exception relating to the inefficacy or failure to conform to specification of a Product and such Underlying Insurance is on a losses occurring basis and the circumstances of the Claim is such that the Insured and the Company cannot mutually agree when the loss occurred, then the Company will deal with the Claim on the basis that the loss occurred when the claimant first notified the Insured of a circumstance or an event which subsequently gave rise to an indemnifiable Claim;



- 4 this Sub-Section will also provide indemnity where a Claim is not covered by the wording of the defined events of the Underlying Insurance solely on the grounds that:
  - 4.1 the Injury or Damage was not accidental by nature or did not arise out of an accident (still subject to specific exception 4 (Deliberate failure) of the specific exceptions applicable to sub-Sections A, B & C);
  - 4.2 any temporary loss of use of Property or reduction in value of Property did not constitute Damage within the said defined events.

### **Sub-Section C - Additional risks protection**

This Sub-Section provides indemnity in accordance with the defined events of this Section, other than for Claims which are indemnifiable in whole or part by Sub-Sections A or B of this Section or which are the subject of indemnity by any other policy provided that:

- 1 the indemnity granted by this Sub-Section is limited to Claims made against the Insured during the period of insurance of this Section, or events or circumstances notified by the Insured to the Company during such period which subsequently give rise to Claims being made;
- 2 this Sub-Section will not provide indemnity where the Company declines to grant indemnity in terms of the Underlying Insurance in respect of a Claim on the grounds that the event did not occur or the Claim was not made during the policy period (as the case may be).

## **Specific Conditions**

### **1 Business liquidated**

Cover under this Section shall cease if the Insured's business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the Company;

### **2 Disputes**

Any dispute between the Insured and the Company in connection with or arising out of this Section shall be decided exclusively in accordance with the law of the country in which this Policy is issued and exclusively by a competent court of the High Court of that country.

The Insured undertakes that they will not institute action against the Company nor bring joint proceedings against the Company in the court of any country other than in the country in which this Policy is issued;

### **3 Other insurances**

If, at the time of any event giving rise to a Claim under this Section, indemnity for such event is also provided under any other insurance (other than a policy to specifically provide indemnity in excess of this Section), the indemnity provided by this Section shall be in excess of, and shall not contribute with, such other insurance.

Insurance specifically to provide indemnity in excess of this Section is permitted without prejudice to this insurance and the existence of such specific excess insurance shall not reduce the Company's liability under this Section.

### **4 Underlying Insurance**

The indemnity granted by this Section is conditional upon the Underlying Insurance remaining in force throughout the period of insurance and that the limits of indemnity in terms of the Underlying Insurance shall not be less than those reflected under the heading "Minimum Underlying Insurance limits of indemnity" contained in the schedule. If, at the date of loss, the limit of indemnity in terms of the Underlying Insurance is less than the said minimum limits, then the Insured shall be considered as being their own insurer for the difference.

## **Specific Exceptions applicable to Sub-Sections A, B and C**

The Company will not indemnify the Insured in respect of

### **1 Carriage of passengers for hire or reward**

any liability arising out of the carriage of passengers for hire or reward or the carriage of fare paying passengers;



## **2 Compulsory motor Vehicle insurance**

so much of any compensation or Claim as falls within the scope of any compulsory motor Vehicle insurance enactment.

This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected and regardless of whether or not the applicable legislative fund is incapable of providing or unable to provide compensation;

## **3 Defined events prior to retroactive date**

any defined event which occurs prior to the retroactive date which is applicable to the Underlying Insurance;

## **4 Deliberate failure**

any liability arising out of any deliberate or intentional failure of the Insured or the Insured's management to take reasonable precautions to prevent Injury, Damage, defamation or Negligent Advice;

## **5 Electronic data**

any liability for Damage including detrimental change and any consequence therefrom to any electronic data;

## **6 Events known to the Insured**

any liability arising out of any circumstance or event known to the Insured:

6.1 which is not reported to the Company in terms of any claims reporting requirement or condition contained in the General Section of this Policy

6.2 prior to inception of this Section;

## **7 Fines and penalties**

fines, penalties, punitive, exemplary or vindictive Damages;

## **8 Hazardous substances**

any liability if the transport of hazardous substances was not in compliance with chapter VIII of the National Road Traffic Act 1996 (Act 93 of 1996) (as amended);

## **9 Hunting or game viewing**

any liability consequent upon Injury or Damage directly or indirectly caused by or in connection with or arising from or attributable to hunting or game viewing activities

## **10 Spread of fire**

any liability arising out of the spread of fire from the Insured's premises to sugar cane, plantations or forests;

## **11 Workmen's compensation**

any benefits for which the Insured is liable under any relevant workmen's compensation, unemployment compensation or disability benefits law and/or similar law and/or scheme;

## **Specific exceptions applicable to Sub-Sections B and C only**

The Company will not indemnify the Insured in respect of

### **1 Excess**

the excess. The Insured shall be responsible for the excess as stated in the schedule in respect of any one Claim or any number of Claims other than for Injury arising from all events of a series consequent upon or attributable to any one source or original cause;

### **2 Gradually operating cause**

any liability for Injury of or to employees caused by or contributed to by a gradually operating cause or by prolonged exposure to substances, factors or circumstances which do not arise from a sudden and identifiable accident or event;

### **3 Motor Vehicle**

any liability caused by or through or in connection with the ownership, possession, operation or use by or on behalf of the Insured of any motor Vehicle or trailer;





#### **4 Non-standard Policy exception**

any liability for any circumstance, not being a standard policy Exception that has been specifically excluded under the Underlying Insurance by the Company for the particular Insured.

#### **5 Optional extensions**

losses excluded by an exception on the Underlying Insurance where such cover is available by an optional extension, examples including but not limited to products liability and defective workmanship liability. Where cover under such optional extension has however been taken, indemnity for losses excluded by an exception to such optional extension will be provided for in terms of Sub-Section B;

#### **6 Ownership of aircraft, watercraft or hovercraft**

any liability caused by or through or in connection with the ownership, possession, operation or use by or on behalf of the Insured of any aircraft, watercraft or hovercraft (other than watercraft not exceeding 15,25 metres in length and then only whilst on inland waterways) but this exception shall not apply to liability for Injury of or to employees of the Insured arising out of such employment;

#### **7 Performance warranties**

any liability arising out of performance warranties or guarantees or clauses stipulating liquidated damages or penalties, except to the extent that it is proved that such liability would have existed in the absence of such contractual provision;

#### **8 Pollution**

8.1 any liability directly or indirectly caused by seepage, pollution or contamination, provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence and provided that such sudden, unintended and unforeseen occurrence is not the natural consequence of the operation or existence of the Business

8.2 the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence and provided that such sudden, unintended and unforeseen occurrence is not the natural consequence of the operation or existence of the Business

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

#### **9 Products recall**

any costs or liability arising out of the recall of any Product (including containers and labels) or part thereof;

#### **10 Professional advice**

acts, errors or omissions of the directors or officers of the Insured when acting in their capacity as such or in the provision by the Insured of professional services which shall include giving advice, any action taken or work done by the Insured when carrying on their functions in any capacity involving special skill or knowledge in their calling or the failure to discharge any obligations pursuant thereto. This exception does not apply to Negligent Advice as defined in the defined events of this Section;

#### **11 Property owned, leased or hired**

Damage to Property owned, leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care, custody or control other than premises (or the contents thereof) temporarily occupied by the Insured for work therein or other Property temporarily in the Insured's possession for work thereon (but no indemnity is granted for Damage to the Property on which the Insured is working and which arises out of such work).

#### **12 Repair of aircraft**

any liability caused by or through or in connection with the repair, maintenance, refuelling or defueling of any aircraft, watercraft or hovercraft undertaken by or on behalf of the Insured as a revenue producing activity but this exception shall not apply to liability for Injury of or to employees of the Insured arising out of such employment;

#### **13 Repair or Replacement of Product**

any costs necessary to repair, replace, recondition or modify any Product (including containers and labels) or part thereof and/or for the loss of use of any Product or part thereof;



#### **14 Restatement of General Exception**

losses excluded by any Exception on the Underlying Insurance that restates a General Exception, an example being but not limited to the restated General Exception relating to War, riot and terrorism;

#### **15 Sexual abuse assault harassment or molestation**

any Claims arising out of sexual abuse assault harassment or molestation including unwelcome sexual advances, requests for sexual favours and any unwelcome verbal, visual or physical contact of a sexual nature;

#### **16 Unfair labour practice**

any liability for any unfair labour practice including but not limited to unfair dismissal within the meaning of the Labour Relations Act No. 66 of 1995 as amended, or any Act passed in substitution thereof;

#### **17 United States of America or Canada**

Injury or Damage happening in the United States of America or Canada caused by or through or in connection with any Product, if such Product has, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured or such sale or resale should reasonably be contemplated by the Insured;

## **Clauses, Extensions and Limitations**

### **1 Additional Insured extension**

The Business description of the Insured as reflected in the schedule shall include any organisation or functions operated by the Insured for the benefit of the Insured's employees or visitors (including but not limited to any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like) or for the protection or promotion of the Insured's Business activities, and the Company will also indemnify, if the Insured so requests (and subject to the Company's consent which consent shall not be unreasonably withheld), as though a separate Policy has been issued to each:

- 1.1 in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
- 1.2 any partner, director or employee of the Insured in that capacity against any Claim for which the Insured is entitled to indemnity under this insurance or any such person in their private capacity arising out of any temporary engagement (undertaken with the Insured's consent) of the Insured's employees;
- 1.3 to the extent required by the conditions of any contract, any person or party named in any contract entered into by the Insured for the purposes of the Business;

provided that

- 1.1 the aggregate liability of the Company is not increased beyond the limits of indemnity stated in the schedule;
- 1.2 any person or organisation to which this extension applies is not entitled to indemnity under any other policy;
- 1.3 the indemnity under 1.1, 1.2 and 1.3 applies only in respect of liability for which the Insured would have been entitled to indemnity as if the Claim had been made against the Insured;
- 1.4 each party to whom the indemnity hereunder applies shall observe, fulfil and be subject to the Terms, Exceptions and Conditions (both general and specific) of this insurance and the Underlying Insurance in so far as they can apply.

### **2 Cross liabilities clause**

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

### **3 Emergency medical expenses clause**

The Company will indemnify the Insured for all reasonable expenses incurred by the Insured for such immediate medical treatment as may be necessary at the time of an accident causing Injury to any person who may be the subject of a Claim for indemnity by the Insured in terms of Sub-Sections B and C of this Section.





