

FIRE

DEFINED EVENTS

Damage to the whole or part of the property described in the schedule, owned by the Insured or for which they are responsible, including alterations by the Insured as tenants to the buildings and structures by the insured perils reflected below but only if such perils are stated in the schedule as being included.

DEFINITIONS

Buildings: Unless otherwise agreed and noted in the schedule shall be restricted to buildings constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos and shall include landlord's fixtures and fittings therein and thereon, walls (except dam walls), gates, gate and fence posts and fences.

Contents: Shall mean plant, machinery, landlord's fixtures and fittings for which the Insured is responsible and all other contents but excluding Stock and property more specifically insured.

Item(s): Shall mean Buildings, Rent, Contents, Stock (each of which shall be considered separate items) or any other specific item(s) stated in the schedule as being insured.

Stock: Shall mean stock and materials in trade being finished goods, work in progress or raw materials still to undergo any process of manufacture.

INSURED PERILS (but only those perils stated as included in the schedule)

Note: Some insured perils will have their own specific insured amounts stated in the schedule in which case such perils are subject to such stated insured amount. Other insured perils will not have their own specific insured amounts stated in the schedule in which case such insured perils will be subject to the insured amount of the item to which they relate in the schedule.

Fire including damage caused by smoke arising directly out of such fire. Damage to property occasioned by its undergoing any heating or drying process is not covered by this peril unless such damage is caused by a fire that is independent and external to such heating or drying process;

Lightning or thunderbolt including damage caused by power surges arising directly from such lightning strikes;

Explosion;

Earthquake whether arising from mining operations or otherwise and including damage caused by tidal waves or tsunamis arising directly from such earthquake. Damage to property in the underground workings of any mine caused by earthquake is not covered by this peril.

Weather and water. For the purpose of this peril weather damage shall mean damage caused by storm, wind, water, hail or snow.

This peril does not cover damage to property:

1. arising from its undergoing any process necessarily involving the use or application of water;
2. caused by tidal wave or tsunami originating from earthquake;
3. in the underground workings of any mine;
4. in the open (other than buildings, structures and plant designed to exist or operate in the open) unless so described and specifically insured as a separate item in the schedule;
5. in any structure not completely roofed unless so described and specifically insured as a separate item in the schedule;
6. being retaining walls unless so described and specifically insured as a separate item in the schedule;

This peril does not cover:

1. wear and tear or gradual deterioration;
2. damage caused or aggravated by:
 - 2.1 leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby;
 - 2.2 subsidence or landslip;
 - 2.3 the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

Impact. For the purposes of this peril impact shall mean impact by:

1. aircraft and other aerial devices or articles dropped therefrom (including sonic shock waves or any other damage caused by aircraft);
2. rocks, stones or boulders (other than impact caused by landslip, the deliberate or wilful or wanton act of any person committed with the intention of causing such damage or impact by meteorites, asteroids or similar bodies entering the earth's atmosphere);
3. animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

Leakage from any sprinkler, drencher system or fire extinguishing installation

/appliance. If "first loss" is shown in the schedule against "leakage option", for the purposes of this peril only the following shall be substituted for the average condition hereinafter expressed:

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

Subsidence and landslip. If in the schedule against this peril the type of cover is reflected as "**extended**" then this peril does not include:

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

If in the schedule against this peril the type of cover is reflected as "**limited**" then this peril in addition to points 1 to 5 also does not include:

6. damage to screen walls, driveways, paving, swimming pool surrounds and tennis courts;
7. damage caused or attributable to contraction/ shrinkage and/ or expansion of soil caused by the moistness/ dampness or moisture content of such soil as experienced in clay and other similar soils;
8. damage caused by or attributable to inadequate compaction of backfill.

In any action, suit or other proceeding where the Company alleges that, by reason of exclusions 1 to 8 any damage is not covered by this peril, the burden of proving the contrary shall be upon the Insured.

Malicious damage. For the purposes of this peril malicious damage shall mean damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed

with the intention of causing such damage other than damage to:

1. movable property which is
 - 1.1 stolen;
 - 1.2 damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
2. movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;
3. immovable property owned or occupied by the Insured occasioned by or through or in consequence of
 - 3.1 the removal or partial removal or any attempt thereof;
 - 3.2 the demolition or partial demolition or any attempt thereofthe said immovable property or any part thereof with the intention of stealing any part thereof;

provided this peril does not cover:

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

If the Company alleges that, by reason of provisos 1 to 5 above, loss or damage is not covered by this peril, the burden of proving the contrary shall rest on the Insured.

If any building(s) insured or containing insured property becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".

If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the property affected from day 31 unless the Insured before the occurrence of any malicious damage obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period exceeding 30 days)" for any loss occurring during any agreed extended period.

Riot and strike (other than RSA and Namibia). For the purposes of this peril riot and strike shall mean damage directly occasioned by or through or in consequence of:

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

Provided that this peril does not cover:

1. loss or damage occurring in the Republic of South Africa and Namibia;
2. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
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. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation,

commandeering or requisition by any lawfully constituted authority;

5. loss or damage related to or caused by any occurrence referred to in General exclusion 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Company alleges that, by reason of provisos 1 to 5 above, loss or damage is not covered by this peril, the burden of proving the contrary shall rest on the Insured.

Power surge provided that this peril does not cover power surges arising from lightning.

Leakage of oils and chemicals (in the form of liquids, fluids, gases or fumes) from tanks, pipes or apparatus but excluding loss or damage as a result of leakage due to wear and tear or other gradually operating causes of the tanks, pipes or apparatus.

Loss of such oils or chemicals shall be included in the cover under this peril provided that:

1. If buildings are insured under this section, only oils and chemicals in tanks, pipes or apparatus forming an integral part of such buildings will be covered;
2. If contents are insured under this section, only oils and chemicals in tanks, pipes or apparatus as falling under contents will be covered.

If "first loss" is shown in the schedule against "leakage option", for the purposes of this peril only the following shall be substituted for the average condition hereinafter expressed:

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

Leakage of beverages. The Company will pay for damage to the insured property caused by leakage of beverages from fixed installations including the resultant loss of beverages.

Contamination of fish stock. The Company will pay for the death of fish stock (other than Koi) in the Insured's dams following water pollution or contamination from chemicals or waste.

External signs, blinds and canopies. The Company will pay for damage (by an insured peril that is reflected as included in the schedule for buildings, contents or stock at the particular premises) to external signs, blinds and canopies at the Insured's premises for which he is responsible. This cover is extended to include signs and signposts advertising the insured establishment being the property of the Insured and for which he is responsible and situated elsewhere than on the insured premises.

Deterioration of foodstuff – all risks. The Company will pay for accidental deterioration of foodstuffs from any cause but excluding:

1. damage as a result of the deliberate withholding of power by a supply authority;
2. any consequential loss.

SPECIFIC EXCLUSIONS

1. This section does not cover volcanic eruption or other convulsion of nature (other than subterranean fire which will be covered under the fire peril if indicated as "included" in the schedule).
2. Unless specifically included, this insurance does not cover damage to property which at the time thereof is insured by or would, but for the existence of this insurance, be insured by any marine policy(ies), except in respect of any excess beyond the amount which would have been payable under the marine policy(ies) had this insurance not been effected.

SPECIFIC CONDITIONS

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 insured amount thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

This condition shall not apply to any loss for the following insured perils and extensions:

1. Power surge insured peril;
2. Leakage of beverages insured peril;
3. Contamination of fish stock insured peril;
4. External signs, blinds and canopies insured peril;
5. Deterioration of foodstuff – all risks insured peril;
6. Water pipes extension.

Stock declaration condition (if stated as being applicable by the word “Yes” next to “Stock declaration condition” in the schedule)

In respect of stock and materials in trade insured under this section being subject to the stock declaration conditions, a deposit premium is charged calculated as a percentage (as stated in the schedule) of the required premium had this condition not been included, subject to the following specific conditions:

1. The Insured is to set the insured amount at a level so as to represent the maximum that stock values should reach during the period of insurance. The responsibility shall remain with the Insured during the period of insurance to notify the Company in writing should an increase in the insured amount be required due to stock levels exceeding the insured amount. Declarations received as set out hereunder exceeding the insured amount shall not be considered a formal request to increase the insured amount;
2. The Insured shall declare to the Company in writing the market value of their stock and materials in trade on the last day of each month/quarter (as stated in the schedule) and shall make such declaration within 30 days thereof, otherwise they shall be deemed to have declared the insured amount as stated in the schedule on such property as the market value thereof;
3. After each period of insurance (or twelve consecutive months from the inception date or anniversary date if this policy is not an annual contract), the premium shall subject to 4 below be re-calculated on the average declared amount, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium differs from the deposit premium, the difference shall be payable by or to the Insured as the case may be, but the amount payable by the Company shall not exceed 50 per cent of the provisional premium;
4. Any monthly/quarterly declaration received exceeding the insured amount shall be noted in the books of the Company as being limited to the insured amount as stated in the schedule for determining the average declared amount as set out in 3 above. Premium shall not be payable on that part of any declaration that is in excess of the insured amount;
5. The Company shall in the event of a loss, irrespective of the value of any monthly/quarterly declarations received, not be liable for more than the insured amount as stated in the schedule;
6. Any claim hereunder shall be settled on the basis of the market value immediately anterior to the damage but in all cases the liability of the Company shall be limited as set out in 5 above;
7. If, after the occurrence of damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the insured amount, whichever is the lesser amount. The provisions of this condition shall, if applicable, operate cumulatively with the provisions of the specific condition relating to average;
8. In consideration of the insurance not being reduced by the amount of any loss, the Insured shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium;
9. The above specific conditions shall apply separately to each stock item (if more than one) that is noted in the schedule as being subject to the stock declaration condition.

CLAUSES AND EXTENSIONS

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each extension and clause (but where applicable as indicated below, only if such extensions and clauses are stated as included in the schedule) subject to any insured amounts or first amounts payable stated in the schedule under each extension.

All other contents (if stated as included in the schedule)

The term "contents" reflected in the schedule and as herein defined is extended to include personal effects, tools and pedal cycles, the property of the Insured or directors or employees of the Insured whilst on the Insured's premises but only in so far as such property is not otherwise insured.

Alterations and misdescription

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

Capital additions (if stated as included in the schedule)

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the insured amount(s) to the property other than stock and materials in trade for an amount not exceeding the percentage (as stated in the schedule) of the insured amount thereon, it being understood that the Insured undertakes to advise the Company each quarter (or each month if the premium is paid monthly by debit order) of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

Cost of demolition (if stated as included in the schedule)

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

The Company will not pay for any costs or expenses:

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

Damage to property by baboons (if stated as included in the schedule)

The Company will pay for loss of or damage to the insured property caused by the acts of baboons. The insured amount stated in the schedule shall be for all claims arising in any one period of insurance (or the twelve consecutive months from the inception or anniversary date if this policy is paid by monthly debit order).

Damage to property by wild animals (excluding baboons) (if stated as included in the schedule)

The Company will pay for loss of or damage to the insured property caused by the acts of wild animals but excluding damage caused by baboons.

The insured amount stated in the schedule shall be for all claims arising in any one period of insurance (or the twelve consecutive months from the inception or anniversary date if this policy is paid by monthly debit order).

Death of horses (if stated as included in the schedule)

The Company will pay for death of or injury to horses belonging to the Insured directly resulting from an insured peril or from water pollution or contamination from chemicals or waste.

Death of Koi fish (if stated as included in the schedule)

The Company will pay for death of or injury to Koi fish belonging to the Insured directly resulting from an insured

peril or from water pollution or contamination from chemicals or waste.

Designation of property

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

Disposal of salvage (if stated as included in the schedule)

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

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

Documents

The Company's liability under contents (if insured) in respect of documents, manuscripts, business books, plans, computer systems records and media, designs, patterns, models and moulds is restricted to the value of materials and the cost of labour in originally creating such material or in reinstating such material and shall not include the value of the content or information thereof or therein to the Insured.

Fire extinguishing charges (if stated as included in the schedule)

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

Gardens and water features (if stated as included in the schedule)

The Company will pay for costs incurred by the Insured in restoring landscaped gardens, water features and statues following loss or damage by an insured peril or as a result of any emergency service operating at the insured premises as a result of an insured peril.

Geysers, water containers, water tanks, water apparatus or water pipes (if stated as included in the schedule)

Bursting and other accidental damage to the above property (hereinafter in this extension and in the schedule called geysers) of the Insured installed in and forming part of the buildings or structures as stated in the schedule provided that:

1. this extension does not cover loss caused by structural defects, faulty design or poor workmanship of the above property;
2. only geysers declared and stated in the schedule are covered under this extension;
3. only water pipes connected to and within 1 meter of any insured geyser, water container, water tank or water apparatus are covered by this extension;
4. the Specific Condition of average is for the purpose of this extension restated to read:

"If the actual number of geysers in existence is, at the commencement of any bursting or other accidental damage to such Property, more than the number of geysers stated in the schedule, then the Insured shall bear a rateable share of the loss in proportion that the number stated in the schedule bears to the actual number in existence. Every building containing geysers insured in terms of this extension and every type of geyser, if more than one is stated in the schedule, shall be separately subject to this condition."

Goods in the open (if stated as included in the schedule)

Notwithstanding exclusion 4 of the Weather and Water peril, the Company will pay for damage to goods in the open caused by an insured peril.

Inflation escalation (if stated as included in the schedule)

To provide for inflation the insured amounts of buildings and/or contents (but not stock) as stated in the schedule are automatically increased as follows:

During the period of insurance: During the period of insurance (or the twelve consecutive months from the inception or anniversary date if this policy is not an annual contract), the insured amount(s) shall be increased by that portion of the percentage specified in the schedule against "First year %" which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the insured amount(s) in force at the commencement of the period of insurance.

After the period of insurance: If following a claim any reinstatement or replacement process to the insured property has not been completed by the end of the period of insurance, further inflationary costs incurred beyond the control and influence of the Insured up until final reinstatement or replacement has been completed will be covered by the Company as set out below:

Second year %: If stated in the schedule, the insured amount that existed during the period of insurance in which the claim occurred (as increased by the provision set out above under "during the period of insurance"), shall be increased further by the percentage specified in the schedule against "Second year %".

Third year %: If stated in the schedule and if the reinstatement or replacement has not been completed 12 months after the period of insurance during which the claim occurred has elapsed, the insured amount as inflated by the "Second year %" shall be increased further by the percentage specified in the schedule against "Third year %".

Fourth year %: If stated in the schedule and if the reinstatement or replacement has not been completed 24 months after the period of insurance during which the claim occurred has elapsed, the insured amount as inflated by the "Third year %" shall be increased further by the percentage specified in the schedule against "Fourth year %".

Fifth year %: If stated in the schedule and if the reinstatement or replacement has not been completed 36 months after the period of insurance during which the claim occurred has elapsed, the insured amount as inflated by the "Fourth year %" shall be increased further by the percentage specified in the schedule against "Fifth year %".

At each renewal date, the Insured shall notify the Company of the sum(s) to be insured for the forthcoming period of insurance and any revised inflationary protection percentage(s). In default thereof, the insured amount(s) shall remain as they were in the previous period of insurance as if the inflationary increases in terms of this clause had not been applied.

Money and stamps (if stated as included in the schedule)

The Company's liability under contents (if insured) in respect of money and stamps is restricted to the insured amount stated in the schedule under this clause.

Mortgagee

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

Municipal plans scrutiny fee (if stated as included in the schedule)

If buildings are reflected in the schedule as being insured, cover includes municipal plans scrutiny fees provided that the total amount recoverable under any building shall not exceed the insured amount as stated in the schedule on the building affected.

Professional fees (if stated as included in the schedule)

The insurance of buildings and contents as reflected in the schedule and as herein defined includes professional fees, including but not limited to architects' and quantity surveyors' 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 the percentage stated in the schedule of

the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the insured amount on the property affected.

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

Public authorities' requirements

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

1. the amount recoverable under this clause shall not include
 - 1.1 the cost incurred in complying with any of the aforesaid regulations
 - 1.1.1 in respect of damage occurring prior to granting of this clause;
 - 1.1.2 in respect of damage not insured under this section;
 - 1.1.3 under which notice has been served upon the Insured prior to the happening of the damage;
 - 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;
 - 1.2 the additional cost that would have been required to make good the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
 - 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;
2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased;
3. if the liability of the Company under any item of this section apart from this clause shall be reduced by the application of any of the terms, exclusions and conditions of this section, then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion;
4. the total amount recoverable under any item of this section shall not exceed the insured amount thereby.

Public supply connections (if stated as included in the schedule)

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

Railway and other subrogation

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

Reinstatement value conditions

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

provided that:

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

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

Rent

If rent is reflected as being insured in the schedule, the Company will pay the amount of rent receivable, rent payable or rental value (as the case may be) defined hereunder in the event of the premises stated in the schedule being rendered untenable during the period reflected in the schedule in consequence of damage by an insured peril.

Rent receivable – the actual rent receivable by the Insured at the time of the event in respect of the aforesaid premises or on such part of the same as may then be let.

Rent payable – the actual rent payable by the Insured to the owner or landlord of the said premises.

Rental value – the actual rental value of the said premises.

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

Replacement conditions – alternative (design capacity)

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

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

Temporary removal (if stated as included in the schedule)

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

1. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Company shall not exceed the percentage (as stated in the schedule) of the applicable item's insured amount;
2. the amount payable under this clause shall not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the property is temporarily removed.

Tenants

The Company's liability to the Insured shall not be affected by any act or omission on the part of any owner of a building or any tenant (other than the Insured) without the Insured's knowledge. The Insured shall, however, inform the Company as soon as such act or omission which is a contravention of any of the terms, exclusions 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.

Vehicle loads (if stated as included in the schedule)

If any insured property is left loaded on a vehicle within the premises described in the schedule of this section the Company will indemnify the Insured in respect of loss of or damage to that property caused by any of the insured perils that are stated as being included for the premises and subject otherwise to the terms, conditions and exclusions of such perils.

Water pipes (if stated as included in the schedule)

Bursting and other accidental damage to water pipes the property of the Insured installed in and forming part of the buildings or structures as stated in the schedule provided that:

1. this extension does not cover structural defects, faulty design, poor workmanship, wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) of any water pipe(s);
2. only water pipes beyond 1 meter of any geyser, water container, water tank or water apparatus are covered by this extension.