



Flexiflite Insurance

Policy Document

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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, the company specified in the schedule agrees to indemnify or compensate the insured by payment or, at the option of the company, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the within sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

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

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

General exceptions

1. War, riot and terrorism

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

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

- b. This policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this policy applies.
- c. Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purpose of this General exception 1(c) an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

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

2. Nuclear

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

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

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

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

3. Computer losses

General exception applicable to all sections of this policy insuring damage to property or the consequences of damage to property or any liability

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

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

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

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

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

Special extension to General exception 3

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

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

- i. storm, wind, water, hail or snow excluding damage to property

- 1. arising from its undergoing any process necessarily involving the use or application of water
- 2. caused by tidal wave originating from earthquake or volcanic eruption
- 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.
- 5. in any structure not completely roofed.
- 6. being retaining walls.

} Unless so described and specifically insured as a separate item

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

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

- b. General exception 3 also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this policy to the extent that such consequential loss result from damage to insured property by the perils referred to in Special extension (a) above.
- c. This Special extension will not insure any loss, destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General exception and this Special extension.
- d. This Special extension shall not apply to any Public Liability indemnity.

4. Asbestos

Applicable to the Public Liability section, Employer's Liability section and Sub-section D (Liability) of the Buildings Combined/Body Corporate section.

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.

General conditions

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

1. **Misrepresentation, misdescription and non-disclosure**

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

2. **Other insurance**

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

3. **A. Cancellation**

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

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

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

- a. each third or
- b. each sixth or
- c. each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.

4. **Adjustment of premium**

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

5. **Prevention of loss**

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

6. Claims

- a. On the happening of any event which may result in a claim under this policy the insured shall, at their own expense
 - i. give notice thereof to the company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured.
 - ii. as soon as practicable after the event inform the police of any claim involving theft or (if required by the company) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property.
 - iii. as soon as practicable after the event submit to the company full details in writing of any claim.
 - iv. give the company such proof, information and sworn declarations as the company may require and forward to the company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to the claim.
- b. No claim (other than a claim under the business interruption, fidelity, stated benefits or group personal accident section or the personal accident (assault) extension under the money section, if applicable) shall be payable after the expiry of 24 months or such further time as the company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the insured's legal liability to a third party.
- c. No claim shall be payable unless the insured claims payment by serving legal process on the company within 6 months of the rejection of the claim in writing and pursues such proceedings to finality.
- d. If, after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the company, provided that the insured's reasonable expenses in rendering such assistance shall be reimbursed by the company. Should the insured fail to render assistance in terms of this condition when called upon to do so, the insured shall immediately become liable to repay to the company all amounts paid in respect of the claim.

7. Company's rights after an event

- a. On the happening of any event in respect of which a claim is or may be made under this policy, the company and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the company to rely upon any conditions of this policy
 - i. take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the insured to the company to do so. The insured shall not be entitled to abandon any property to the company whether taken possession of by the company or not.
 - ii. take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the company.
- b. The insured shall, at the expense of the company, do and permit to be done all such things as may be necessary or reasonably required by the company for the purpose of enforcing any rights to which the company shall be, or would become, subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification.

- c. In respect of any section of this policy under which an indemnity is provided for liability to third parties, the company may, upon the happening of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the company shall thereafter not be under further liability in respect of such event.

8. Fraud

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

9. Reinstatement of cover after loss (not applicable to stock on a declaration basis nor to any section where it is stated to be not applicable)

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

10. Breach of conditions

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

11. No rights to other persons

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

12. Collective insurances

If this insurance is a collective insurance then the following amendment is made to general condition 6(a) (iv) above:

“give the leading insurer on behalf of the insurers such proofs, information and sworn declaration as the insurers may require and forward to the leading insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to the claim.”

and General condition 7 is substituted by the following: “7. Company’s rights after an event

- a. On the happening of any event in respect of which a claim is or may be made under this policy the leading insurer and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the insurers to rely upon any conditions of this policy
 - i. take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the insured to the lead insurer on behalf of all insurers to do so. The insured shall not be entitled to abandon any property to the insurers whether taken possession of by the leading insurer or not.
 - ii. take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the leading insurer.

- b. The insured shall, at the expense of the insurers, do and permit to be done all such things as may be necessary or reasonably required by the insurers for the purpose of enforcing any rights to which the insurers shall be or would become subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification.
- c. In respect of any section of this policy under which an indemnity is provided for liability to third parties, the insurers may, in the case of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the insurers shall thereafter not be under further liability in respect of such event."

General provisions

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

1. Claims preparation costs

The insurance provided by each section of this policy is extended to include costs reasonably incurred by the insured in producing and certifying any particulars or details required by the company in terms of general condition 6 or to substantiate the amount of any claim, provided that the liability of the company for such costs in respect of any one claim shall not exceed in respect of a particular section, R1,000 or 10% of the sum insured or limit of indemnity on the item affected, whichever is the lesser amount, plus any amount stated in the schedule to each section against an item for additional claim preparation costs.

2. 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.

3. 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.

4. Members

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

5. 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.

6. 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.

7. 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.

8. Holding covered

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

9. Schedule sums insured blank

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

- a. left blank or has no monetary amount stipulated against it;
- b. 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 provider relating to the protection of the insured property.

Domestic buildings section

Defined events

Loss of or damage (damage) to the Building(s) at the address stated in the schedule, by

1. fire.
2. lightning.
3. explosion.
4. storm, wind, water, hail or snow excluding damage
 - a. to gates, fences and retaining walls, or
 - b. caused by subsidence or landslip.
5. earthquake.
6. bursting, leaking or overflowing of water or heating installations or pipes including damage to such installation or pipes.
7. theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such Building but excluding the first 10 percent or R1,000 whichever is the greater of any claim whilst the Building(s) are unoccupied. If any Building insured becomes unoccupied for more than 60 days in any one calendar year, this item is suspended as regards the property affected unless the insured before the occurrence of the damage obtains written agreement of the company to continue this event.
8. impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles.
9. breakage or collapse of radio or television aerials or masts including satellite dishes.
10. aircraft and other aerial devices or articles dropped therefrom.

Limits of indemnity

The limits of indemnity stated below apply independently of any amount stated in the schedule and must be read in conjunction with the relevant clauses in this section.

Clause 11. **Repairs and measures after loss:**

- | | |
|---|--------|
| a. temporary repairs and other measures | R5,000 |
| a. ii. emergency accommodation | R5,000 |

First amounts payable

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

- | | |
|----------------------------|---|
| 1. Basic | Per schedule |
| 2. Subsidence and Landslip | 1% of sum insured on the property subject to a minimum of R500. |

Specific condition

If the property insured is, at the commencement of any defined event, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

Definition

Building(s) shall mean the building of the private residence(s) (constructed of brick stone or concrete with slate tile concrete asbestos or metal roof except as specifically mentioned) and all private garages and outbuildings walls gates and fences (other than hedges), and structure or fabric of swimming pools (including filtration plant), sauna baths, tennis courts, borehole motors, squash courts, brick tar or concrete driveways paths or patios on the same premises and used solely in connection therewith including Landlord's Fixtures and Fittings, therein or thereon.

Extentions and clauses

1. Reinstatement value conditions

The insured may choose within six months of the date of damage to reinstate the property insured on the same site (or on another site and in a manner suitable to the insured's requirements subject to the company's liability not being increased) as nearly as possible to its condition when new, provided

- a. the reinstatement must be started and finished in a reasonable time, otherwise no payment will be made beyond the amount which would have been payable had these conditions not been incorporated in this section.
- b. the insured must have actually incurred the cost of reinstatement.
- c. if at the time of reinstatement the cost, including the cost of demolition and professional fees, which would have been incurred in reinstating the property insured had it been totally destroyed exceeds the sum insured at the time of destruction or damage, the insured shall be considered as being their own insurer for the difference and will bear a rateable proportion of reinstatement.

2. Capital additions

This section covers alterations, additions or improvements (but not appreciation in value in excess of the sum(s) insured) to the property insured for an amount not exceeding 20 percent of the sum insured thereon provided the insured advise the company of such alterations as soon as reasonably possible and pay any additional premium required.

3. Professional and other rebuilding costs

The company will pay costs necessarily incurred by the insured with its written consent:

- a. in demolishing the property insured, removing debris from the site and erecting hoardings required for building operations;
- b. for architects' quantity surveyors' and consulting engineers' fees;
- c. for local authorities' scrutiny fees;

following a defined event, and provided that the amount payable under this extention shall not exceed 20 percent of the sum Insured in respect of the Building(s).

4. Loss of rent

If the building becomes uninhabitable as a result of a defined event the company will pay the insured up to 25 percent of the sum insured. The amount payable will be based on

- a. the period necessary for reinstatement and
- b. the annual rent of the building unfurnished or its equivalent rental value.

5. Public supply or mains connections

The company will pay for accidental damage to water, sewerage, gas, electricity and telephone connections for which the insured are legally responsible between the building and the public supply or mains connections.

6. Glass and sanitaryware

The company will pay for accidental breakage of

- a. fixed glass including mirrors and

- b. fixed sanitaryware excluding chipping, scratching or disfigurement in the building unless it is unoccupied.

7. Mortgagee clause

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

8. Water-pumping machinery

The company will indemnify the insured for accidental damage (not wear and tear) to water-pumping machinery (but not automatic pool cleaners) or fixed filtration plant.

9. Subsidence and landslip (if stated in the schedule to be applicable)

The company will indemnify the insured for damage to the property insured caused by subsidence or landslip provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured on the property or R500 whichever is the greater.

This extension does not cover

- a. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured.
- b. damage caused by or attributable to
 - i. faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises.
 - ii. workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises.
 - iii. excavation on or under land other than excavations in the course of mining operations.
- c. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.

In any action suit or other proceeding where the company alleges that, by reason of the provisions of these exceptions, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the insured.

10. Inflationary increase

The main sum insured (but not the sum insured on any miscellaneous item) will be automatically increased on the anniversary or renewal date of the policy by a percentage considered by the company to be commensurate with the trend in the rates of inflation. The policy will be endorsed with the new sum insured and the premium charged for the forthcoming period of insurance. This does not relieve the insured of the responsibility to ensure that the sums insured represent the full value of the property insured at all times.

11. Repairs and measures after loss

After loss or damage by any insured event

- a. the insured may, to minimise further loss, undertake temporary repairs and any measures necessary (including employing watchmen) for the safety of the property insured.
- b. the company will pay the reasonable costs of
 - i. extinguishing a fire;
 - ii. emergency accommodation whilst the property insured is uninhabitable until alternative accommodation can be arranged;up to the amounts shown in the limits of indemnity.

12. Malicious damage extension

Subject otherwise to the terms, conditions, exceptions and warranties contained therein, this section is 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

- a. moveable property which is
 - i. stolen or
 - ii. damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured.
- b. moveable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured.
- c. immovable property owned or occupied by the insured occasioned by or through or in consequence of
 - i. the removal or partial removal or any attempt thereof;
 - ii. the demolition or partial demolition or any attempt thereof;the said immovable property or any part thereof with the intention of stealing any part thereof; provided that this extension does not cover
 - i. damage related to or caused by fire or explosion.
 - ii. consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured.
 - iii. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
 - iv. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
 - v. damage related to or caused by any occurrence referred to in General exception 1(a) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance 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 percent of the claim before deduction of any first amount payable.

Domestic contents section

Defined events

Loss of or damage (damage) to the Contents of the Building(s) on the premises

1. stated in the schedule or
2. of any other occupied private residence or building in which the insured are
 - a. temporarily residing or
 - b. employed.
3. of any furniture storage depot or bank safe deposit.
4. of any trading concern for the purposes of repair, renovation, restoration, cleaning or dyeing within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi by
 1. fire.
 2. lightning.
 3. explosion.
 4. storm, wind, water, hail or snow excluding damage
 - a. to property in the open or
 - b. arising out of any process necessarily involving the use or application of water.
 5. earthquake.
 6. bursting, leaking or overflowing of water or heating installations or pipes excluding damage to such installations or pipes themselves.
 7. theft or attempted theft provided that
 - a. if the building is
 - i. unoccupied, or
 - ii. lent, let or sublet by the insured or shared with the insured or
 - iii. an outbuilding and the loss or damage exceeds R5,000 or
 - b. if the property insured is at
 - i. any furniture storage depot or bank safe deposit, or
 - ii. any other premises for repair, renovation, restoration, cleaning or dyeing,there is forcible and violent entry or exit but if the building is left unoccupied for more than 60 days in any one calendar year theft or attempted theft will not apply unless the company has given its prior consent in writing to extend cover.
8. sudden and violent damage to the building caused by impact.
9. Damage directly occasioned by or through or in consequence of
 - a. civil commotion, labour disturbances, riot, strike or lockout;
 - b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrences referred to in (i) above;provided that this event does not cover
 - a. damage occurring in the Republic of South Africa or Namibia.
 - b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured.

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

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

Limits of indemnity

The limits of indemnity stated below apply independently of any amount stated in the schedule and must be read in conjunction with the relevant clauses in this section.

Extensions and clauses	Limits
2. Loss of money	R3,000
5. Refrigerator or deep freeze contents	R5,000
6. Loss of documents	R5,000
7. Veterinary fees	R2,000
8. Goods in the open	R5,000
10. Locks and keys	R5,000
11. Property of domestic employees	R5,000
12. Personal effects of guests	R5,000
14. Medical expenses	R5,000
15. Fatal injury	R10,000
	– death by accident
	– death by thieves or fire R50
18. Repairs and measures after a loss:	R5,000
	– temporary repairs and other measures
	– emergency accommodation R50
20. Telephones	R2,000
Optional extensions (if stated in the schedule to be included)	
1. Accidental damage	Per schedule
	– any one event
2. Water leakage	R5,000
	– any one event
4. TV equipment maintenance	R5,000
	– any one event

Specific condition

If the property insured is, at the commencement of any defined event, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

Specific exceptions

The company shall not be liable for

1. money or negotiable instruments except as specially mentioned.
2. medal, stamp and coin collections except as specially mentioned.
3. motor vehicles, trailers, caravans, water craft, aircraft and their accessories, livestock or trade goods of any description.

4. property more specifically insured.
5. precious metals and stones, jewellery and furs to the extent that their undamaged value exceeds 30 percent of the total sum insured.

Extensions and clauses

1. Debris removal

The company will pay costs necessarily incurred by the insured with its written consent in removing debris from the residence following a defined event.

2. Loss of money

The company will indemnify the insured for loss of money and negotiable instruments in the residence by any defined event but theft is restricted to forcible and violent entry to or exit from the Building.

3. Mirrors and glass

The company will indemnify the insured for accidental damage to any mirror glass or sheet glass forming part of the contents.

4. Television sets and ancillary equipment

The company will indemnify the insured for accidental damage (other than mechanical or electrical breakdown) to any television set, video recorder, decoder or its aerial in the residence.

5. Refrigerator or deep freeze contents

The company will indemnify the insured for deterioration of foodstuffs contained in any refrigerator / deep freeze unit in the residence as a result of breakdown, accidental damage or failure of power supply to the unit.

6. Loss of documents

The company will indemnify the insured for loss of or damage to the insureds' personal documents caused by a defined event. The company will only be liable for the value of materials and the cost of labour in reinstating the documents or obtaining duplicates and not for the value to the insured of the content or any consequential loss or damages.

7. Veterinary fees

The company will indemnify the insured for veterinary expenses incurred as a result of accidental bodily injury sustained by any domestic animal owned by the insured arising from a road accident.

8. Goods in the open

The company will indemnify the insured for loss of laundry, garden and swimming pool furniture and implements from the grounds of the residence.

9. Household goods in transit

The company will indemnify the insured for damage to property insured caused by

- a. fire, lightning, explosion, collision or overturning of the vehicle;
- b. theft or attempted theft provided that goods in an unattended vehicle were concealed as far as possible and entry was visible, forcible and violent;

while in transit between the place of purchase repair or renovation and the insureds' residence, for holiday purposes, or following a permanent change of residence.

10. Locks and keys

The company will indemnify the insured for costs necessarily and reasonably incurred following loss of or damage to any locks or keys (including cardkeys and remote control devices) for the residence and its outbuildings.

11. Property of domestic employees

The company will indemnify the insureds' domestic employees if their household goods and personal effects (excluding money and negotiable instruments) at the insureds' residence are lost or damaged by a defined event.

12. Personal effects of guests

The company will indemnify any guests temporarily residing with the insured if their household goods and personal effects (excluding money and negotiable instruments) not otherwise insured are lost or damaged by a defined event.

13. Rent and alternative accommodation

If the private residence becomes uninhabitable because of loss or damage caused by a defined event the company will pay

- a. rent for which the insured are liable;
- b. any reasonable additional costs incurred with its consent in providing alternative accommodation for the insured and domestic employees normally resident with the insured;

but only for the period necessary for reinstatement and up to 25 percent of the contents sum insured.

14. Medical expenses

The company will pay the costs of medical expenses incurred as a result of accidental bodily injury sustained by any

- a. person other than the insured caused by a domestic animal owned by the insured.
- b. guest or visitor arising from any defect in the dwelling.
- c. domestic employee in the course of their employment by the insured.

15. Fatal injury

The company will pay the amount stated in the event of fatal injury to the insured occurring in or about the Building(s) caused by accidental violent external visible means which injury shall solely and independently of any other cause result in death within twelve months of such injury.

16. Burglar alarm warranty (if stated in the schedule to be applicable)

- a. The alarm system must be fitted and maintained under contract by a contractor approved by the company.
- b. There must be a radio link from the system to a fully manned control room with 24-hour immediate armed response.
- c. The company will not pay for any burglary whilst the residence is unattended unless the alarm system is fully armed.
- d. The company will not pay for any burglary involving the use of keys, duplicate keys or remote control of the system unless these have been obtained from the insured or anyone holding them on the authority of the insured by violence or threat of violence.

17. Inflationary increase

The main sum insured (but not the sum insured on any miscellaneous item) will be automatically increased on the anniversary or renewal date of the policy by a percentage considered by the company to be commensurate with the trend in the rates of inflation. The policy will be endorsed with the new sum insured and the premium charged for the forthcoming period of insurance. This does not relieve the insured of the responsibility to ensure that the sums insured represent the full value of the property insured at all times.

18. Repairs and measures after loss

After loss or damage by any insured event

- a. the insured may, to minimise further loss, undertake temporary repairs and any measures necessary for the safety of the property insured.

- b. the company will pay the reasonable costs of
 - i. extinguishing a fire;
 - ii. emergency accommodation whilst the property insured is uninhabitable until alternative accommodation can be arranged;up to the amounts shown in the limits of indemnity.

19. Stamp and coin collections

- a. Stamp collections
 - i. The company will only be liable if one or more complete pages are lost or damaged.
 - ii. The company will not be liable for more than two-thirds of the value shown in any current recognised catalogue for any one stamp.
- b. Coin collections

The company will not be liable for

 - i. current coins;
 - ii. more than two-thirds of the value shown in any current recognised catalogue for any one coin.

20. Telephones

The company will indemnify the insured for accidental damage including electrical or mechanical breakdown to any telephone or ancillary equipment in the residence provided that

- a. Telkom trade-in regulations shall apply where practicable.
- b. lines and extension wires are excluded.
- c. cellular telephones are excluded.

21. Malicious damage extension

Subject otherwise to the terms, conditions, exceptions and warranties contained therein, this section is 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

- a. moveable property which is
 - i. stolen or
 - ii. damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured.
- b. moveable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured.
- c. immovable property owned or occupied by the insured occasioned by or through or in consequence of
 - i. the removal or partial removal or any attempt thereof;
 - ii. the demolition or partial demolition or any attempt thereof;the said immovable property or any part thereof with the intention of stealing any part thereof; provided that this extension does not cover
 - i. damage related to or caused by fire or explosion.
 - ii. consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured.
 - iii. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.

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

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

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance 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 percent of the claim before deduction of any first amount payable.

22. Reinstatement value conditions

In the event of the contents insured by this section being destroyed damaged or lost the amount payable will be calculated without any allowance or deduction for depreciation subject to the following Special provisions and subject to all terms limitations exceptions and conditions of this section and the General conditions and exceptions of the policy except in so far as same may be varied hereby.

Special provisions

- a. The company shall retain the right to repair or replace property lost destroyed or damaged at any time instead of paying the insured its value if it so wishes.
- b. 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 property covered had been destroyed, exceeds the sum insured thereon at the commencement of any loss destruction or damage to such property by any peril insured against by this section, the insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly. Each item of this section (if more than one) to which this clause applies shall be separately subject to this provision.

Optional extensions (if stated in the schedule to be applicable)

1. Accidental damage cover

The company will indemnify the insured up to the limit stated in the schedule for accidental damage to the property insured.

This extension does not cover

- a. consequential loss of any nature.
- b. loss, destruction or damage
 - i. caused by or resulting from
 - 1. wear and tear.
 - 2. depreciation.
 - 3. electrical or mechanical breakdown.
 - 4. rust, mildew, moth, vermin, insects.
 - 5. scratching, denting or chipping.
 - 6. the insureds' own domestic pets.
 - 7. any gradually operating cause.
 - 8. any process of dyeing, cleaning or renovating.
 - 9. the action of light or atmospheric conditions.
 - 10. confiscation or detention by any process of law.

- ii. to musical instruments by breakage of reeds, skins or strings,
- iii. to firearms,
- iv. to video or audio tapes cassettes or compact discs,
- v. to articles of a fragile nature,
- vi. to garden furniture and equipment,
- vii. to sporting equipment,
- viii. by overwinding of clocks or other mechanical apparatus.

2. Water leakage

The company will indemnify the insured against charges raised by a local authority for water lost through leakage from pipes on the insureds' property provided that

- a. the consumption reading must be at least 50 percent more than the average of the previous four readings.
- b. the insured take immediate steps to repair the pipe(s) affected on discovery of a leak (by physical evidence or on receipt of an abnormally high water account).

This extension does not cover

- a. the cost of repairs to leaking pipes.
- b. more than two separate incidents in any period of twelve months.
- c. loss of water
 - i. as a result of leaking taps, water heating apparatus or toilet systems.
 - ii. from swimming pool structures or inlet or outlet pipes.
 - iii. whilst the property is unoccupied for a period in excess of 60 days.

3. Claim free group protection

Paragraph 2 of the section headed "Claim free groups" is deleted.

4. Television equipment maintenance

The company will indemnify the insured for repairs following electrical or mechanical breakdown to any television set, video recorder, decoder or satellite dish in the residence.

Claim free groups

1. If no claims have been paid under this section during any one annual period of insurance, the next renewal premium will be based on the following claim free group:

Existing claim free group	0	1	2	3	4	5
Renewal claim free group	1	2	3	4	5	5

2. If any claims have been paid during the period of insurance, the next renewal premium will be based on the following claim free group:

Existing claim free group	0	1	2	3	4	5
Renewal claim free group	0	0	0	1	2	3

Only claims made in terms of the defined events will affect the claim free group.

Definitions

Contents

shall mean household goods and personal effects of every description, the property of the insured or for which he is responsible or any member of the insured's family normally residing with the Insured, fixtures and fittings, the insured's own or for which he is legally responsible (not being landlord's fixtures and fittings) in the Buildings on the premises stated in the schedule.

Building(s)

shall mean the private residence constructed of brick stone or concrete with slate tile concrete asbestos or metal roof except as specifically mentioned, and all outbuildings (being structures, private garages, car ports, domestic employees quarters, garden sheds and the like) used in connection therewith all being situate on the premises stated in the schedule.

Domestic all risks section

Defined events

Accidental loss of or damage (damage) to the property insured being

1. unspecified items (if stated in the schedule to be insured) comprising
 - a. clothing (other than furs).
 - b. personal effects,
 - i. normally carried on or designed to be carried on or by a person or
 - ii. normally worn or used by a person whilst participating in sport,but excluding items which are to be individually specified such as contact lenses, pedal cycles, cellular telephones, firearms, car sound systems, portable radios, tape decks, compact disc players, pagers, audio or video tapes or compact discs.
2. specified items individually stated in the schedule belonging to the insured or members of the insureds' family normally resident with the insured.

For the purposes of this section territorial limit means anywhere in the world, including transit by land, sea or air.

The amount payable in the event of total loss of any article of property insured will be the current replacement cost, but the liability of the company will not exceed the sum insured on any specified item.

The insured are to provide satisfactory proof of valuation of the article at the time of loss.

Limits of indemnity

The limits of indemnity stated below apply independently of any amount stated in the schedule and must be read in conjunction with the relevant clauses in this section.

Defined events

- | | Limits |
|--|--------------------|
| 1. Unspecified items – per individual item (other than clothing) | 20% of sum insured |

Extensions and clauses

- | | |
|-------------------------|--------|
| 1. Golfers' hole-in-one | R2,000 |
| 2. Loss of money | R3,000 |

Specific exceptions

The company shall not be liable for

1. damage
 - a. to sports equipment (other than golf clubs) whilst in actual use.
 - b. to laptop or other personal computers and data media.
 - c. arising from detention or confiscation by any process of law.
 - d. to property arising from its own mechanical or electrical breakdown.
 - e. caused by or arising from
 - i. insects, parasites or vermin.
 - ii. wear and tear or gradually operating causes.
 - iii. alteration, repair, maintenance, decoration, restoration or renovation.
 - iv. any process of cleaning, drying, dyeing or heating.

2. the cost of reproducing sounds, data and images on tapes, records, film or magnetic media.
3. loss or disappearance of the insured property from any motor vehicle caravan trailer or watercraft when left unattended unless such loss or disappearance follows upon forcible and violent entry into or exit from the said motor vehicle caravan trailer or watercraft but in the case of motor vehicles cover is restricted to property contained in a locked boot or concealed in a compartment forming part of a locked vehicle.

Extensions and clauses

1. Golfers' hole-in-one

The company will pay the amount stated in the limits of indemnity if the insured scores a hole-in-one playing in an amateur game of golf in terms of the rules at any recognised golf club on written confirmation by the secretary of the club.

2. Loss of money

The company will indemnify the insured up to the amount stated in the Limits of indemnity for loss of money or negotiable instruments.

3. Riot and strike

Damage directly occasioned by or through or in consequence of

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

provided that this event does not cover

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

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

4. Pairs and sets

Where an item consists of articles in a pair or set the company will not pay more than the value of the parts lost or damaged.

5. Pedal cycles

- a. Pedal cycles and accessories left unattended outside the boundary of the residence must be attached by a security device to a permanently fixed structure.
- b. The company will not pay for damage to the pedal cycle arising out of racing, pacing and trial runs.

6. Safe deposit

If an item is specified as kept in a safe deposit facility, insurance under this section only applies while the item is contained in such facility.

7. Cellular telephone

In respect of pensioners any First Amount Payable stated in the schedule applicable to a cellular telephone is deleted.

Domestic computer equipment section

Defined events

Loss of or damage (damage) to the property insured being the electronic data processing equipment or proprietary software listed in the schedule belonging to the insured or members of the insureds' family normally resident with the insured anywhere in the world from any cause not excluded by this section.

Basis of indemnification

1. Partial loss

The costs and expenses reasonably and necessarily incurred to restore the damaged property to its working condition immediately before it was damaged provided that

- a. the value of parts that can be used in any way will be deducted.
- b. the company will pay the costs of any temporary repairs the insured carries out without its consent in the interests of safety, or to minimise further loss of or damage to the property insured. If however these temporary repairs cause additional loss or damage, the consequences including any additional costs will be for the insureds' account.
- c. where the damage is restricted to a part or parts of an insured item, the company will only be liable for the cost of the part or parts lost or damaged.

2. Total loss

The cost of reinstatement of the property insured to its condition when new provided that

- a. reinstatement shall mean replacement of the item lost or destroyed by new property of equal performance and/or capacity or, if this is impossible, its replacement by new property having the nearest higher performance and/or capacity including any freight, dues and customs duties less the value of any salvage.
- b. the sum insured in the schedule is the installed new replacement value of the property insured.
- c. reinstatement is carried out without delay and in the most economical manner.
- d. the insured must actually reinstate the property insured.
- e. if the property insured is not reinstated, the company will indemnify the insured for the actual value of the property insured up to the cost of reinstatement.

Extensions and clauses

1. Reinstatement of data (if stated in the schedule to be included)

The company will indemnify the insured for all costs and expenses necessarily and reasonably incurred in the recompilation of data and/or programmes recorded on data carrying media lost as a result of an accident provided that such costs and expenses are not caused by programme errors, viruses, incorrect entry or the inadvertent cancellation or corruption of data.

2. Limit of liability

The company's liability will not exceed the sums insured stated in the schedule.

3. Application of first amount payable

If more than one item of the property insured is lost or damaged in any one occurrence, the first amount payable shall be limited to the highest single amount applicable to such items in respect of the occurrence.

4. Average

If at the time of damage the cost of replacing the property insured as new is greater than the sum insured the insured will be considered as being their own insurer for the difference and will bear a rateable share of the damage.

5. Riot and strike

Damage directly occasioned by or through or in consequence of

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

provided that this event does not cover

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

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

Specific exceptions

The company shall not be liable for

1. the costs of any alteration, addition, improvement or overhaul carried out at the time of repair.
2. loss or damage
 - a. provided for under any maintenance and/or lease agreement.
 - b. caused by wear and tear or gradually operating causes, development of poor contacts or scratching of painted or polished surfaces.
3. parts having a short life such as (but not limited to) x-ray tubes bulbs valves fuses or contacts and if such parts are damaged by a defined event the company will indemnify the insured for the residual value of such parts.
4. loss of use of the property insured or other consequential loss damage or liability of any nature other than losses specifically provided in this section.
5. any loss resulting from theft from any vehicle while left unattended, except theft as a result of visible forcible and violent entry to such vehicle.

Domestic general liability section

Defined events

1. Damages which the insured become legally liable to pay as compensation for injury or damage.
2. Emergency medical expenses incurred by the insured on behalf of a potential claimant as a result of injury.
3. Liability assumed by the insured under a contract entered into with any security firm and arising out of any wilful or negligent acts or omissions of employees of the security firm whilst undertaking any duties in terms of the contract resulting in injury or damage which occurs during the period of insurance.

Specific definitions

1. Injury means accidental death, bodily injury to or illness of any person.
2. Damage means accidental loss of or physical damage to tangible property other than property belonging to, held in trust by or in the custody or control of the insured.
3. The insured includes members of the insureds' family normally resident with the insured and, in the event of the insureds' death, the insureds' estate.
4. Occurrence means an occurrence or series of occurrences arising out of one event.
5. Territorial limits means anywhere in the world.

Limits of indemnity

1. The amount payable by the company will not exceed the limit of indemnity stated in the schedule.
2. The limit of indemnity will include costs and expenses
 - a. recoverable by any claimant from the insured.
 - b. incurred with the written consent of the company.
3. The company may in respect of any occurrence pay to the insured the limit of indemnity less any costs and expenses incurred or any lesser sum for which the claim or claims can be settled whichever is the lesser amount.
4. The limits of indemnity stated below apply independently of any amount stated in the schedule and must be read in conjunction with the relevant clauses in this section.

Defined event 2.	Emergency medical expenses	R5,000
Clause 1.	Cash and credit cards	R5,000

Specific exceptions

The company will not indemnify the insured in respect of:

1. Liability assumed by the Insured by agreement and which would not have attached in the absence of such agreement other than as specifically mentioned in Defined event 3.
2. Liability in respect of death or bodily injury to or illness of any person who is a member of the Insured's household.
3. Liability in respect of death or bodily injury to or illness of any person under a contract of service with the Insured if such liability is in respect of injury or illness arising out of and in the course of such employment by the Insured other than as specifically mentioned in Extension 4. Liability to domestic employees.
4. Liability in respect of death bodily injury illness loss or damage caused by or in connection with or arising from

- a. the ownership or occupation of any land or buildings other than liability arising out of the use of garden implements and as specifically mentioned in Extension 2. Homeowners' liability and 3. Tenants' liability.
- b. the use of aircraft vehicles (other than as a passenger in a private motor car) or watercraft.
- c. any profession or business of the insured.

Memoranda

- 1. General exception 1 does not apply to this section.
- 2. General provision 5 does not apply to this section.

Extensions and clauses

1. Cash and credit cards

The company will indemnify the insured against liability or loss arising from fraudulent use of the insureds' cash or credit cards by any person who is not a member of the insureds' family or household.

The company will not indemnify the insured if the insured have not reported the loss of the card to the issuing Organisation as soon as possible and complied with the conditions of issue of the card.

2. Homeowners liability

The company will pay all sums which the insured become legally liable to pay as owner of residential premises in the Republic of South Africa caused by injury or damage occurring on or about the building. Excluding liability arising out of or incidental to the insureds' occupation or business.

3. Tenants' liability

The company will pay all sums which the insured become legally liable to pay as tenant of residential premises in the Republic of South Africa caused by

- a. loss of or damage to the building and/or landlord's fixtures and fittings as a result of
 - i. fire, explosion, storm, wind, water, hail or snow.
 - ii. bursting, leaking or overflowing of water or heating installations or pipes including damage to such installations or pipes.
 - iii. theft or any attempt thereat.
- b. accidental breakage of sanitaryware and fixed glass.
- c. accidental damage to water, sewerage, gas, electricity and telephone connections between the building and the public supply or mains connections.

Excluding

- a. damage
 - i. caused by subsidence or landslip. This exclusion will not apply to the removal of land supporting the building by flowing surface water.
 - ii. to sanitaryware by chipping scratching and other disfigurement.
- b. liability arising out of or incidental to the insureds' occupation or business.

4. Liability to domestic employees

The company will indemnify the insured against

- a. all sums that the insured become legally liable to pay as a result of bodily injury to the insureds' domestic employees arising out of the work they are employed to do.
- b. costs and expenses incurred by the insured with its prior consent in the defence of any criminal action brought against the insured arising out of an alleged contravention of the Occupational Health and Safety Act No. 85 of 1993 (as amended).

Excluding liability arising out of or incidental to the insureds' occupation or business.

Domestic extended liability section

Defined events

1. The insureds' legal liability to pay compensation for injury or damage occurring anywhere in the world, to the extent that
 - a. the insureds' liability is
 - i. not insurable in terms of the insuring clause, insured events or defined events or
 - ii. excluded byany underlying insurance.
 - b. the amount of the insureds' liability exceeds the limit of the underlying insurance, and the underlying insurer has paid or admitted liability or been held liable to pay up to the full amount of that limit; which, for the purposes of this section, shall be not less than R1,000,000 but R500,000 in respect of motorcycles, motor scooters, caravans, trailers and pleasurecraft (vessels).

Specific definitions

1. The specific definitions in the Domestic general liability section apply to this section.
2. Underlying insurance means an existing insurance policy in force with
 - a. a South African insurer covering one or more of the insureds
 - i. personal,
 - ii. homeowners',
 - iii. tenants',
 - iv. motor,
 - v. watercraftliabilities and, in addition,
 - b. any other insurer world-wide covering motor, watercraft or homeowners' liabilities where it has been necessary for the insured to purchase local indemnity.

Indemnity to the insured

1. The amount payable by the company will not exceed the limit of indemnity stated in the schedule.
2. The limit of indemnity will include
 - a. costs and expenses
 - i. recoverable by any claimant from the insured.
 - ii. incurred with its written consent.
 - b. the limit of the underlying insurance.
3. The company may in respect of any occurrence pay to the insured the maximum limit of indemnity less any costs and expenses incurred or any lesser sum for which the claim or claims can be settled whichever is the lesser amount.

Specific exceptions

The company will not indemnify the insured in respect of

1. any judgement, award, payment or settlement made within countries which operate under the laws of the United States of America or Canada; nor any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part.

2. liability
 - a. arising out of
 - i. and in the course of the insureds' employment, business or profession including but not limited to the sale of any goods or the rendering of any services for a fee, reward or any other consideration.
 - ii. the letting or hiring out of any moveable or immoveable property (other than residential property in the Republic of South Africa) or part thereof for a fee, reward or any other consideration.
 - iii. the insureds' reckless disregard of the possible consequences of the insureds' acts or omissions.
 - iv. damage to the extent that this liability is covered by any other insurance policy.
 - v. the ownership or use of any aircraft other than model aircraft and hang gliders.
 - vi. any dishonest, fraudulent or malicious act, or acts of physical assault or seduction committed by the insured.
 - vii. any fine, penalty, multiple, punitive or exemplary damages.
 - viii. any 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.
 - ix. the purchase, sale, barter or exchange of any property moveable or immoveable or the insureds' failure to comply with any related obligations.
 - x. any condition directly or indirectly caused by or associated with human immune virus (HIV) or its mutants, derivatives or variations or in any way related to acquired human immune deficiency syndrome or any syndrome or condition of a similar kind howsoever it shall be named.
 - b. of one insured to another, and this exclusion applies to any person no longer part of the insured, in respect of any occurrence while that person was still part of the insured.
 - c. which is the subject of any statutory or similar legislation controlling the use of motor vehicles or trailers and in respect of which
 - i. the insured are compelled to purchase insurance or furnish security, or
 - ii. the state or other governmental body has accepted liability.
3. any claim in respect of motor liability unless such liability is indemnifiable by any of the underlying insurance's, other than a claim excluded solely by reason of any territorial restrictions.
4. any claim in respect of watercraft liability
 - a. unless such liability is indemnifiable by any of the underlying insurance's, other than a claim excluded solely by reason of any territorial restrictions.
 - b. where the overall length of the vessel exceeds 6,7 metres.
5. damage to any self-propelled land vehicle, trailer, caravan, watercraft or aircraft in the insureds' care, custody or control.
6. any debt.
7. the failure to pay maintenance or alimony or any amounts following a breach of promise.

Specific conditions

1. The insured must at the time of the occurrence have an underlying insurance in force which substantially provides cover for the type of indemnity required, and have complied with all the conditions of that insurance.

2. In respect of any occurrence not covered at least in part by an underlying insurance, the company will have full discretion in the conduct of any proceedings and in the settlement of any claim.
3. No admission, offer, promise or payment in relation to a claim under this section may be made or given by the insured or on the insureds' behalf without the company's written consent. The insured will take all reasonable steps to ensure that the underlying insurers comply with this condition and co-operate with the company in the defence and settlement of any claim which is indemnifiable by both an underlying insurance and this policy, and in the exercise of any subrogation rights. The costs incurred in exercising these rights and any amounts recovered shall be apportioned to each party in accordance with the sums paid or payable under the respective policies.
4. General condition 2 and General provision 5 do not apply to this section.

Domestic motor section

Defined events

1. Comprehensive

a. Own damage

- i. If the vehicle or any part of it is lost or damaged the company will at its choice indemnify the insured by paying for its repair or replacement or the amount of the loss or damage, less the first amount payable. If the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the company in respect of such loss or damage. The company will also pay the reasonable cost of delivery to the insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured within the territorial limits.
- ii. If within 12 months of first registration the vehicle is
 1. stolen or hijacked and not recovered or physically returned to the company, or
 2. damaged and the assessed cost of repairs exceeds 70 percent of the current new retail price including tax,the maximum amount payable by the company will be the current purchase price of a new vehicle of the same or a similar model or the limit shown in the schedule whichever is the lower, less the first amount payable.
- iii. If the vehicle is lost or damaged more than 12 months after first registration the maximum amount payable by the company will be the limit shown in the schedule or the reasonable market value of the vehicle at the time of loss or damage whichever is the lower, less the first amount payable.

The company shall not be liable for

- i. consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages.
- ii. damage to tyres by application of brakes or by road punctures, cuts or bursts.
- iii. damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.
- iv. detention, confiscation or requisition by customs or other officials or authorities.

b. Liability to third parties

- i. The company will indemnify the insured
 1. for any amount that the insured become legally liable to pay arising from the use of the vehicle in respect of
 - a. injury which shall mean accidental death of or bodily injury to any person.
 - b. damage which shall mean accidental loss of or damage to property.
 2. for costs and expenses incurred with its written consent.
 3. at its discretion for any costs incurred for representation at any inquest or post-mortem or for defence against any criminal proceedings in a magistrate's court.
 4. while driving a vehicle not owned by the insured or being purchased, hired or leased by the insured under an instalment sale or lease agreement but the company shall not be liable for damage to such vehicle.

5. while the vehicle is being used for the purpose of towing (other than for reward) any other vehicle or trailer (including liability in connection with the towed vehicle or trailer) but the company shall not be liable for damage to the towed vehicle or trailer or to property in or on such vehicle or trailer.
- ii. The company will indemnify any person who is driving or using the vehicle with the insureds' permission provided such person
 1. is not entitled to indemnity under any other policy.
 2. observes the terms of the policy as far as they can apply.
 3. has not been refused any motor vehicle insurance.

The company shall not be liable for

- i. injury to any person being carried in
 1. a trailer or caravan.
 2. the unenclosed load carrying section of a light delivery vehicle.
- ii. damage to property
 1. belonging to or held in trust by or in the custody or control of the insured.
 2. carried in a trailer or caravan.
- iii. any compensation provided or insurable in terms of any motor vehicle insurance legislation.
- iv. any claim arising out of contractual liability.
- v. death of or bodily injury to any person being a member of the same household as the insured.

2. Third party fire and theft

Cover in terms of Defined event 1(a) Own damage is restricted to loss or damage resulting from fire, self-ignition, lightning, explosion or by theft or attempted theft. The company will not pay for loss of or damage to motor vehicle audio equipment of any type.

The following clauses are cancelled:

Extensions and clauses

2. Medical expenses
Claim free groups.

3. Third party only

Cover is restricted to Defined event 1(b) Liability to third parties.

Specific definitions

1. The insured means the person in whose name this policy is issued and spouse.
2. Vehicle means
 - a. motor cars and light delivery vehicles with a gross vehicle mass not exceeding 3500 kg;
 - b. motorcycles and motor scooters (with or without sidecar);
 - c. caravans and trailers (including permanent fixtures and fittings) without means of self-propulsion, designed to be drawn by a self-propelled vehicle owned by or hired or leased to the insured including any vehicle temporarily used by the insured whilst the insureds' vehicle is being overhauled, serviced or repaired.

Limits of indemnity

The limits of indemnity stated below apply independently of any amount stated in the schedule and must be read in conjunction with the relevant clauses in this section.

Defined events

Limits

1	b.	Liabilities to third parties – fire and explosion	R1,000,000
		– other– motor cars and light delivery vehicles	R2,000,000
		– motorcycles and motor scooters	R500,000
		– trailers and caravans	R500,000

Extensions and clauses

1.	Wreckage removal	Per schedule
2.	Medical expenses – per occupant	R5,000
		– not exceeding in total R400
4.	Locks and keys	R5,000
6.	Audio accessories – any one event	R5,000

Specific memoranda

3.	Repairs and measures after a loss		
a.	i.	vehicle repairs	R5,000
	ii.	emergency accommodation	R5,000
b.	tow-in costs – electrical or electronic or mechanical breakdown		R2,000

First amounts payable

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

1.	Motor cars and light delivery vehicles:		
a.	Basic	Per schedule	
b.	Additional:		
	i.	Theft or hijack of the whole vehicle as a unit. 'Hijack' will mean the seizing of or exercising of control of the vehicle by threat or force.	5% of gross claim
	ii.	Whilst the vehicle is being driven by any person under the age of twenty five (25) years or who has held a licence to drive for a period of less than two (2) years.	5% of claim minimum R1,000
	iii.	Voluntary.	Per schedule
	iv.	Window glass where no other damage has been caused to the vehicle. 20% of claim minimum R350 If more than one motor vehicle is described in the schedule the above provisions will apply as if a separate policy has been issued for each vehicle. The amounts borne by the insured will be the amounts specified above and these amounts will apply independently and be cumulative.	
2.	Motorcycles and motor scooters.	Per schedule	
3.	Caravans and trailers.	Per schedule	

Exclusions

The company will not be liable to pay for loss, damage or injury caused, sustained or incurred

1. outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique except for loss of or damage to the vehicle while in transit by sea or air between ports or places within these territories.
2. while the vehicle is being driven or used
 - a. other than in accordance with the description of use.
 - b. by the insured or any person with the insureds' consent who is not licensed to drive the vehicle in terms of legislation applying to the territory in which the vehicle is being used. If a licence is subject to renewal the driver must have held and not be disqualified from holding or obtaining such a licence. This exclusion will not apply if the vehicle is being driven by the insured or any person with the insureds' consent while learning to drive and legislation relating to learner drivers is being obeyed.
 - c. by the insured while under the influence of intoxicating liquor or drugs or while the concentration of alcohol in the insureds' blood exceeds the statutory limit.
 - d. by any person, with the insureds' consent and knowledge, who the insured know is under the influence of intoxicating liquor or drugs or while the concentration of alcohol in that person's blood exceeds the statutory limit.
 - e. in a condition which does not comply with the provisions and regulations of The Road Traffic Ordinances of the Republic of South Africa or any similar legislation which applies to the areas referred to above.
3. while a light delivery vehicle is being used to carry goods for business or professional purposes.

Extensions and clauses

1. Wreckage removal

The company will pay the reasonable cost of recovery, protection and removal of debris and wreckage of the vehicle to the nearest repairer following a defined event.

2. Medical expenses

If any occupant of the vehicle sustains bodily injury as a direct result of an accident the company will pay the medical expenses in connection with the injury less amounts recoverable in terms of any compulsory motor vehicle insurance act or compulsory occupational illness or disability act or workmen's compensation legislation.

3. Window glass

Where there has been no other damage to the vehicle the company will pay for damage to window glass (including a sunroof) of the vehicle without alteration of the claim free group. The insured will be responsible for the first amount payable as stated but if the glass is repaired, the insured will not have to pay this amount.

4. Locks and keys

The company will indemnify the insured for costs necessarily and reasonably incurred following loss of or damage to locks and keys (including cardkeys and remote control devices) for the vehicle.

Payment will be made without alteration of the claim free group or application of an excess.

5. Parts or accessories not readily available

If any part or accessory needed to repair the vehicle is not available in the Republic of South Africa as a standard ready manufactured article the most the company will pay is the sum equalling the value of the part at the time of loss or damage. In no case will the company pay more than the manufacturer's listed price.

6. Audio accessories

The company will not pay more than the limit stated (after deduction of any first amount payable) for fitted accessories in the form of car radios, tape players, record players, compact disc players and the like unless such equipment is specified and any additional premium is paid.

7. Riot and strike

Damage directly occasioned by or through or in consequence of

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

provided that this event does not cover

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

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

8. Car Hire – theft/hijack of the vehicle

If the vehicle, as specified in the schedule and insured on a comprehensive basis, is stolen or hijacked as a unit, the company will pay the car hire charges levied by the service provider for the hire of a medium category motor car (not exceeding 1600 cm³ engine capacity) on an unlimited mileage basis but excluding the cost of fuel or lubricants,

provided that

- a. the order for the hire of the motor car from the service provider will be authorised by the company.
- b. the period of the hire will
 - i. commence no later than 21 days following the date of theft or hijack.
 - ii. terminate on the day following the repossession of the motor vehicle by the insured after any repairs necessitated as a result of its theft or hijack have been effected, or 30 days after the commencement of the period of hire, whichever is sooner.
- c. in the event of any occurrence giving rise to a claim involving the hired motor vehicle during the period of hire, the insured shall be responsible for the first amount payable, as stated in the hire contract, of any expenditure and such amount shall be payable to the service provider.

Definition of “vehicle”

Motor cars and light delivery vehicles with a gross vehicle mass not exceeding 3500 kg (not used for commercial purposes).

Description of use Class of use A

Social domestic pleasure and professional purposes excluding –

hiring or carriage of passengers for hire or carriage of fare-paying passengers, commercial travelling, selling insurance, driving instruction for reward, racing, speed or other contests, rallies, trials or any purpose in connection with the motor trade.

Class of use B

Social domestic pleasure business and professional purposes excluding –

hiring or carriage of passengers for hire or carriage of fare-paying passengers, racing, speed or other contests, rallies, trials or any purpose in connection with the motor trade.

Class of use C

Social domestic and pleasure purposes only excluding –

business or professional use of any nature, hiring or carriage of passengers for hire or carriage of fare-paying passengers, commercial travelling, selling insurance, driving instruction for reward, racing, speed or other contests, rallies, trials or any purpose in connection with the motor trade.

Notwithstanding anything stated above under the description class of use A, B or C, the term “motor trade” will not invalidate cover while the vehicle is in the custody or control of a member of the motor trade for the purpose of being overhauled, serviced or repaired.

Specific memoranda

1. The insured will advise the company in writing immediately the insured are aware
 - a. that the insureds' driver's licence or that of the insureds' authorised driver is endorsed suspended or cancelled.
 - b. of the insured or the insureds' authorised driver being charged or convicted of negligent, reckless or improper driving.
2. If more than one vehicle is insured by this policy the claim free groups will be applied as if a separate policy had been issued for each vehicle.
3. Repairs and measures after loss (only applicable to Defined event 1(a) Own damage)
 - a. After loss or damage by any insured event
 - i. the insured may authorise repairs to the vehicle, provided an invoice is obtained and forwarded to the company without delay.
 - ii. the company will pay the reasonable costs of emergency accommodation whilst the vehicle is being repaired following an accident or breakdown.
 - b. The company will also pay the reasonable costs of towing in the vehicle following electrical or electronic or mechanical breakdown
up to the amounts shown in the limits of indemnity.

Optional limitations and extensions (if stated in the schedule to be applicable)

1. Credit shortfall

If any total loss settlement under Defined event 1(a) Own damage is less than the amount owing to the financier under a current instalment sale or lease agreement, the company will pay to the insured an additional amount equal to the shortfall less

- a. any arrears instalments or rentals including interest payable on such arrears;
- b. all refunds of premium for cancellation of any insurance cover relating to the motor vehicle;

- c. the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled;
- d. the first amount payable; provided always that
 - a. the amounts payable shall not exceed the maximum indemnity less the first amount payable under Defined event 1(a) Own damage.
 - b. this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10 percent from any other instalment.
 - c. if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.

2. Claim free group protection

Paragraph 2 of the section headed “Claim free groups” is deleted.

3. Insured only driver

For the purposes of this section “the insured” means the insured named in the schedule and any references to the insureds’ spouse, the insureds’ family, the insureds’ authorised driver or any other driver driving with the insureds’ permission are deleted.

4. Insured and family only drivers

For the purposes of this section “the insured” includes the insureds’ spouse and any member of the insureds’ family permanently living with the insured and any references to the insureds’ authorised driver or any other driver driving with the insureds’ permission are deleted.

5. Medical expenses deleted

Medical expenses is deleted.

6. Passenger liability excluded

The company will not pay for injury to any person who at the time of the accident is being conveyed in, or is mounting or alighting from, the vehicle.

7. Specified accessories

Payment of any claim for loss of or damage to specified accessories will be made without deduction of any first amount payable and will not constitute a claim in terms of the table of claim free groups.

Claim free groups

- 1. If no claims have been paid under this section during any one annual period of insurance, the next renewal premium will be based on the following claim free group:

A.	Motor cars and light delivery vehicles							
	Existing claim free group	0	1	2	3	4	5	6
	Renewal claim free group	1	2	3	4	5	6	6
B.	Motorcycles and motor scooters							
	Existing claim free group		0	1	2	3	4	
	Renewal claim free group		1	2	3	4	4	
C.	Caravans and trailers							
	Existing claim free group		0	1	2	3	4	
	Renewal claim free group		1	2	3	4	4	

2. If any claims have been paid during the period of insurance, the next renewal premium will be based on the following claim free group:

A.	Motor cars and light delivery vehicles							
	Existing claim free group	0	1	2	3	4	5	6
	Renewal claim free group	0	0	0	1	2	3	4
B.	Motorcycles and motor scooters							
	Existing claim free group		0	1	2	3	4	
	Renewal claim free group		0	0	0	1	2	
C.	Caravans and trailers							
	Existing claim free group		0	1	2	3	4	
	Renewal claim free group		0	0	0	1	2	

Domestic personal accident section

Defined events

1. Injury which shall mean bodily injury caused by accidental violent external and visible means and which
 - a. directly and independently of all other causes results in death or disability within 24 calendar months.
 - b. includes injury caused by exposure, starvation and thirst.

Specific definitions

1. Insured person means any person named in the personal accident section of the schedule.
2. Temporary total disability means total inability to attend to usual occupation or profession for longer than the period stated in the schedule.
3. Medical expenses means all expenses incurred for artificial aids or prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs of emergency transportation or freeing of an insured person if trapped and their removal to a place of safety) resulting from injury.

Benefit payable

1. In the event of injury to any insured person the company will pay the percentage of compensation as stated in the table of benefits to the insured person or their estate.
2. The company will not be liable to pay more than the death or permanent disability benefit (whichever is the higher) plus any temporary total disability and medical expenses benefit.
3. The company will pay the death benefit if an insured person disappears and after a year there is satisfactory evidence to presume that death as a result of injury has occurred. If it is later found that death has not occurred and the insured person is found to be living any amount paid by the company must be refunded.
4. In the event of death of an insured person under 15 years of age the company will not pay more than the reasonable cost of funeral expenses.

Specific exceptions

The company will not be liable to pay benefit in respect of

1. injury
 - a. arising after the insured person attains the age of 70 unless agreed to in writing by the company and stated in the schedule.
 - b. caused by an insured person being insane or under the influence of drink or drugs (unless prescribed by and taken in accordance with the directions of or administered by a member of the medical profession other than themselves), committing suicide or any act of intentional self-injury, intentional self-exposure to unnecessary danger, venereal disease or in the case of a female by child bearing or sequelae thereof or other causes peculiar to the female sex.
 - c. arising whilst the insured person is
 - i. travelling by air except as a passenger in any aircraft fully licensed for the carriage of passengers provided that the insured person is not acting as a member of the aircraft crew nor flying for the purpose of any trade or technical operation connected with the aircraft in which they are travelling.
 - ii. engaging in
 1. motor cycling (whether as driver or passenger).
 2. racing of any kind involving the use of any power driven vehicle, vessel, aircraft or pedal cycle.

3. steeple chasing, polo, winter sports (involving snow or ice), mountaineering necessitating the use of ropes.
 4. professional football, professional rugby football, big game hunting, hang-gliding.
 5. any sport or pastime involving exceptional risk of accident.
2. temporary total disability exceeding the maximum period stated in the schedule.

Table of benefits	Description of injury	Percentage of compensation
1. Death		100
2. Permanent disability		
(a)	Loss by physical separation at or above the wrist or ankle of one or more limbs	100
(b)	The complete and irrecoverable loss of sight in one or both eyes	100
(c)	Total paralysis	100
(d)	Any other injury causing permanent disability	100
(e)	Loss of four fingers	70
(f)	Loss of thumb	
	– both phalanxes	25
	– one phalanx	10
(g)	Loss of index finger	
	– three phalanxes	10
	– two phalanxes	8
	– one phalanx	4
(h)	Loss of middle finger	
	– three phalanxes	6
	– two phalanxes	4
	– one phalanx	2
(i)	Loss of ring finger	
	– three phalanxes	5
	– two phalanxes	4
	– one phalanx	2
(j)	Loss of little finger	
	– three phalanxes	4
	– two phalanxes	3
	– one phalanx	2
(k)	Loss of metacarpals	
	– first or second (additional)	3
	– third, fourth or fifth (additional)	2
(l)	Loss of toes	
	– all	30
	– great – both phalanxes	5
	– one phalanx	2
	– other than great – each toe lost	1
(m)	Loss of hearing	
	– both ears	80
	– one ear	20

Permanent total loss of use of a body part shall be treated as loss of such part.

Where the injury is not specified, the company will adopt a percentage of disability which in its opinion is not inconsistent with the above.

3. Temporary total disability	100
4. Medical expenses	100

Memoranda

1. General exception 1 is deleted and restated as:

This section excludes injury directly or indirectly caused by or 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.

2. General condition 2 does not apply to this section.
3. General condition 6(b) does not apply to this section.

Special condition

In respect of any claim the insured person will as often as required by the company submit to medical examination at its expense. The company will in the case of death be entitled to call for a post-mortem.

Domestic pleasurecraft section

Specific definitions

1. Vessel means the vessel named in the schedule comprising the hull, superstructure, fittings, electrical machinery, engines, inboard motors, dinghies, gear and equipment (not electronic equipment) such as would normally be sold with the vessel as one unit.

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

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

Indemnity to the insured

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

Defined events

Damage to the vessel caused by external accidental means, including

1. perils of the seas, rivers, lakes or other navigable waters.
2. fire.
3. jettison.
4. piracy.
5. collision with dock or harbour equipment or installation, land conveyance, aircraft and other aerial devices or articles dropped from them.
6. earthquake.
7. lightning.
8. accidents in loading discharging or moving stores, gear, equipment or machinery.
9. explosion.
10. theft of
 - a. the vessel.

- b. the outboard motor provided it is securely locked to the vessel by an anti-theft device in addition to its normal method of attachment.
 - c. machinery including outboard motors gear or equipment following upon forcible and violent entry into or exit from the vessel or place of storage or repair.
 - d. the trailer whilst parked without the vessel.
11. loss of or damage to the vessel excluding electrical equipment, batteries and connections, motors and connections (but not strut shaft or propeller), caused by
 - a. latent defects in hull or machinery.
 - b. breakage of shafts or bursting of boilers (excluding the cost and expense of replacing or repairing the broken shaft or boiler).
 - c. the negligence of any person whatsoever but excluding the cost of repairing any defect resulting from either negligence or breach of contract in respect of any repair or alteration work.
 12. the cost of sighting the bottom after a grounding if reasonably incurred for that purpose even if no damage be found.
 13. loss of or damage to personal effects in the event of the vessel being stranded, sunk, burned or in a collision.
 14. damage directly occasioned by or through or in consequence of
 - a. civil commotion, labour disturbances, riot, strike or lockout;
 - b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrences referred to in (a) above
provided that this event does not cover
 - a. damage occurring in the Republic of South Africa or Namibia.
 - b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured.
 - c. damage caused by total or partial cessation of work, or the retarding, interruption or cessation of any process or operation.
 - d. damage caused by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
 - e. damage caused by or related to any occurrence referred to in General exception 1(a) (ii), (iii), (iv), (v) or (vi) of this policy, or the act of any lawfully established authority in controlling preventing suppressing or in any other way dealing with any such occurrence.

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

Specific exceptions to sub-section 1

The company will not be liable for

1. theft of the complete vessel whilst left unattended at any time unless the vessel is
 - a. within the walled and securely locked confines of the insureds' residence, or at a recognised place of repair or service, and theft is accompanied by visible forcible and violent entry or exit, unless the company has agreed in writing to the contrary.
 - b. at a recognised marina.
2. loss or damage resulting from lack of reasonable precautions on the insureds' part.
3. any costs and expenses incurred as a result of
 - a. wear and tear.
 - b. depreciation.

- c. deterioration from use.
 - d. electrical or mechanical or electronic breakdown which shall include breakdown caused by the intake of foreign matter into the cooling system.
 - e. loss of use of any description.
4. loss of or damage to sails or protective covers split by the wind or blown away while set unless caused by damage to the spars or by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water.
 5. sails, masts, spars, standing or running rigging whilst the vessel is racing unless caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water.
 6. the cost of replacing or repairing any part condemned solely because of a fault in design or construction or any cost or expense incurred by reason of betterment or alteration in design or construction.
 7. damage to
 - a. personal effects, consumable stores, fishing gear, scuba and/or diving gear;
 - b. moorings;
 - c. any other equipment not specified in the schedule.
 8. theft of the complete vessel from a boat dealer's premises if left there for sale.
 9. the vessel's dinghy not permanently marked with the name of the vessel.
 10. damage caused
 - a. by the vessel being stranded, sunk, swamped, immersed or breaking adrift while left moored or anchored unattended off an exposed beach or shore or river bank.
 - b. while the vessel is being used otherwise than in accordance with the description of use.
 11. water-skis, ropes and all similar sporting equipment whilst being used or left unattended during use.
 12. glitter or graded colour finish of any kind where damage requires a colour match re-spray and/or repaint.
 13. sheathing or repairs thereto unless damage has been caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any substance (ice included) other than water.
 14. damage by fire or explosion to a vessel fitted with inboard machinery, unless the vessel is equipped with adequate hand-held fire extinguishers.
 15. damage to outboard motors caused by dropping off or falling overboard unless the motors are bolted or chained to a permanent fixture in the hull.
 16. damage to Rubberducks and/or Jetskis (Wetbikes).
 17. Sailboards

The company will not pay for damage

 - a. caused by Wave Jumpers, Trickboards or similar varieties.
 - b. to or disappearance of sails and/or other parts whilst carried on a roof rack or roof of any vehicle or on a trailer when left unattended in the open.
 - c. occurring due to the roof rack coming adrift from the vehicle or the method of fastening breaking or coming undone.
 - d. to mast wishbone or sails during use.
 18. Semi-rigid vessels

The company will not

 - a. pay more than the cost of patching or repair of a tear or ripping of the fabric of pontoons;
 - b. provide submerged objects cover

to any semi-rigid vessel under any circumstances.

Sub-section 2 – Liability

The company will indemnify the insured

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

Specific exceptions to sub-section 2

The company will not indemnify the insured in respect of

1. injury to
 - a. fare-paying passengers carried in or upon entering or getting on to or alighting from the vessel.
 - b. any member of the insureds' family normally resident with the insured.
 - c. any person in the insureds' employ arising from that employment.
 - d. any person who is engaged in water-skiing aquaplaning or another sport or activity while being towed by the vessel or preparing to be towed or after being towed until safely on board or ashore.
2. any liability, cost or expense arising in respect of punitive or exemplary damages however caused.

Special extension to sub-section 2

Water skiers' extension (if stated in the schedule to be applicable)

Specific exception 1(d) of this subsection is deleted in respect of water skiers only. In addition the company will, subject to the limitations of this subsection, pay for legal liabilities incurred by water skiers.

Sub-section 3 – General

Description of use

Vessel used solely for private domestic and pleasure purposes excluding –

hiring or carriage of passengers for hire or fare-paying passengers, racing speed or other contests rallies or trials.

Limits of indemnity

The limits of indemnity stated below apply independently of any amount stated in the schedule and must be read in conjunction with the relevant clauses in this section.

Sub-section 2 – Liability

All vessels

Per schedule

Sub-section 3 – General

Clauses: 3. Medical expenses	– per occupant	R2,000
	– not exceeding in total	R10,000

First amounts payable

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

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

Cruising range

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

Clauses

1. Replacement of gear and equipment

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

2. Pollution

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

3. Medical expenses

If the insured sustain injury as a result of the vessel sinking or being in collision with any external object other than water the company will pay the medical expenses in connection with such injury in respect of each person injured.

4. Duties as owner

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

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

5. Surveys

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

6. Launching through surf

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

7. Breach of law and regulation

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

8. Repairs and tenders

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

9. Constructive total loss

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

10. Unrepaired damage

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

Optional extensions (if stated in the schedule to be applicable)

1. Road or rail transit

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

2. Racing risk (sailing vessel)

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

3. Submerged objects cover

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

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

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

Claim free groups

1. If no claims have been paid under this section during any one annual period of insurance, the next renewal premium will be based on the following claim free group:

Existing claim free group	0	1	2	3
Renewal claim free group	1	2	3	3

2. If any claims have been paid during the period of insurance, the next renewal premium will be based on the following claim free group:

Existing claim free group	0	1	2	3
Renewal claim free group	0	0	0	1

Fire section

Defined events

Damage to the whole or part of the property described in the schedule, owned by the insured or for which they are responsible, including alterations by the insured as tenants to the buildings and structures, by

1. fire.
2. lightning or thunderbolt.
3. explosion.
4. such additional perils as are stated in the schedule to be included.

Specific exceptions

1. This section does not cover earthquake (whether arising from mining operations or otherwise) unless added as an additional peril, volcanic eruption or other convulsion of nature (other than subterranean fire).

Any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be damage which is not covered by this insurance, except to the extent that the insured shall prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the company alleges that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary shall be on the insured.

2. Unless specifically included, this insurance does not cover
 - a. damage to property occasioned by its undergoing any heating or drying process.
 - b. damage to property which at the time thereof is insured by or would, but for the existence of this insurance, be insured by any marine policy(ies), except in respect of any excess beyond the amount which would have been payable under the marine policy(ies) had this insurance not been effected.

Specific condition

Average

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

Additional perils (if stated in the schedule to be included)

It is understood and agreed that in respect of each additional perils extension included in this insurance

1. all the exceptions and conditions applicable to this insurance shall apply as if they had been incorporated therein.
2. for the purposes thereof any damage insured shall be deemed to have been caused by fire.

Earthquake extension

Damage caused by earthquake but excluding damage to property in the underground workings of any mine.

Special perils extension

Damage caused by

1. storm, wind, water, hail or snow excluding damage to property
 - a. arising from its undergoing any process necessarily involving the use or application of water.
 - b. caused by tidal wave originating from earthquake or volcanic eruption.
 - c. in the underground workings of any mine.
 - d. in the open (other than buildings structures and plant designed to exist or operate in the open).
 - e. in any structure not completely roofed.
 - f. being retaining walls.
2. aircraft and other aerial devices or articles dropped therefrom.
3. impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.



Unless so described and specifically insured as a separate item

This extension does not cover

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

Leakage extension

Damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installation/appliance.

If a first loss limit is shown against this additional peril in the schedule, the amount of such limit shall be the maximum liability of the company in respect of any one event and, for the purposes of this extension only, the following shall be substituted for the average condition hereinbefore expressed:

If the property insured is, at the commencement of any damage to such property by discharge or leakage, collectively of greater value than the sum insured thereon against fire damage, then the company shall be liable under this extension only for that proportion of the first loss limit as the sum insured against fire bears to the total value of such property and the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, to which this extension applies shall be separately subject to this clause.

In respect of this extension only, Specific exception 1 to this section is deleted.

Subsidence and landslip extension

Damage caused by subsidence or landslip

provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured on the property or R500 whichever is the greater.

This extension does not cover

1. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured.
2. damage caused by or attributable to
 - a. faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises.
 - b. workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises.
 - c. excavation on or under land other than excavations in the course of mining operations.
3. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section. In any action suit or other proceeding where the company alleges that, by reason of the provisions of these exceptions, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the insured.

Malicious damage extension

Damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such damage other than damage to

1. moveable property which is
 - a. stolen.
 - b. damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured.
2. moveable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured.
3. immovable property owned or occupied by the insured occasioned by or through or in consequence of
 - a. the removal or partial removal or any attempt thereof;
 - b. 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 that this extension does not cover
 - a. damage related to or caused by fire or explosion.
 - b. consequential or indirect damage of any kind or description whatsoever, other than loss of rent if specifically insured.
 - c. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
 - d. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
 - e. damage related to or caused by any occurrence referred to in General exception 1(a) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance 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 percent of the claim before deduction of any first amount payable.

Riot and strike extension

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

1. civil commotion, labour disturbances, riot, strike or lockout;
2. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 1 above,
provided that this extension does not cover
 - a. loss or damage occurring in the Republic of South Africa and Namibia.
 - b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured.
 - c. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation.
 - d. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
 - e. loss or damage related to or caused by any occurrence referred to in General exception 1(a) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

Clauses and extensions

Rent clause (if insured under column 2)

The company will pay the amount of rent receivable, rent payable or rental value (as the case may be) defined hereunder in the event of the premises stated in the schedule being rendered untenable during the term specified therein in consequence of damage by a defined event.

1. 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.
2. Rent payable – the actual rent payable by the insured to the owner or landlord of the said premises.
3. Rental value – the actual rental value of the said premises.

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

Designation of property clause

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

All other contents clause

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

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

Limitations clause

The company's liability under column 3 of the schedule is restricted in respect of

1. money and stamps to a limit of R5,000.
2. documents, manuscripts, business books, plans, computer systems records and media, designs, patterns, models and moulds to the value of materials and sums expended in labour.

Alterations and misdescription clause

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

Architects' and other professional fees clause

The insurance under columns 1 and 3 of the schedule includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 15 percent of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the insured's claim.

Capital additions clause

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

Cost of demolition and clearing and erection of hoardings clause

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

The company will not pay for any costs or expenses

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

Fire extinguishing charges clause

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

Mortgagee clause

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

Municipal plans scrutiny fee clause

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

Public authorities' requirements clause

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

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

Railway and other subrogation clause

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

Reinstatement value conditions clause

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

provided that

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to requirements of the insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made.
2. until expenditure has been incurred by the insured in replacing or reinstating the property, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein.
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged, exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision.
4. these conditions shall be without force or effect if
 - a. the insured fails to intimate to the company within six months of the date of damage or such further time as the company may in writing allow, his intention to replace or reinstate the property.
 - b. the insured is unable or unwilling to replace or reinstate the property on the same or another site.

Alternative replacement conditions (design capacity) clause

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

Provided that

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

Temporary removal clause

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

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

Tenants clause

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

Stock declaration conditions (if stated in the schedule to be included)

In respect of stock and materials in trade insured under this section being subject to the stock declaration conditions, the premium is calculated on 75 percent of the sum or sums insured thereon, subject to the following specific conditions:

1. a. The insured shall declare to the company in writing the market value of their stock and materials in trade on the last 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 sum insured on such property as the market value thereof.
b. After each period of insurance, the premium shall be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium differs from the provisional premium, the difference shall be payable by or to the insured as the case may be, but the amount payable by the company shall not exceed 50 percent of the provisional premium.
2. Any claim hereunder shall be settled on the basis of the market value immediately anterior to the damage.
3. If, after the occurrence of damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by the insured shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is the lesser amount.

The provisions of this condition shall, if applicable, operate cumulatively with the provisions of the specific condition relating to average.
4. In consideration of the insurance not being reduced by the amount of any loss, the insured shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium.
5. The liability of the company shall not exceed the sum insured and premium shall not be receivable on values in excess thereof.
6. The above specific conditions shall apply separately to each item of the specification to which these stock declaration conditions apply.

Public supply connections clause

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

Escalator clause extension (if stated in the schedule to be included)

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

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

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

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

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

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

Buildings combined section

Defined Events

1. Damage by the perils described
 - a. in subsection A to the buildings including all outbuildings thereto (constructed of brick, stone concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the schedule) and sporting and recreational structures, landlord's fixtures and fittings therein and thereon, walls (except dam walls), gates, posts, fences, and tarred or paved roads, driveways, paths or parking areas;
 - b. in sub-section B to public supply connections; situated as stated in the schedule.
2. Loss of rent as provided in sub-section C.
3. Legal liability as provided for in sub-section D.

Sub-section A – Property

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow other than
 - a. that arising from its undergoing any process necessarily involving the use or application of water.
 - b. wear and tear or gradual deterioration.
 - c. loss or damage
 - i. to retaining walls.
 - ii. caused or aggravated by
 1. subsidence or landslide.
 2. the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.
3. Earthquake.
4. Aircraft and other aerial devices or articles dropped therefrom.
5. Impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes, vehicles or property in or on such vehicles.
6. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building. If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, this item is suspended as regards the property affected unless the insured before the occurrence of damage obtains the written agreement of the company to continue this extension. During the period of the initial unoccupancy of 30 consecutive days the insured shall become a co-insurer with the company and shall bear a rateable proportion of any damage equal to 20 percent of the claim before deduction of any first amount payable.
7. Accidental damage to sanitaryware, but the amount payable will be reduced by R250 for each and every such damage.

Specific condition (not applicable to 7 above)

Average

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

Sub-section B – Public supply connections

Accidental damage to water, sewerage, gas, electricity and telecommunication connections the property of the insured or for which they are legally responsible, between the property insured and the public supply or mains.

Sub-section C – Rent

Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25 percent of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the damage or its equivalent in rental value.

Sub-section D – Liability

Damages for which the insured shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury) or accidental loss of or physical damage to tangible property (hereinafter termed damage) occurring during the period of insurance in, on or about the property insured and arising from the insured's ownership thereof.

The limit of indemnity

The amount payable inclusive of any legal costs recoverable from the insured by a claimant or any number of claimants and other costs and expenses incurred with the company's consent for any one event or series of events with one original cause or source shall not exceed the amount of R1,000,000.

Specific exceptions (applicable to sub-section D)

The company will not indemnify the insured under this sub-section in respect of

1. injury or damage sustained by
 - a. any member of the same household as the insured.
 - b. any person employed by the insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the insured.
 - c. any other person resulting from the ownership of or use by or on behalf of the insured of mechanically propelled vehicles (except pedal cycles and lawnmowers).
2. damage to property
 - a.
 - i. belonging to the Insured.
 - ii. in the custody or control of the insured or any employee of the insured.
 - b. caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure.
3. liability assumed by agreement unless liability would have attached to the insured notwithstanding such agreement.
4.
 - a. liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.
 - b. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

This exception shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exception.
5. fines, penalties, punitive, exemplary or vindictive damages.

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

Memoranda to sub-section D

1. Where more than one insured is named in the schedule the company will indemnify each insured separately and not jointly and any liability arising between such insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the company shall not exceed the limit of indemnity stated in the schedule.
2. Provided that the aggregate liability of the company is not increased beyond the limit of indemnity stated, the company will also indemnify as though a separate policy had been issued to each
 - a. in the event of the death of the insured, any personal representative of the insured in respect of liability incurred by the insured.
 - b. any partner or director or member or employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance.
3. In respect of this sub-section only, General exception 1 is deleted and replaced by the following:
 This sub-section does not cover injury, damage or liability directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.
4. If, at the time of any event giving rise to a claim under this sub-section, indemnity is also provided under any other insurance, this sub-section shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.

Clauses and extensions

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

The following peril is added to the perils applicable to auto section A – Property

8. Damage caused by subsidence or landslip
 provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured on the property or R500 whichever is the greater. For the purposes hereof, any damage insured shall be deemed to have been caused by fire provided that this extension does not cover
 - a. damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured.
 - b. damage caused by or attributable to
 - i. faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises.
 - ii. workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises.
 - iii. excavation on or under land other than excavations in the course of mining operations.
 - c. consequential loss of any kind whatsoever except loss of rent.

In any action suit or other proceeding where the company alleges that, by reason of the provisions of this extension, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the insured.

Prevention of access extension to sub-section C (if stated in the schedule to be included)

If property within a 10 km radius of the premises stated in the schedule is lost or damaged by a peril defined in sub-section A during the period of insurance and this prevents or hinders the use of or access to the property insured by this section, the company will pay any loss of rent the insured may incur as a result thereof up to an amount not exceeding 25 percent of the sum insured on the affected property. The loss of rent calculation will be based on the rent payable immediately preceding the loss or damage or its equivalent rental value.

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

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

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

Architects' and other professional fees clause

The insurance under sub-section A includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 15 percent of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the insured's claim.

Capital additions clause

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

Cost of demolition and clearing and erection of hoardings clause

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

The company will not pay for any costs or expenses

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

Fire extinguishing charges clause

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

Mortgagee clause

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

Municipal plans scrutiny fee clause

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

Public authorities' requirements clause

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

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

Railway and other subrogation clause

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

Reinstatement value conditions

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

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made.
2. until expenditure has been incurred by the insured in replacing or reinstating the property, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein.
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision.
4. these conditions shall be without force or effect if
 - a. the insured fails to intimate to the company within six months of the date of damage, or such further time as the company may in writing allow, their intention to replace or reinstate the property.
 - b. the insured is unable or unwilling to replace or reinstate the property on the same or another site.

Temporary removal clause

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

Tenants clause

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

Escalator clause extension (if stated in the schedule to be included)

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

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

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

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

1. moveable property which is
 - a. stolen.
 - b. damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured.
2. moveable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured.
3. immovable property owned or occupied by the insured occasioned by or through or in consequence of
 - a. the removal or partial removal or any attempt thereof;
 - b. 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 that this extension does not cover
 - a. loss or damage related to or caused by fire or explosion.
 - b. consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured.
 - c. loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
 - d. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority.
 - e. loss or damage related to or caused by any occurrence referred to in General exception 1(a) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days the insurance 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 percent of the claim before deduction of any first amount payable.

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

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

1. civil commotion, labour disturbances, riot, strike or lockout.
2. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 1 above,
provided that this extension does not cover
 - a. loss or damage occurring in the Republic of South Africa and Namibia.
 - b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured.

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

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

Office contents section

Defined events

1. Loss of or damage to the contents (other than documents as defined in sub-section C if insured thereunder and electronic data processing equipment) including landlord's fixtures and fittings the property of the insured or for which they are responsible and, unless otherwise stated in the schedule, to the extent that the same is not otherwise insured, property owned by any partner or director or employee of the insured up to an amount of R2,500 per person while contained in the offices and/or consulting rooms situated as stated in the schedule (hereinafter called the office premises) by any of the perils specified in sub-section A.
2. Loss of or damage to the whole or part of the property insured under item C and defined in sub-section C and the consequences thereof insured under item D and as described in sub-section D.
3. Loss and/or expenditure described in sub-sections B and E.

Sub-section A – Contents

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow excluding loss of or damage to property arising from its undergoing any process necessarily involving the use or application of water.
3. Earthquake but excluding loss of or damage to property in the underground workings of any mine.
4. Aircraft and other aerial devices or articles dropped therefrom.
5. Impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.
6. Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.

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 (not applicable to peril 6 above)

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

Sub-section B – Rent

Loss of rent actually incurred by the insured in consequence of the office premises or portion thereof being so damaged by any of the perils specified in sub-section A as to be rendered uninhabitable, but only in respect of the period necessary for reinstatement. The indemnity under this sub-section shall not exceed 25 percent of the sum insured or value (whichever is the lower) of all contents of the office premises affected.

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

Sub-section C – Documents

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

Definition

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

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 exception (applicable to sub-section A)

This sub-section does not cover

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

Specific exception (applicable to sub-section C)

This sub-section does not cover

1. loss or damage caused by
 - a. electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning in which case the lightning loss or indemnifiable amount will be reduced by the greater of 10 percent of such amount or R1,000.
 - b. vermin or inherent defect or by processing, copying or other work upon the documents.
 - c. the dishonesty of any principal, partner or director of the insured whether acting alone or in collusion with the others. This exception shall not apply to any director who is also an employee of the insured and whom the insured 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. gradual deterioration or wear and tear.
3. costs involved in re-shooting films and videos and re-recording audio tapes.

Sub-section D – Legal Liability Documents

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

Specific exception (applicable to sub-section D)

This sub-section does not cover liability assumed by the insured under any contract, undertaking or agreement where such liability would not have attached to the insured in the absence of such contract, undertaking or agreement.

Sub-section E – Increase in cost of working

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

The indemnity under this sub-section shall not exceed 25 percent of the sum insured on all contents of the office premises affected.

Clauses and extensions

Alterations and misdescription clause

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

Capital additions clause

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

Fire extinguishing charges clause

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

Locks and keys clause

In addition to the limit of indemnity stated in the schedule, the company will indemnify the insured in respect of the cost of replacing locks and keys to any insured office premises following upon the disappearance of any key to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key

provided that

1. the company's liability shall not exceed R1,000 in respect of any one event.
2. the company shall not be liable for the first R100 of each and every event.

New and additional premises clause

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

provided that

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.
2. this clause shall not apply to any loss if and so far as the same is otherwise insured.

Removal of debris clause

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

The company will not pay for any costs or expenses

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

Temporary removal clause

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

Temporary repairs and measures after loss clause

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

Tenants clause

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

Replacement value condition

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

or

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

Malicious damage extension

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

1. moveable property which is
 - a. stolen.
 - b. damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured.
2. moveable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured.
3. immovable property owned or occupied by the insured occasioned by or through or in consequence of
 - a. the removal or partial removal or any attempt thereof;
 - b. 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 that this extension does not cover
 - a. damage related to or caused by fire or explosion.
 - b. consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured.
 - c. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
 - d. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
 - e. damage related to or caused by any occurrence referred to in General exception 1(a) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance 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 percent of the claim before deduction of any first amount payable.

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

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

1. civil commotion, labour disturbances, riot, strike or lockout.
2. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 1 above;
provided that this extension does not cover
 - a. loss or damage occurring in the Republic of South Africa and Namibia.
 - b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured.

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

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

Theft by forcible entry 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 accompanied by forcible and violent entry into or exit from the offices and/or consulting rooms or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence provided that
 - a. the company will not be liable under this extension for theft or attempted theft by any principal, partner, director or employee of the insured.
 - b. the amount payable will be reduced by the first amount payable shown in the schedule for this extension.
 - c. the maximum amount payable will not exceed the sum insured shown in the schedule for this extension less its first amount payable.

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 or any attempt thereat other than by any principal, partner, director or employee of the insured provided that
 - a. the amount payable will be reduced by the first amount payable shown in the schedule for this extension.
 - b. the maximum amount payable will not exceed the sum insured shown in the schedule for this extension less its first amount payable.

Memorandum

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

This sub-section does not cover loss, damage, liability or expenditure 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.

Business interruption section

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

1. the fire section of this policy;
2. the buildings combined section of this policy;
3. the office contents section of this policy;
4. any other material damage insurance covering the interest of the insured;

but only in respect of perils insured under the fire section 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 of the specification hereinafter set out.

Specific conditions

1. The insurance under this section shall cease if the business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the company.
2. On the happening of any Damage in consequence of which a claim may be made under this section, the insured shall, in addition to complying with General conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this section shall, not later than 30 days after the expiry of the indemnity period, or within such further time as the company may in writing allow, at their own expense deliver to the company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No claim under this section shall be payable unless the terms of this specific condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the company forthwith.

Item 1 – Gross profit (difference basis)

The insurance under this item is limited to loss of gross profit due to

1. **reduction in turnover** and
2. **increase in cost of working,**

and the amount payable as indemnity hereunder shall be

1. **in respect of reduction in turnover** the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover;
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 reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided,

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

Item 1 – Gross profit (additions basis)

The insurance under this item is limited to loss of gross profit due to

1. **reduction in turnover** and
2. **increase in cost of working,**

and the amount payable as indemnity hereunder shall be

1. **in respect of reduction in turnover** the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover;
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 reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided,

less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

Memorandum

If any standing charges of the business are not insured under this section, then in computing the amount recoverable hereunder as increase in cost of working, that proportion only of the additional expenditure shall be brought into account which the sum of the net profit and the insured standing charges bears to the sum of the net profit and all the standing charges.

Item 2 – Gross rentals

The insurance under this item is limited to

1. **loss of gross rentals** and
2. **increase in cost of working,**

and the amount payable as indemnity hereunder shall be

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;
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.

Item 3 – Revenue

The insurance under this item is limited to

1. **loss of revenue** and
2. **increase in cost of working,**

and the amount payable as indemnity hereunder shall be

1. **in respect of loss of revenue** the amount by which the revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard revenue;
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 revenue which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of loss of revenue thereby avoided,

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

Item 4 – Additional increase in cost of working

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

Item 5 – Wages (Number of weeks basis)

The insurance under this item is limited to the loss incurred by the insured by the payment of wages for a period beginning with the occurrence of the Damage and ending not later thereafter than the specified number of weeks.

The amount payable as indemnity under this item will be the actual amount which the insured shall pay as wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by the insured at all and an equitable part of the wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilised by the insured to the full provided that if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

Item 6 – Fines and penalties for breach of contract

The insurance under this item is limited to fines or penalties for breach of contract and the amount payable as indemnity hereunder shall be such sum as the insured shall be legally liable to pay and shall pay in discharge of fines or penalties incurred solely in consequence of Damage for non-completion or late completion of orders.

Definitions

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

Turnover – The money paid or payable to the insured for goods sold and delivered and for services rendered in the course of the business at the premises.

Revenue – The money paid or payable to the insured for goods sold and for services rendered in the course of the business at the premises.

Gross rentals – The money paid or payable to the insured by tenants in respect of rental of the premises and for services rendered.

Gross profit (difference basis) – The amount by which

1. the sum of the turnover and the amount of the closing stock shall exceed
2. the sum of the amount of the opening stock and the amount of the uninsured costs.

The amount of the opening and closing stocks shall be arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation.

Uninsured costs – As specified in the schedule (the words and expressions used shall have the meaning usually attached to them in the books and accounts of the insured).

Gross profit (additions basis) – The sum produced by adding to the net profit the amount of the insured standing charges or, if there is no net profit, the amount of the insured standing charges less such proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the business.

Net profit – The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the insured at the premises after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

Insured standing charges – As specified in the schedule (the words and expressions used shall have the meaning usually given to them in the books of account of the insured)

Standard turnover

Standard revenue

Standard gross rentals – The turnover (revenue) (gross rentals) during that period in the twelve months immediately before the date of the Damage which corresponds with the indemnity period

Annual turnover

Annual revenue

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

Rate of gross profit – The rate of gross profit earned on the turnover during the financial year immediately before the date of the Damage

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

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

Memorandum

If, during the indemnity period, goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover, revenue or gross rentals during the indemnity period.

Extensions and clauses

Accountants clause

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

Accumulated stocks clause

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in turnover or revenue due to the Damage is postponed by reason of the turnover or revenue being temporarily maintained from accumulated stocks.

Departmental clause

If the business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under items 1 (gross profit), 2 (gross rentals) or 3 (revenue) relating to reduction in turnover/gross rentals/revenue and increase in cost of working, shall apply separately to each department or branch affected by the Damage, except that if the sum insured by the relative item is less than the aggregate of the (annual gross rentals), (annual revenue), (sums produced by applying the rate of gross profit) for each department or branch, whether or not affected by the Damage, (to the relative annual turnover thereof), (proportionately increased if the number of months referred to in the definition of indemnity period exceeds twelve), the amount payable shall be proportionately reduced.

Deposit premium clause

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

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

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

Output (alternative basis) clause

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

provided that

1. only the meaning of output or the meaning of turnover shall be operative in connection with any one event resulting in interruption.
2. if the meaning of output be used
 - a. the accumulated stocks clause shall be inoperative.
 - b. the memorandum at the end of the definitions shall read:

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

Salvage sale clause

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

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

Extensions to other premises

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

1. **Specified suppliers/sub-contractors** (if stated in the schedule to be included)

The premises of the suppliers and sub-contractors specified in the schedule subject to stated limits.

2. Unspecified suppliers (if stated in the schedule to be included)

The premises of any other of the insured's suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any public supply undertaking from which the insured obtains electricity, gas or water subject to the limit stated in the schedule.

3. Storage, transit and vehicle

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

4. Contract sites

Any situation not occupied by the insured where the insured is carrying out a contract.

5. Prevention of access

Property within a 10 km radius of the insured's premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the insured therein shall be damaged or not.

6. Prevention of access – extended cover (if stated in the schedule to be included)

Property within a 10 km radius of the premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the insured therein shall be damaged or not.

7. Additional premises

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

8. Customers (if stated in the schedule to be included)

The premises of the customers specified in the schedule subject to stated limits.

9. Public utilities – insured perils only (if stated in the schedule to be included)

Property at electricity generating stations, sub-stations or transmission networks, gasworks including the related gas distribution network, water purification plants, pumping stations, aqueducts and pipelines of an authority empowered by law to supply water, gas or electricity for consumption by the public and which results in an interruption of water, gas or electricity to the premises of the insured.

10. Public telecommunications – insured perils only (if stated in the schedule to be included)

- a. Property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the insured;
- b. the transmission facilities network of the public authority mentioned in (a).

Public telecommunications – extended cover (if stated in the schedule to be included)

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

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

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

Public utilities – extended cover (if stated in the schedule to be included)

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

1. drought.
2. pollution of water.
3. shortage of fuel or water.
4. a fault on any part of the installation belonging to the premises.
5. the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority.
6. any event described in General exception 1 and 2, but cover provided by the Malicious damage extension in the underlying material damage section of this policy is not excluded.

In respect of interruption of or interference with the business arising from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for interruption of or interference with the business unless such interruption or interference extends beyond 24 hours from commencement thereof.

The geographical limits of

Items 2, 3, 4, 5, 6, 8, 9 and 10 of the extensions to other premises and the extended covers for public telecommunications and public utilities are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Item 7 of the extensions to other premises is confined to the Republic of South Africa and Namibia.

Accidental damage (if stated in the schedule to be included)

The following defined event is added:

“Loss following interruption or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under defined event 1 of the Accidental damage section of this policy (hereinafter termed Damage)

provided that

1. the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this defined event.
2. the company shall not pay more than the sum insured stated in the schedule of the Accidental damage section for both this section and the Accidental damage section combined.”

Accounts receivable section

Defined events

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

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

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

The company will also pay all reasonable collection costs and expenses incurred by the insured in excess of normal collection costs and expenses made necessary because of such Damage.

Specific exceptions

The company will not pay for

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

Specification

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

1. the difference between
 - a. the outstanding debit balances and
 - b. the total of the amounts received or traced in respect thereof; plus
2. the additional expenditure incurred in tracing and establishing customers' debit balances after the Damage provided that, if the sum insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

Definitions

Outstanding debit balances

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

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

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

Clauses and memoranda

Declarations

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

Adjustment

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

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

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

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

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

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

provided that this extension does not cover

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

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

Accountants clause

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

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

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

Protections (if stated in the schedule to be included)

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

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

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

Theft section

Defined events

Loss of or damage to all contents (the property of the insured or for which they are responsible) of any insured building, at the insured premises described in the schedule as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence.

Extensions

1. The insurance under this section extends to cover loss of or damage to the property insured
 - a. caused or accompanied by
 - i. a thief or thieves being concealed on the insured premises before close of business.
 - ii. entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the insured shall establish to the satisfaction of the company that such a skeleton key or device was used.
 - b. whilst in a building at any additional premises used by the insured provided that
 - i. such additional premises are advised to the company within 30 days from the time the risk attaches to the company.
 - ii. an additional premium, if any, is paid.
 - iii. the company's liability in respect of this extension shall not exceed 50 percent of the highest amount stated in the schedule applicable to any one premises.
2. In addition to the limit of indemnity stated in the schedule
 - a. the insurance under this section includes
 - i. damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat.
 - ii. loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence.
 - b. the company will reimburse the insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this section;
provided that the company's liability shall not exceed the greater of R5,000 or the amount stated in the schedule in respect of any one event.
3. In addition to the limit of indemnity stated in the schedule the company will indemnify the insured in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key
provided that
 - a. the company's liability shall not exceed R2,000 in respect of any one event.
 - b. the company shall not be liable for the first R200 of each and every event.
4. The term all contents includes personal effects, tools and pedal cycles which are the property of the insured or any principal, partner, director or employee of the insured in so far as such property is not otherwise insured up to an amount of R2,500 in the case of any one person.

Limitations

The company's liability in respect of documents, manuscripts, business books, computer system records and media, plans, designs, patterns, models and moulds is restricted to the value of materials and sums expended in labour.

Specific exceptions

The company shall not be liable for

1. loss or damage which can be insured under a fire policy except in the case of explosion caused in an attempt to effect entry.
2. loss or damage insurable under a glass insurance policy.
3. property more specifically insured or, unless specified in the schedule, cash, bank and currency notes, cheques, postal orders, money orders, current negotiable stamps and documents or certificates of a negotiable nature.
4. loss or damage in which any principal, partner, director or any member of the insured's household or any of the insured's employees is concerned as principal or accessory.

Specific conditions

1. This section shall be voidable if the nature of the risk is materially altered without the prior written consent of the company.
2. In respect of any premises stated in the schedule to be subject to this condition at which a burglar alarm is installed it is a condition precedent to the liability of the company and warranted that
 - a. the burglar alarm installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the insured is on the premises.
 - b. such alarm shall be maintained in proper working order but the insured shall be deemed to have discharged its liability in this regard if it has maintained its obligations under a contract with the suppliers or servicing engineers of the alarm system.

This insurance shall not cover loss of or damage to the property following the use of the keys of the burglar alarm or any duplicate thereof belonging to the insured unless such keys have been obtained by violence or threat of violence to any person.

Money section

Defined events

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

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

Definitions

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

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

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

Extensions

1. Receptacles and clothing

In addition to any payment in respect of a defined event, the company will indemnify the insured in respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that the company's liability under this extension in respect of clothing shall not exceed R2,000, and in respect of receptacles, the amount stated in the schedule or R2,000 whichever is the greater.

2. Locks and keys

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

provided that

- a. the company's liability shall not exceed R2,000 in respect of any one event.
- b. the company shall not be liable for the first R200 of each and every event.

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

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

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

provided that this extension does not cover

- a. loss or damage occurring in the Republic of South Africa and Namibia.
- b. consequential or indirect loss or damage of any kind or description whatsoever.
- c. loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation.
- d. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.

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

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

4. Skeleton keys

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

5. Personal accident (assault) extension (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 thereat, to the insured or to any principal, partner, director or employee of the insured (hereinafter in this extension referred to as such person) while such person is acting in the course of his duties in the insured's employ.

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

a. death	the capital sum
b. permanent disability as follows	the percentage of the capital sum specified
	Percentage of capital sum
i. loss by physical separation at or above the wrist or ankle of one or more limbs	100
ii. permanent and total loss of	
whole eye	100
sight of eye	100
sight of eye except perception of light	75
iii. permanent and total loss of hearing	
both ears	100
one ear	25
iv. permanent and total loss of speech	100
v. 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
vi. loss of four fingers	70
vii. loss of thumb	
both phalanges	25
one phalanx	10
viii. loss of index finger	
three phalanges	10
two phalanges	8
one phalanx	4
ix. loss of middle finger	
three phalanges	6
two phalanges	4
one phalanx	2

- | | | |
|-------|---|----|
| x. | loss of ring finger | |
| | three phalanges | 5 |
| | two phalanges | 4 |
| | one phalanx | 2 |
| xi. | loss of little finger | |
| | three phalanges | 4 |
| | two phalanges | 3 |
| | one phalanx | 2 |
| xii. | loss of metacarpals | |
| | first or second (additional) | 3 |
| | third, fourth or fifth (additional) | 2 |
| xiii. | loss of toes | |
| | all on one foot | 30 |
| | great, both phalanges | 5 |
| | great, one phalanx | 2 |
| | other than great, if more than one toe lost, each | 2 |
- c. In the case of **total and absolute incapacity** from following usual business or occupation the weekly sum specified in the schedule shall be payable.
- d. The reasonable expenses incurred, up to the sum specified in the schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bring such person to a place of safety) incurred within 24 months of the defined event.

Memoranda (applicable to permanent disablement benefits)

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 per cent shall be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person; provided that
 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 3 and 4.
 2. the sum specified under item 3 shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain.
 3. compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4.
 4. this extension shall not apply to any such person under 15 or over 70 years of age.
 5. 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.
 6. General exception 2 and General conditions 2 and 9 do not apply to this extension.

7. in respect of this extension only general exception 1 is deleted and replaced by the following:

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

Extensions to the personal accident (assault) extension

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

Specific exceptions

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

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

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

Memoranda

1. Loss of or damage to money as insured under this section arising from dishonesty of any principal, partner, director or person in the employ of the insured (such person), as defined under this section, shall be subject to the following compulsory First Amount Payable Clause:

The amount payable hereunder in respect of an event involving any such person or any number of such persons acting in collusion, shall be reduced by

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

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

Special conditions applicable to cheques

First amount payable applicable to theft of cheques

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

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

Recommended SAIA procedure for drawing and crossing of cheques and printing of blank cheques

1. Drawing and crossing of cheques

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

- a. Delete the pre-printed words "or bearer". This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment.
- b. If instead of "or bearer" your cheque has pre-printed on it "or order" these words must also be deleted.
- c. Write on the face of the cheque the words "not transferable".
- d. Cross the cheque by drawing two parallel lines across the cheque.
- e. Write the words "not negotiable" between the two parallel lines referred to in (d) above.
- f. Ensure that the payee is accurately, properly and fully described. For example where the payee is a company its full name should be used: RH Jones (Pty) Ltd not just RH Jones.

Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co No: 69/123456" or "RH Jones (Pty) Ltd ABC Bank account no: 123456789".

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

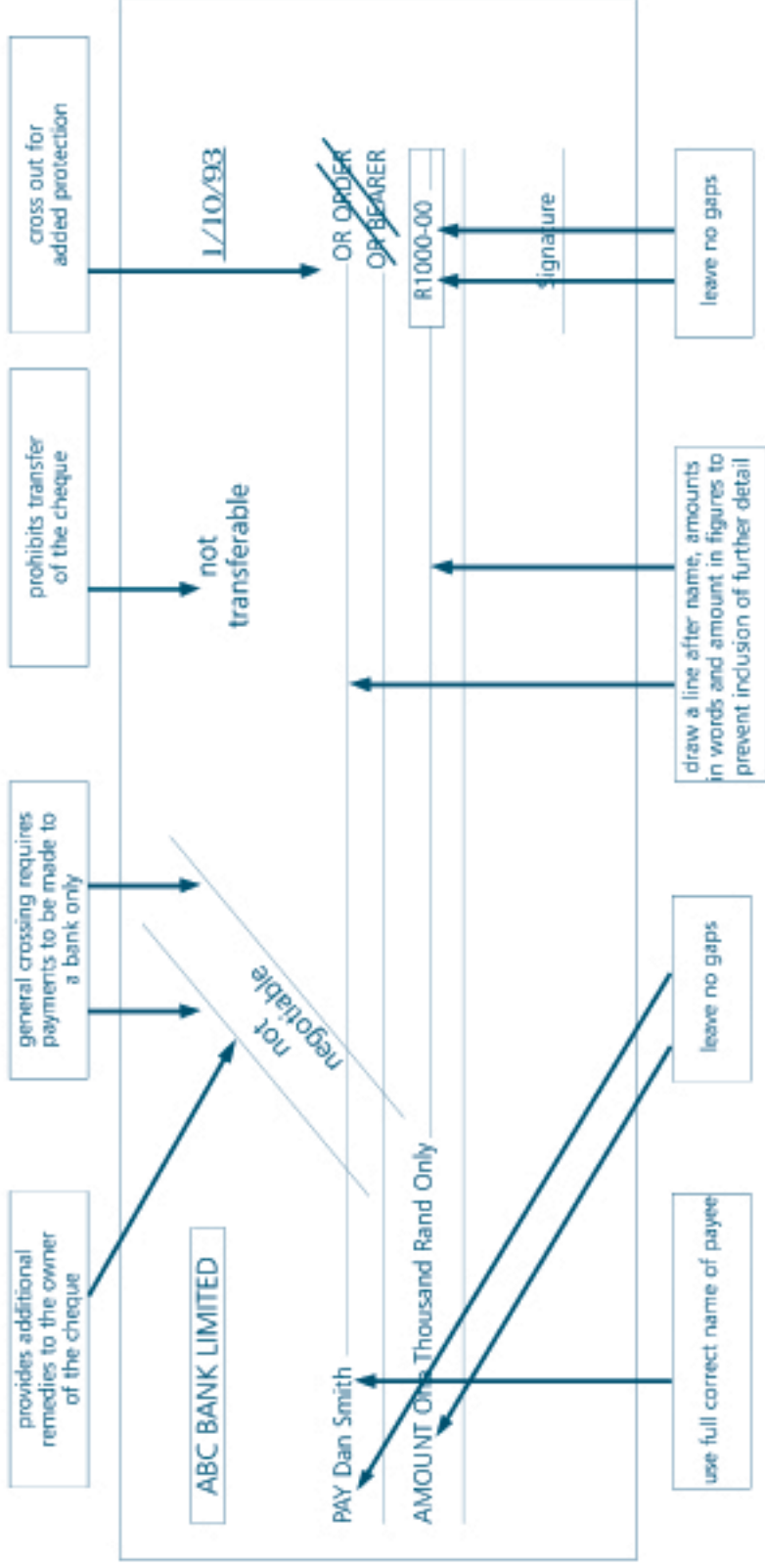
- g. In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures.
- h. An example of this method of drawing a cheque is attached as Annexure A.
- i. On the front of the cheque the wording listed in Annexure B (last page of this section) should be printed. Please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

2. Printing of blank cheques

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

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

ANNEXURE A – SAIA RECOMMENDED CHEQUE



ANNEXURE B – SAIA RECOMMENDED CHEQUE

Warning to be printed on bottom front of cheque – leave enough space for bank stamps etc

WARNING

To person encashing this cheque or receiving it in exchange for any consideration

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

NB This cheque is crossed and marked “not negotiable” and “not transferable”

Glass section

Defined events

Loss of or damage to internal and external glass (including mirrors), signwriting and treatment thereon at the insured premises as stated in the schedule, the property of the insured or for which they are responsible.

Following loss of or damage to glass the company will also indemnify the insured for

1. the cost of such boarding up as may be reasonably necessary;
2. damage to shop fronts, frames, window displays (including fixtures and fittings), burglar alarm strips, wires and vibrators as a direct result of such loss or damage;
3. the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the glass;
4. the cost of employment of a watchman service prior to 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 of R2,000.

Specific condition

Average

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss or damage accordingly. Every item if more than one shall be separately subject to this condition.

Definition of glass

Unless specifically agreed, all glass (other than mirrors) insured by this section is presumed to be plain plate/float glass not exceeding 6 mm in thickness, whether coated with a film or not, or 6,5 mm laminated safety glass.

Specific exceptions

The company shall not be liable for

1. loss or damage which is insured by, or would, but for the existence of this section, be insured, by any fire insurance, except in respect of any excess beyond the amount which would have been payable under such fire insurance had the insurance under this section not been effected, but this specific exception shall not apply to loss or damage for which the insured is responsible as tenant and not as owner.
2. glass forming part of stock in trade.
3. glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by the company.
4. defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof.

Extensions

Special replacement (if stated in the schedule to be included)

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

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

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

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

provided that this extension does not cover

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

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

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

Fidelity section

Defined Events

1. Loss of money and/or other property belonging to the insured or for which they are responsible, stolen by an insured employee during the currency of this section.
2. Direct financial loss sustained by the insured as a result of fraud or dishonesty of an insured employee all of which occurs during the currency of this section which results in dishonest personal financial gain for the employee concerned provided that
 - a. the company is not liable for all losses which occurred more than 24 months prior to discovery.
 - b. all losses are discovered not later than 12 months after the termination of
 - i. this section, or
 - ii. this section in respect of any insured employee concerned in a loss, or
 - iii. the employment of the insured employee or the last of the insured employees concerned in a loss whichever occurs first.
 - c. BLANKET BASIS – the liability of the company for all losses shall not exceed the sum insured stated in the schedule whether involving any one employee or any number of employees acting in collusion or independently of each other.
 - d. NAMED OR POSITION BASIS – the liability of the company for all losses involving any employee shall not exceed the sum insured stated opposite his name in the schedule or, if he is unnamed, the sum insured stated opposite the position held by him in the business as stated in the schedule.
3. Renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the company beyond the sum insured stated in the schedule. If the period of insurance is less than 12 months the company's liability is limited to the sum stated in the schedule during any twelve month period of insurance calculated from inception or renewal.
4. The term "dishonest personal financial gain" shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

Definition

Employee shall mean

1. any person while employed under a contract of service with or apprenticeship to the insured;
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 work in the course of the business of the insured and who, if this section is on a named and/or position basis, is described in the schedule by name and/or by the position held by him in the business.

Specific exceptions

1. The company shall not be liable for
 - a. loss resulting from or contributed to by any defined event by
 - i. any partner in or of the insured to the extent that such partner would benefit by indemnity granted under this policy.
 - ii. any principal, director or member of the insured unless such director or member is also an employee.
 - iii. any employee from the time the insured shall become aware that such employee has committed any fraud or dishonesty.

- b. any consequential losses of any kind following losses referred to under defined events.
- 2. This section does not cover any company or other legal entity acquired during the period of insurance.
- 3. The company shall not be liable for any defined event if it results from the dishonest
 - a. manipulation of;
 - b. input into;
 - c. suppression of input into;
 - d. destruction of;
 - e. alteration of;

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

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

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

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

Specific conditions

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

Clauses and extensions

Accountants clause

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

Extended cover for past employees extension

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

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

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

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

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

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

Other insurances

It is a condition of this section that other than

1. a money policy;
2. a policy declared to the company at inception or renewal or at the time a claim is submitted;
3. a fidelity pension fund policy which is not in excess of this section;
4. this policy;

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

Compulsory first amount payable

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

1. 2 percent of the aggregate of the sum insured under this section and the declared insurance or R60,000 whichever is the lesser, plus
2. a further amount of 10 percent of the nett amount payable after deduction of the amount specified in 1 above.

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

Computer losses first amount payable

The percentage shown in 2 of the compulsory first amount payable clause is increased from 10 percent to 20 percent if the defined event results from the dishonest

1. manipulation of;
2. input into;
3. suppression of input into;
4. destruction of;
5. alteration of;

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

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

If any defined event is discovered more than 12 months after

1. it was committed;
2. the first event in a series of events committed by one person or a number of persons acting in collusion the percentages contained in the first amount payable clause are increased as follows:

First amount payable clause	First amount payable increased to percentage shown below	
	If losses are discovered more than 12 months after being committed but not more than 24 months thereafter	If policy has been extended to cover that part of losses discovered more than 24 months after being committed but not more than 36 months thereafter
Compulsory		
Paragraph 1	From 2% to 4%	From 2% to 5%
Paragraph 2	From 10% to 15%	From 10% to 20%
Computer Losses	From 20% to 30%	From 20% to 35%

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

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

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

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

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

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

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

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

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

If the insured shall sustain any loss to which this section applies which exceeds the sum insured hereunder, the company will, in addition to the sum insured, pay to the insured costs and expenses not exceeding the amount stated in the schedule necessarily incurred with the consent of the company (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in respect of whose dishonest or fraudulent acts the claim is made, of that part of the the loss which exceeds the sum insured hereunder. All amounts recovered by the insured in excess of the said part of the loss shall be for the benefit of the company and the insured to the extent of his coinsurance in terms of item 2 the compulsory first amount payable clause.

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

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

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

1. In consideration of the payment of an additional premium, Proviso 1(a) of the defined events is restated to read:
 1. (a) the company is not liable for all losses which occurred more than 36 months prior to discovery.
2. If this policy section includes the superseded policy clause, the period referred to in proviso 6 thereof is increased from 24 months to 36 months.

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

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

- control
- fraud dishonesty and theft detection

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

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

First amount payable clause	First amount payable increased to percentage shown below if losses discovered more than 12 months after being committed
Compulsory	
Paragraph 1	From 2% to 3%
Paragraph 2	From 10% to 12,5%
Computer Losses	From 20% to 25%

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

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

Memoranda

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

Goods in transit section

Defined events

Loss of or damage to the whole or part of the property described in the schedule, owned by the insured or for which they are responsible, in the course of transit by the means of conveyance or other means incidental thereto and caused by any accident or misfortune not otherwise excluded

provided that

1. the insured shall be responsible for the first amount payable stated in the schedule in respect of each and every defined event except a claim resulting from fire, lightning or explosion.
2. the liability of the company for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the schedule.

Memoranda

1. Transit shall be deemed to commence from the time of moving the property described in the schedule at the consignor's premises (including carrying to any conveyance and loading thereon), continue with transportation to the consignee (including temporary storage not exceeding 96 hours in the course of the journey) and end when off-loaded and delivered at any building or place of storage at the consignee's premises.
2. If any consignee shall refuse to accept property consigned, transit shall be deemed to continue and the insurance in respect of such property shall continue in force until the property is delivered at the premises of the consignor by any means of conveyance, provided that the insured shall take all reasonable steps to ensure that the property is returned as soon as is reasonably possible.
3. Where the means of conveyance is by specified vehicle, the insurance under this section shall apply to property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not the property of the insured or leased or hired by them under a lease or suspensive sale agreement.
4. In the event of breakdown of the means of conveyance during transit or if, for any reason beyond the insured's control, the property is endangered, nothing contained herein shall debar the utilisation of any other form of transport to assist completion of the transit and the insurance afforded shall not be affected thereby.

Debris removal extension (if stated in the schedule to be included)

The insurance under this section includes costs necessarily incurred by the insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R1,000 or the limit stated in the schedule, whichever is the greater, in respect of any one defined event.

Restricted cover

Fire, explosion, collision, derailment and overturning limitation (if stated in the schedule to be included)

The insurance under this section is limited to loss or damage resulting from fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule.

Specific exceptions

The company shall not be liable for

1. loss or damage resulting from or caused by
 - a. theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry to or exit from.
 - b. inherent vice or defect, vermin, insects, damp, mildew or rust.
 - c. the dishonesty of any principal, partner, director or employee of the insured whether acting alone or in collusion with others.
 - d. detention, confiscation or requisition by customs or other officials or authorities.
 - e. or arising whilst in transit by sea or inland transit incidental thereto.
 - f. breakdown of refrigeration equipment.
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded.
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property unless following an accident or misfortune not otherwise excluded.
4. loss of or damage to
 - a. cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind.
 - b. property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.
 - c. property otherwise insured or which would, but for the existence of this section, be insured by any other insurance except in respect of any excess beyond the amount which would have been payable under such other insurance, had the insurance under this section not been effected.
5. consequential loss of any kind, delay, loss of market, depreciation or changes brought about by natural causes.

Specific Extensions

1. Fire extinguishing charges extension

If the property described in the schedule is lost or damaged by fire in the course of a transit insured by this section the company will in addition to indemnifying the insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this extension shall not exceed the limit of indemnity shown in the schedule opposite this clause plus (if applicable) the increased Fire extinguishing charges extension limit.

2. 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

- a. civil commotion, labour disturbances, riot, strike or lockout;
- b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 2(a) above;
provided that this extension does not cover
 - a. loss or damage occurring in the Republic of South Africa and Namibia.
 - b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured.

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

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

Business all risks section

Defined events

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

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

Specific exceptions

The company shall not be liable for

1. loss of or damage to property resulting from or caused by
 - a. theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit.
 - b. its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration.
 - c. inherent vice or defect, vermin, insects, damp, mildew or rust.
 - d. the dishonesty of any principal, partner, director or employee of the insured whether acting alone or in collusion with others.
 - e. detention, confiscation or requisition by customs or other officials or authorities.
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded.
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded.
4. loss of or damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind.
5. loss of or damage to goods consigned under a bill of lading.

Specific conditions

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 such property, of greater value than the sum insured thereon, the insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the amount of the loss or damage. Each item of the schedule covering such property shall be separately subject to this condition.

2. Replacement value condition (if stated in the schedule to be included)

The basis upon which the amount payable is to be calculated shall be either the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new

or

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

Specific extensions

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 therefor is admitted under this section, for the purpose of maintaining the normal operation of the business.

2. 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

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

provided that this extension does not cover

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

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

Accidental damage section

Defined events (i)

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

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

and

notwithstanding General condition 2, this section shall not be called into contribution for any defined event for which more specific insurance has been arranged.

Specific exceptions

The company shall not be liable for

1. any peril excluded or circumstance precluded from any other insurance available from the company at inception hereof or for any excess payable by the insured under such insurance, or for any reduction of amount payable under any claim due to the application of average.
2. 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.
3. detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process.
4. 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.
5. loss of or damage to insured property caused by
 - a. 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.
 - b. overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus.
 - c. breakdown, electrical, electronic and/or mechanical derangement.
 - d. altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon.
 - e. 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.
 - f. denting, chipping, scratching or cracking not affecting the operation of the item.
 - g. termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light.
6. settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property.
7.
 - a. loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container.
 - b. loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes.

8. failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant.
9. collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

Definition

Insured property

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

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, unused MVA tokens, and other certificates, documents or instruments of a negotiable nature;
2. furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art;
3. property in transit by air, inland waterway or sea;
4. railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motor cycles, mobile plant, caravans and trailers;
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;
6. electronic data processing equipment and external data media (punch cards, tape discs and the like) and the information they contain;
7. property in the course of construction, erection or dismantling including materials or supplies related thereto;
8. property in the possession of customers under lease, rental, credit or suspensive sale agreements;
9. glass, china, earthenware, marble and other fragile or brittle objects; (unless stated in the schedule to be insured).

Defined events (ii) (if stated in the schedule to be included)

Accidental physical loss of or damage to the insured property caused by discharge or leakage from tanks, pipes or apparatus of chemicals, oils, liquids, fluids, gases or fumes (including loss of such chemicals, oils, liquids, fluids, gases or fumes) other than loss or damage resulting from wear and tear or other gradually operating causes of the tanks, pipes or apparatus.

Clauses and extensions

Restricted cover clause

The insurance in respect of documents, manuscripts, business books, plans, designs, patterns, models, moulds and computer system records is limited to the value of the materials and the cost of labour for recreating and excludes any expenses in connection with the production of any information contained therein or the value of such information to the insured.

Additional costs clause

In respect of buildings, plant and machinery insured, the sum insured include

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
 - a. anything for which notice had been served on the insured prior to the insured event;

- b. anything connected with undamaged property or undamaged portions of property;
 - c. rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
2. fees for the examination of municipal or other plans;
 3. costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
 4. the professional fees of architects, quantity surveyors and other consultants; and the sum insured on all insured property includes
 5. charges levied by any authorised fire brigade for their services;
- but the company shall not be liable under 1, 2 or 4 unless the lost or damaged property is replaced or reinstated without undue delay nor under 4 for any expenses in connection with the preparation of the insured's claim. Further, the company shall not be liable under 3 for any costs or expenses
1. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site.
 2. arising from pollution or contamination of property not insured by this policy/section.

Mortgagees clause

From the date of notification, the company accepts the interest of a mortgagee or others with an insurable interest in the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge, provided that the mortgagee advises the company as soon as such act or omission comes to his knowledge and agrees to be responsible for any additional premium resulting from the company assuming any increased hazard.

Railway and other subrogation clause

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

Tenants clause

The insured shall not be prejudiced by the act of any tenant in premises he owns or in which he is a co-tenant or of the owner of any premises of which he is a tenant, provided that the company is notified as soon as he becomes aware of such act and he pays any additional premium resulting from the company assuming any additional hazard.

Memoranda

1. Average (if stated in the schedule to be included)

If, on the occurrence of an insured event, the value of the insured property is greater than the sum insured thereon the insured shall be considered his own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

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

2. Excluded property (if stated in the schedule to be included)

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

3. Reinstatement (if stated in the schedule to be included)

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

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

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

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

Public liability (occurrence basis) section

Defined events

Damages which the Insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person (hereinafter termed injury), or loss of or physical damage to tangible property (hereinafter termed damage) occurring within the territorial limits during the period of insurance in the course of or in connection with the business.

Limits of indemnity

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

Territorial limits

Anywhere in the world but not in connection with

1. any business carried on by the insured at or from premises outside or
2. any contract for the performance of work outside

the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Specific exceptions

The company will not indemnify the insured in respect of

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

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

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

7. fines, penalties, punitive, exemplary or vindictive damages.
8.
 - a. damages in respect of any judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).
 - b. costs and expenses of litigation recovered by any claimant from the insured which are incurred in and recoverable in the area described in 8(a) above.
9. the first amount payable.

The insured shall be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by the insured.

10. liability 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.

Memorandum

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

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

Extensions

Additional insured

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

1. in the event of the death of the insured, any personal representative of the insured in respect of liability incurred by the insured.
2. any partner or director or employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance.
3. to the extent required by the conditions of any contract (and notwithstanding Specific exception 5), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the insured for the purposes of the business.

4. in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by the insured for the benefit of their employees,
 - a. any officer or member thereof;
 - b. any visiting sports team or member thereof; provided that
 - a. the aggregate liability of the company is not increased beyond the limits of indemnity stated in the schedule.
 - b. any person or organisation to which this extension applies is not entitled to indemnity under any other policy.
 - c. the indemnity under 1, 2 and 3 applies only in respect of liability for which the insured would have been entitled to indemnity if the claim had been made against the insured.

For the purposes of this extension, the company waives all rights of subrogation or action which they may have or acquire against any of the above, and each party 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 in so far as they can apply.

Security firms

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

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

Cross liabilities

Where more than one insured is named in the schedule, the company will indemnify each insured separately and not jointly, and any liability arising between such 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.

Tools of trade

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

Employees' and visitors' property

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

Liability by agreement

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

1. against liability assumed by the insured under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature.
2. against liability arising from loss of or damage to property belonging to Transnet while in the insured's custody or control.

3. in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on behalf of the insured at any railway siding.

Unattached trailers

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

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

Emergency medical expenses

The company will indemnify the insured for all reasonable expenses incurred by the insured for such immediate medical treatment as may be necessary at the time of an accident causing injury to any person who may be the subject of a claim for indemnity by the insured in terms of this section.

Car parks

Notwithstanding the provisions of Specific exception 2(a) (ii), the company will indemnify the insured in respect of liability as herein provided arising from loss of or damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or employees of the insured using parking facilities provided by the insured.

Tenant's liability

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

Products liability (if stated in the schedule to be included)

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

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

Additional specific exceptions (applicable to products liability extension) This extension does not cover liability

1. for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage.
2. for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products.
3. a. arising from defective or faulty design, formula, plan or specification, but if the insured is a retailer this specific exception 3 does not apply if the insured's activities are wholly restricted to sales, distribution and/or marketing (including any marketing advisory service accompanying the products) of the product, and the insured's activities do not include final preparation which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to the insured's original customers, or include any enhancement, amendment or alteration to the product.

- b. arising from inefficacy or failure to conform to specification, unless such inefficacy or failure is due to negligence in the following of such specification.
4. arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft.
5. in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to the order of the insured, if such goods or products have, to the insured's knowledge, been exported to the United States of America or Canada by or on behalf of the insured.

Defective workmanship liability (if stated in the schedule to be included)

Specific exception 2(b) and 3(e) are deleted.

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

Additional specific exceptions (applicable to defective workmanship liability)

This extension does not cover liability

1. for the cost of rectifying or recalling defective work.
2. arising from inefficacy of such work or because the work did not produce the result anticipated or claimed.
3. arising prior to the handing over of such work.
4. arising from defective design.
5. arising from any work on any aircraft or part thereof.

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

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

provided that

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

The Statutes

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

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

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

The Electricity Act No. 40 of 1958 (as amended),

and/or any other Act or Ordinance pertaining to the supply of Electricity,

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

Wrongful arrest and defamation (if stated in the schedule to be included)

The defined events are extended to include damages

1. resulting from wrongful arrest (including assault in connection with such wrongful arrest);
2. in respect of defamation;

provided always that the limits of indemnity as stated shall not exceed R50,000 under each of 1 and 2 and R100,000 in any one (annual) period of insurance.

E.U. Liability (if stated in the schedule to be included)

Subject otherwise to the terms and conditions and limitations, the following changes are made to this section of the policy in respect of "injury" or "damage" (as insured by the products liability extension) which results from goods or products exported to any European Union (E.U.) country or any European Free Trade Associations (E.F.T.A.) country.

1. In respect of these goods or products (other than raw materials), the insured shall
 - a. implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner.
 - b. note and maintain a record of the date on which the actual goods or products were first put into circulation.

This record shall be maintained so as to provide the required detail for a minimum period of 10 years after the goods or products were first put into circulation.

2. The information mentioned in 1, together with all supporting documentation, shall be made available to the company or their nominee at any time on request.
3. In respect of this indemnity, the insured shall be responsible for the first amount payable shown in the schedule for this extension.

Public liability (claims made basis) section

Defined events

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

Limits of indemnity

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

Territorial limits

Anywhere in the world but not in connection with

1. any business carried on by the insured at or from premises outside or
2. any contract for the performance of work outside

the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Specific exceptions

The company will not indemnify the insured in respect of

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

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

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

7. fines, penalties, punitive, exemplary or vindictive damages.
8.
 - a. damages in respect of any judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada (or any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).
 - b. costs and expenses of litigation recovered by any claimant from the insured which are incurred in and recoverable in the area described in 8(a) above.
9. any claim arising from an event known to the insured
 - a. which is not reported to the company in terms of General condition 6.
 - b. prior to inception of this section.
10. any claim (in the event of cancellation or non-renewal of this section) not first made in writing against the insured within the 48 month period (or extended period in respect of minors) as specified in Specific condition 2.
11. the first amount payable.

The insured shall be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by the insured.

12. liability 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.

Memorandum

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

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

Specific conditions

1. Any claim first made in writing against the insured as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the insured on the same day that the insured reported the event to the company.
2. In the event of cancellation or non-renewal of the policy
 - a. any claim resulting from a reported event, first made in writing against the insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the insured on the same day that the insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant.
 - b. the insured may report an event in terms of General condition 6 to the company for up to 30 days after cancellation or non-renewal, provided
 - i. such event occurred during the period of insurance.
 - ii. any subsequent claim first made in writing against the insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 month period specified in 2(a) above.
3. Any series of claims made against the insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the insured
 - a. on the date that the event was reported by the insured in terms of General condition 6 or
 - b. if the insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the insured.

Extensions

Extended reporting option

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

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

Additional insured

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

1. in the event of the death of the insured, any personal representative of the insured in respect of liability incurred by the insured.
2. any partner or director or employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance.
3. to the extent required by the conditions of any contract (and notwithstanding Specific exception 5), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the insured for the purpose of the business.
4. in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by the insured for the benefit of their employees.
 - a. any officer or member thereof;
 - b. any visiting sports team or member thereof;

provided that

- a. the aggregate liability of the company is not increased beyond the limits of indemnity stated in the schedule.
- b. any person or organisation to which this extension applies is not entitled to indemnity under any other policy.
- c. the indemnity under 1, 2 and 3 applies only in respect of liability for which the insured would have been entitled to indemnity if the claim had been made against the insured.

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

Security firms

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

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

Cross liabilities

Where more than one insured is named in the schedule, the company will indemnify each insured separately and not jointly, and any liability arising between such 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.

Tool of trade

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

Employees' and visitors' property

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

Liability by agreement

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

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

Unattached trailers

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

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

Emergency medical expenses

The company will indemnify the insured for all reasonable expenses incurred by the insured for such immediate medical treatment as may be necessary at the time of an accident causing injury to any person who may be the subject of a claim for indemnity by the insured in terms of this section.

Car parks

Notwithstanding the provisions of Specific exception 2(a) (ii), the company will indemnify the insured in respect of liability as herein provided arising from loss of or damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or employees of the insured using parking facilities provided by the insured.

Tenant's liability

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

Products liability (if stated in the schedule to be included)

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

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

Additional specific exceptions (applicable to products liability extension)

This extension does not cover liability

1. for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage.
2. for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products.
3.
 - a. arising from defective or faulty design, formula, plan or specification, but if the insured is a retailer this specific exception 3 does not apply if the insured's activities are wholly restricted to sales, distribution and/or marketing (including any marketing advisory service accompanying the products) of the product, and the insured's activities do not include final preparation which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to the insured's original customers, nor include any enhancement, amendment or alteration to the product.
 - b. arising from inefficacy or failure to conform to specification, unless such inefficacy or failure is due to negligence in the following of such specification.
4. arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft.
5. in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to the order of the insured, if such goods or products have, to the insured's knowledge, been exported to the United States of America or Canada by or on behalf of the insured.

Defective workmanship liability (if stated in the schedule to be included)

Specific exceptions 2(b) and 3(e) are deleted.

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

Additional specific exceptions (applicable to defective workmanship liability)

This extension does not cover liability

1. for the cost of rectifying or recalling defective work.
2. arising from inefficacy of such work or because the work did not produce the result anticipated or claimed.
3. arising prior to the handing over of such work.
4. arising from defective design.
5. arising from any work on any aircraft or part thereof.

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

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

provided that

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

The Statutes

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

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

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

The Electricity Act No. 40 of 1958 (as amended),

and/or any other Act or Ordinance pertaining to the supply of Electricity

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

Wrongful arrest and defamation (if stated in the schedule to be included)

The defined events are extended to include damages

1. resulting from wrongful arrest (including assault in connection with such wrongful arrest);
2. in respect of defamation;

provided always that the limits of indemnity as stated shall not exceed R50,000 under each of 1 and 2 and R100,000 in any one (annual) period of insurance.

E.U. liability (if stated in the schedule to be included)

Subject otherwise to the terms and conditions and limitations, the following changes are made to this section of the policy in respect of "injury" or "damage" (as insured by the products liability extension) which results from goods or products exported to any European Union (E.U.) country or any European Free Trade Associations (E.F.T.A.) country.

1. In respect of these goods or products (other than raw materials), the insured shall
 - a. implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner.
 - b. note and maintain a record of the date on which the actual goods or products were first put into circulation.

This record shall be maintained so as to provide the required detail for a minimum period of 10 years after the goods or products were first put into circulation.

2. The information mentioned in 1, together with all supporting documentation, shall be made available to the company or their nominee at any time on request.
3. In respect of this indemnity, the insured shall be responsible for the first amount payable shown in the schedule for this extension.

Employers' liability section

Defined events

Damages which the insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with the insured, which occurred in the course of and in connection with such person's employment by the insured within the territorial limits and on or after the retroactive date shown in the schedule, and which results in a claim or claims first being made against the insured in writing during the period of insurance.

The limit of indemnity

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

Territorial limits

Anywhere in the world but not in connection with

1. any business carried on by the insured at or from premises outside, or
2. any contract for the performance of work outside

the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Specific exceptions

This section does not cover

1. 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. liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event.
3. fines, penalties, punitive, exemplary or vindictive damages.
4.
 - a. damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland.
 - b. costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the area described in 4(a) above.
5. any claim arising from an event known to the insured
 - a. which is not reported to the company in terms of General condition 6.
 - b. prior to inception of this section.
6. any claim (in the event of cancellation or non-renewal of this section) not first made in writing against the insured within the 48 month period (or extended period in respect of minors) as specified in Specific condition 2.

Specific conditions

1. Any claim first made in writing against the insured as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the insured on the same day that the insured reported the event to the company.

2. In the event of cancellation or non-renewal of the policy
 - a. any claim resulting from a reported event, first made in writing against the insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the insured on the same day that the insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant.
 - b. the insured may report an event in terms of General condition 6 to the company for up to 15 days after cancellation or non-renewal, provided that
 - i. such event occurred during the period of insurance.
 - ii. any subsequent claim first made in writing against the insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 month period specified in 2(a) above.
3. Any series of claims made against the insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the insured
 - a. on the date that the event was reported by the insured in terms of General condition 6, or
 - b. if the insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the insured.

Extensions

Extended reporting option

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

provided that

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

Principals

Where a principal and the insured are liable for the same damages and where any contract or agreement between a principal and the insured so requires, the company will, notwithstanding the aforementioned Specific exception 1 above, indemnify the principal in like manner to the insured but only so far as concerns the liability of the principal to an employee as aforementioned for death or bodily injury to or illness of such person resulting from the negligence of the insured or the insured's employees

provided that

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

Memorandum

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

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

Stated benefits section

Defined Events

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the insured (hereinafter in this section referred to as such person) specified in the schedule. The company will pay to the insured, on behalf of such person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule under the heading circumstances.

Definitions

Percentage of compensation

1. Permanent disability shall mean	
a. loss by physical separation at or above the wrist or ankle of one or more limbs	100
b. permanent and total loss of	
whole eye	100
sight of eye	100
sight of eye except perception of light	75
c. permanent and total loss of hearing	
both ears	100
one ear	25
d. permanent and total loss of speech	100
e. injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
f. loss of four fingers	70
g. loss of thumb	
both phalanges	25
one phalanx	10
h. loss of index finger	
three phalanges	10
two phalanges	8
one phalanx	4
i. loss of middle finger	
three phalanges	6
two phalanges	4
one phalanx	2
j. loss of ring finger	
three phalanges	5
two phalanges	4
one phalanx	2
k. loss of little finger	
three phalanges	4

two phalanges	3
one phalanx	2
l. loss of metacarpals	
first or second (additional)	3
third, fourth or fifth (additional)	2
m. loss of toes	
all on one foot	30
great, both phalanges	5
great, one phalanx	2
other than great, if more than one toe lost, each	2

Memoranda

- Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions.
- Permanent total loss of use of part of the body shall be treated as loss of such part.
- 100 percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.
- Temporary total disability** shall mean total and absolute incapacity from following usual business or occupation.
- Medical expenses** shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 months of the defined event.
- Annual earnings** shall mean the annual rate of wage, salary and cost of living allowance being paid or allowed by the insured to such person at the time of accidental bodily injury, plus overtime, house rents, food allowances, commissions and other considerations of a constant character paid or allowed by the insured to such person during the 12 months immediately preceding the date of accidental bodily injury.
- Average weekly earnings** shall mean one fifty-second part of annual earnings.

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

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

Provisos

It is declared and agreed that

- the company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses.
- the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain.
- unless otherwise provided herein, this section shall not apply to any such person under 15 or over 70 years of age.

4. any compensation payable by the company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses.
5. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the company so to do, submit to medical examination and undergo any treatment specified. The company shall not be liable to make any payment unless this proviso is complied with to its satisfaction.
6. General conditions 2 and 9 do not apply to this section.
7. in respect of this section only, General exception 1 is deleted and replaced by the following:
 "This section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."

Extensions

1. Exposure

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

2. Disappearance

In the event of the disappearance of any such person in circumstances which satisfy the company that he has sustained injury to which this section applies, and that such injury has resulted in the death of such person, the company will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the company shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the company.

3. Burns disfigurement (if stated in the schedule to be included)

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

		Percentage of compensation
a.	permanent disfigurement resulting from accidental external burns to the combined surface area of the	
i.	face and neck	
	100% surface area disfigurement	50
	less than 100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
ii.	remaining parts of the body other than the face and neck	
	100% surface area disfigurement	25
	less than 100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement.

The company shall not pay under any sub item of this extension unless the disfigurement exceeds 10 percent for the sub item under which a claim is lodged.

4. Life support machinery

Notwithstanding anything contained in the defined events, the 24 month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

Specific exceptions

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

1. while he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon.
2. by his suicide or intentional self injury.
3. caused solely by an existing physical defect or other infirmity of such person.
4. as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by a member of the medical profession (other than himself) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself).
5. as a result of his participation in any riot or civil commotion.
6. in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof.
7. while he is, or as a result of his, engaging in
 - a. motor cycling (whether as a driver or passenger) other than on the business of the insured.
 - b. racing of any kind involving the use of any power driven
 - i. vehicle.
 - ii. vessel.
 - iii. craft.
 - c. mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

Group personal accident section

Defined events

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the insured (hereinafter in this section referred to as such person) specified in the schedule. The company will pay to the insured, on behalf of such person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule under the heading circumstances.

Definitions

Percentage of compensation

1.	Permanent disability shall mean	
a.	loss by physical separation at or above the wrist or ankle of one or more limbs	100
b.	permanent and total loss of	
	whole eye	100
	sight of eye	100
	sight of eye except perception of light	75
c.	permanent and total loss of hearing	
	both ears	100
	one ear	25
d.	permanent and total loss of speech	100
e.	injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
f.	loss of four fingers	70
g.	loss of thumb	
	both phalanges	25
	one phalanx	10
h.	loss of index finger	
	three phalanges	10
	two phalanges	8
	one phalanx	4
i.	loss of middle finger	
	three phalanges	6
	two phalanges	4
	one phalanx	2
j.	loss of ring finger	
	three phalanges	5
	two phalanges	4
	one phalanx	2
k.	loss of little finger	
	three phalanges	4
	two phalanges	3

one phalanx	2
l. loss of metacarpals	
first or second (additional)	3
third, fourth or fifth (additional)	2
m. loss of toes	
all on one foot	30
great, both phalanges	5
great, one phalanx	2
other than great, if more than one toe lost, each	2

Memoranda

1. Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions.
2. Permanent total loss of use of part of the body shall be treated as loss of such part
3. 100 percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.
4. **Temporary total disability** shall mean total and absolute incapacity from following usual business or occupation.
5. **Medical expenses** shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 months of the defined event.

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

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

Provisos

It is declared and agreed that

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

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

Extensions

1. Exposure

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

2. Disappearance

In the event of the disappearance of any such person in circumstances which satisfy the company that he has sustained injury to which this section applies, and that such injury has resulted in the death of such person, the company will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the company shall have made payment hereunder in respect of such person’s presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the company.

3. Burns disfigurement (if stated in the schedule to be included)

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

		Percentage of compensation
a.	permanent disfigurement resulting from accidental external burns to the combined surface area of the	
	i. face and neck	
	100% surface area disfigurement	50
	less than 100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
	ii. remaining parts of the body other than the face and neck	
	100% surface area disfigurement	25
	less than 100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement.

The company shall not pay under any sub-item of this extension unless the disfigurement exceeds 10 percent for the sub item under which a claim is lodged.

4. Life support machinery

Notwithstanding anything contained in the defined events, the 24 month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

Specific exceptions

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

1. while he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon.
2. by his suicide or intentional self injury.
3. caused solely by an existing physical defect or other infirmity of such person.
4. as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself).
5. as a result of his participation in any riot or civil commotion.
6. in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof.
7. while he is, or as a result of his, engaging in
 - a. motor cycling (whether as a driver or passenger) other than on the business of the insured.
 - b. racing of any kind involving the use of any power driven
 - i. vehicle.
 - ii. vessel.
 - iii. craft.
 - c. mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

Motor section

Sub-section A – Loss or damage

Defined events

Loss of or damage to any vehicle described in the schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the company will pay the reasonable cost of protection and removal to the nearest repairers and the insured may give instructions for repairs to be executed without the prior consent of the company to the extent of but not exceeding R2,000, provided that a detailed estimate is first obtained and immediately forwarded to the company. The company will also pay the reasonable cost of delivery to the insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi provided that

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

Exceptions to sub-section A

The company shall not be liable to pay for

1. consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages.
2. damage to tyres by application of brakes or by road punctures, cuts or bursts.
3. damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.
4. detention, confiscation or requisition by customs or other officials or authorities.

Sub-section B – Liability to third parties

Defined events

Any accident caused by or through or in connection with any vehicle described in the schedule or in connection with the loading and/or unloading of such vehicle in respect of which the insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of

1. death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the insured arising from and in the course of such employment or being a member of the same household as the insured.
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.

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 magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that the total of the company's liability under both this extension and sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B.
2. indemnify any person who is driving or using such vehicle on the insured's order or with the insured's permission
provided that
 - a. such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply.
 - b. such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer.
 - c. indemnity shall not apply in respect of claims made by any member of the same household as such person.
 - d. such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder.
3. indemnify the insured while personally driving or using any private type motor car not belonging to him and not leased or hired to him under a lease or suspensive sale agreement, provided the insured is an individual and has insured hereunder a vehicle described under definition 2(a) or (b) and provided the company shall not be liable for damage to the vehicle being driven or used.
4. indemnify the insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

Exceptions to sub-section B

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

1. 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.
2. death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition 2(b), (c), (d) or (e) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1500kg).

3. liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

Limits of indemnity

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

Sub-section C – Medical expenses

Defined events

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily injury by violent, accidental, external and visible means, the company will pay to the insured the medical expenses incurred as a result of such injury up to R1,000 per injured occupant but not exceeding R20,000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this sub-section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

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

Defined vehicle but only if it is insured under sub-section A of this section

1. Any private type motor car or motorised caravan
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

Definitions

1. Occurrence

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

2. Vehicle

The term vehicle shall mean

- a. private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 9 persons including the driver).
- b. commercial vehicles and special type vehicles as described in the schedule.
- c. motor cycles (including motor scooters and 3-wheeled vehicles).
- d. buses (including any vehicle used for business purposes and designed to seat more than 9 persons, including the driver).
- e. trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto, and

any such vehicle being owned by or hired or leased to the insured, including any such vehicle temporarily operated by the insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the insurer's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.

No claim rebate provisions (applicable to specified vehicle basis)

In the event of no claim being made or arising under this policy during a period of insurance specified below immediately preceding the renewal of this policy, the renewal premium for the insurance of the vehicles will be based on the relevant Claim-Free Group or subject to the No Claim Discount as follows

DEFINITION (a)

Period of insurance	Claim-Free Group
the preceding year	1
the preceding two consecutive years	2
the preceding three consecutive years	3
the preceding four consecutive years	4
the preceding five or more consecutive years.	5

Otherwise than above, Claim-Free Group 0 applies.

If one or more claims are made or arise under this policy during a period of insurance for which the premium is based on Claim-Free Group 4 or 5, then the next renewal premium will be based on Claim-Free Group 2 or 3 respectively and for subsequent renewals as follows

i. CLAIM-FREE GROUP 4	Claim-Free Group
Period of insurance during which no claim is made or arises the preceding year	3
the preceding two consecutive years	4
the preceding three consecutive years.	5
ii. CLAIM-FREE GROUP 5	Claim-Free Group
Period of insurance during which no claim is made or arises	
the preceding year	4
the preceding two consecutive years.	5

Otherwise than above, Claim-Free Group 0 applies.

DEFINITIONS (b) and (e)

Period of insurance	No Claim Discount
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years. Otherwise than above no discount applies.	40%

DEFINITIONS (c) and (d)

Period of insurance	No Claim Discount
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years.	35%

Otherwise than above no discount applies.

Should the company consent to a transfer of interest in this policy, the period during which the interest was in the transferor shall not accrue to the benefit of the transferee.

If more than one vehicle is described in the schedule to this policy, the Claim-Free Group/No Claim Discount shall be applied as if a separate policy had been issued in respect of each such vehicle.

Extensions

1. **Contingent liability extension** (if stated in the schedule to be included)

The indemnity under sub-section B includes claims made against

- a. the insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the insured, while being used by any partner or director or employee of the insured (hereinafter in this extension referred to as such person);
- b. any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him or to the insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer;
provided that
 - i. all the words in 2 of the exceptions to sub-section B are deleted.
 - ii. the company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above.
 - iii. the payment by the insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension.
 - iv. if, at the time of the occurrence of any accident giving rise to a claim under this extension, the insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy.
 - v. the terms, exceptions and conditions of the policy shall otherwise apply.

2. **Passenger liability extension** (if stated in the schedule to be included)

Exception 2 to sub-section B shall not apply to vehicles described in definition (b), other than special types, or in definitions (c), (d) or (e). The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

3. **Unauthorised passenger liability extension** (if stated in the schedule to be included)

The indemnity under sub-section B, notwithstanding exception 2 thereto, extends to cover the insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

4. **Parking facilities and movement of third party vehicles extension** (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

- a. with the authority of any tenant, customer or visitor of the insured, or
- b. in connection with the insured's parking arrangements, or
- c. 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.

5. Windscreen extension (if stated in the schedule to be included)

The provisions of this section relating to first amount payable and No Claim Rebate shall not apply to any payment for damage to windscreen glass, side or rear glass forming part of any vehicle provided that

- a. no other damage has been caused to the vehicle giving rise to a claim under the policy.
- b. the insured shall be responsible for the first amount payable (applicable to glass) stated in the schedule of each and every loss.

6. Waiver of subrogation rights

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

7. Principals

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

8. Cross liabilities

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

9. 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

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

provided that this extension does not cover

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

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

10. Loss of keys extension (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 alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, following upon the disappearance of any key or alarm controller of such vehicle or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that

- a. the company's liability shall not exceed, in respect of any one event, the amount stated in the schedule.
- b. such amount shall be reduced by the first amount payable stated in the schedule.

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

11. Fire extinguishing charges extension

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

12. Wreckage removal extension (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.

13. Credit shortfall extension (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

- a. any arrears instalments or rentals including interest payable on such arrears;
- b. all refunds of premium for cancellation of any insurance cover relating to the motor vehicle;
- c. the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled;
- d. the first amount payable under sub-section A;
provided always that
 - a. the amounts payable shall not exceed the maximum indemnity less the first amount payable under sub-section A.
 - b. this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10 percent from any other instalment.
 - c. if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.

Memoranda

1. Premium adjustment clause

If this section is issued on a non-specified vehicle basis, the insured shall submit to the company at the end of each period of insurance a declaration of the total number of vehicles owned, hired or leased at such expiry date. The company shall, upon receipt of this declaration, make a premium adjustment of 50 percent of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

2. War clause

In respect of sub-sections B and C only, General exception 1 is deleted and replaced by the following: "This section does not cover war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."

3. Description of use clause

Use for social, domestic and pleasure purposes and use for the business or occupation of the insured excluding hiring, carriage of passengers for hire or carriage of fare-paying passengers, racing speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair.

Optional limitations

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

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

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

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

Specific exceptions

1. The company shall not be liable for any accident, injury, loss, damage or liability
 - a. whilst the vehicle is being used with the general knowledge and consent of the insured otherwise than in accordance with the description of use clause.
 - b. incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, but the insurers will indemnify the insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit.
 - c. incurred while any vehicle is being driven by
 - i. the insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while not licensed to drive such vehicle;
 - ii. any other person with the general consent of the insured who, to the insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or who is not licensed to drive such vehicle, but this shall not apply if the insured was unaware that the driver was unlicensed and the insured can prove to the satisfaction of the company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles;

provided that any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories referred to under Specific exception (b), or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal, or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners.

2. The company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the insured notwithstanding such contractual agreement.

Specific condition

If, during the currency of this section, any driver's licence in favour of the insured or 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.

Electronic equipment section

Sub-section A – Material damage

Defined events

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

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.

Exceptions to sub-section A

The company will not be liable to indemnify the insured irrespective of the original cause in respect of

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

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

1. left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit;

2. contained in a compartment of the motor vehicle and is visible to passers-by; provided that 1 and 2 above shall not apply to theft of the property insured where the transport vehicle
 - a. has been hijacked, or
 - b. has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

Basis of indemnification

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

1. Partial loss

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

- a. the value of damaged parts which can be used will be deducted.
- b. the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this sub-section.
- c. if, without the consent of the company, temporary repairs are carried out by the insured in the interests of safety or to 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.
- d. where the damage is restricted to a part or parts of an insured item, the company shall not be liable for an amount greater than the value of such part or parts which are lost or damaged allowed for within the sum insured.

2. Total loss

- A. In cases where the new property insured is totally lost or destroyed, the basis of indemnification shall be the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged provided always that
 - a. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured, subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the property insured immediately before the damage shall be made.
 - b. until expenditure has been incurred by the insured in replacing or reinstating the property insured, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein.
 - c. these conditions shall be without force or effect if
 - i. the insured fail 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.
 - ii. the insured is unable or unwilling to replace or reinstate the property insured on the same or another site.

- d. at the sole option of the company, following commercial and technical appraisal by a representative of 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.

Definition of new property insured

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

- B. In respect of property insured not provided for in (A) above, the basis of indemnification shall be the market value of the property insured immediately before the loss or damage. At the option of the company, the property insured shall be regarded as totally destroyed if the repair costs as defined in 1 above equal or exceed its market value immediately before the damage.

Definition of market value

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

- a. 20% (twenty percent) for the first year after the date of purchase, and
- b. 10% (ten percent) per year for each succeeding year

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

Average

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

Limit of liability

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

1. Architects' and other professional fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or damage, provided that the amount payable in respect of such fees does not exceed 15% of the total amount of the claim, but shall not include expenses incurred in connection with the preparation of the insured's claim.

2. Clearance costs

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

3. Express delivery and overtime

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

Clauses and extensions

Power surge or lightning strikes

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

Fire brigade charges

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

Tenants

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

Hire purchase/finance agreements

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

Sub-section B – Consequential loss

Defined events

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

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

- a. the cover provided for in item 2 of this sub-section.
- b. the intrinsic value (including reinstatement value) of the property insured by sub-section A of this section.

2. Reinstatement of data/programmes

Costs and expenses necessarily and reasonably incurred by the insured for the reconstitution or recompilation of data and/or programmes recorded on or stored in data-carrying media which 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 the sub-section A of this section, provided that

- a. the indemnity shall not extend to nor include such costs incurred due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes.

- b. in respect of each and every event or series of events arising out of or in connection with any one original cause or source indemnifiable by this item, the insured shall bear the amount stated in the schedule as the first amount payable.
- c. where the insured elects to insure programs (software), a schedule of such programs shall be lodged with the company at the commencement of each period of insurance.

Definitions

Indemnity period

The period during which the results of the business shall be affected in consequence of the accident beginning 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.

Accident

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.
2. Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than
 - a. the deliberate act of the insured or any supply authority.
 - b. drought or shortage of fuel at any electricity utility.

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

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

The limit of liability

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

In the event of the payment by the company of any sum or sums in discharge of the company's liability in terms of this sub-section, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance. The insured shall pay to the company the additional premium required by the company calculated pro rata from the day of the accident to the end of the period of insurance.

Specific exceptions to sub-section B

Unless specifically provided for:

1. Fines and damages

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

2. Loss of profit

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

Clauses and extensions

Reinstatement

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

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
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 1 and 2.

Telkom access lines (if stated in the schedule to be included)

Subject to the limits specified in the schedule, consequential loss as provided for under defined events 1 and 2 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

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

General memoranda

Memo 1 – Capital additions and currency fluctuations

The indemnity by this section shall include

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. 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.

Memo 2 – Prevention of access

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

provided that

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

Special exception (sub-sections A and B) Viruses, Trojans and worms

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

General extension

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

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

1. modifications or alterations to the property insured directly consequent upon indemnifiable loss or damage to ensure the operating integrity of the electronic system;
2. replacement or upgrading of legal programs to achieve compatibility with the modified or altered electronic system;
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
 1. the costs provided for in 1, 2 and 3 above shall be necessarily and reasonably incurred to maintain normal working conditions.
 2. such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of sub-sections A or B (item 2) of this section.
 3. the cover afforded hereunder shall be restricted to
 - a. parts or components of the electronic system which are not indemnifiable under sub-section A hereof.
 - b. programmes or data reinstated not indemnifiable under (item 2) of sub-section B hereof.
4. the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to twenty percent (20%) of the applicable total sum insured under sub-section A (the limit of indemnity) and sub-section B (item 2) or R25,000, whichever is the lesser.

Motor personal accident section

Defined events

Bodily injury caused by accidental, violent external and visible means to any person specified in the schedule (hereinafter in this section referred to as such person) whilst such person is travelling in the permanently enclosed driver/passenger carrying compartment of the motor vehicle described in the schedule.

The company will pay to the insured, on behalf of such person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule under the heading circumstances.

Limits of Liability

The company shall not be liable to pay more than

1. R2,080,000 any one such person and R20,000,000 irrespective of the number of such persons injured resulting from an occurrence or series of occurrences arising from one cause.
2. R10,000 death compensation for such person under the age of 6 years.
3. R30,000 death compensation for such person under the age of 14 years.
4. 50% of the compensation stated if at the time of injury such person was not wearing a seatbelt.

Definitions

Percentage of compensation

- | | |
|--|-----|
| 1. Permanent disability shall mean | |
| a. loss by physical separation at or above the wrist or ankle of one or more limbs | 100 |
| b. permanent and total loss of | |
| whole eye | 100 |
| sight of eye | 100 |
| sight of eye except perception of light | 75 |
| c. permanent and total loss of hearing | |
| both ears | 100 |
| one ear | 25 |
| d. permanent and total loss of speech | 100 |
| e. injury resulting in permanent and total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training | 100 |
| f. loss of four fingers | 70 |
| g. loss of thumb | |
| both phalanges | 25 |
| one phalanx | 10 |
| h. loss of index finger | |
| three phalanges | 10 |
| two phalanges | 8 |
| one phalanx | 4 |
| i. loss of middle finger | |
| three phalanges | 6 |
| two phalanges | 4 |

	one phalanx	2
j.	loss of ring finger	
	three phalanges	5
	two phalanges	4
	one phalanx	2
k.	loss of little finger	
	three phalanges	4
	two phalanges	3
	one phalanx	2
l.	loss of metacarpals	
	first or second (additional)	3
	third, fourth or fifth (additional)	2
m.	loss of toes	
	all on one foot	30
	great, both phalanges	5
	great, one phalanx	2
	other than great, if more than one toe lost, each	2

Memoranda

- Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions.
- Permanent total loss of use of part of the body shall be treated as loss of such part.
- 100 percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.
- Medical expenses** shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 months of the defined event.

Provisos

It is declared and agreed that

- the company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for medical expenses.
- this section shall not apply to any such person over 75 years of age.
- after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the company so to do, submit to medical examination and undergo any treatment specified. The company shall not be liable to make payment unless this proviso is complied with to its satisfaction.
- General conditions 2 & 9 do not apply to this section.

5. in respect of this section only, General exception 1 is deleted and replaced by the following; "this section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."
6. if cover is on the Any passenger and driver basis and the number of persons (including the driver) in the said vehicle at the time of the occurrence exceed the number of persons/seating capacity stated in the schedule the company shall only be liable for a pro rata proportion of the compensation which otherwise would have been payable.

Extension

1. Life support machinery

Notwithstanding anything contained in the defined events, the 24 month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

2. Named Person basis

Cover in respect of such person is extended by deletion of the words "motor vehicle described in the schedule" under Defined events and substituting the words "motor vehicle."

Specific exceptions

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

1. by his suicide or intentional self injury.
2. caused solely by an existing physical defect or infirmity of such person.
3. as a result of the influence of alcohol, drugs or narcotics upon the driver of the vehicle unless administered by a member of the medical profession (other than himself) or unless prescribed by or taken in accordance with the instruction of a member of the medical profession (other than himself).
4. in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof.
5. whilst he is, or as a result of his, engaging in
 - a. motor cycling, (including motor-scooters and quadricycles) whether as a driver or passenger.
 - b. racing of any kind.

Umbrella liability section

1. Cover summary

Within the limits of the Insuring Clause this section provides indemnity in the following circumstances;

1.1 Excess layer protection

where the claim is prima facie covered by the terms of any of the policies listed as scheduled underlying insurance, then this section operates only to the extent that the claim is not met by such underlying insurance solely because of the inadequacy of the underlying indemnity limit;

1.2 Difference in cover protection

where the claim is within the scope of the operative clause of any scheduled underlying insurance, then this section operates only when such claim is rejected by the underlying insurers because of an underlying policy term, condition or exclusion;

1.3 Additional risk protection

where the claim is outside the scope of the operative clause of any scheduled underlying insurance, then this section operates within the limitations of its own insuring clause;

This clause 1 is intended to provide a summary of the cover only and does not modify, alter or extend the specific terms, conditions and exclusions of this section, which remain paramount.

2. Insuring clause

The Insured is indemnified up to the Limit of Indemnity against the legally enforceable consequences of causing Injury, Damage or Malice or providing Negligent Advice (all as defined in clause 3), in the course of carrying out the Business, but only in respect of resultant claims made by others for compensation, damages, costs, fees and expenses, and 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, Canada or Australia (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 on or after the retroactive dates shown in the Schedule and arising out of the Business specified in the Schedule.

All costs reasonably and necessarily incurred, with the company's prior written consent, in defending or settling such claims will be paid by the company, as will costs of legal or similar representation at any inquest or other official enquiry into any incident which the company agrees might give rise to a valid claim under this section, subject to clause 5.7. ("Defence Costs")

3. Definitions

For the purpose of this section, wherever they appear, the words or terms below shall be interpreted as follows:

- 3.1 "Injury" is death, injury, illness (mental and physical), disease, assault, false imprisonment or arrest of or to any person.
- 3.2 "Damage" is loss or damage to tangible property, trespass, nuisance or wrongful interference with the enjoyment of rights over tangible property.
- 3.3 "Malice" is malicious legal proceedings, malicious falsehood, defamation, unfair competition or infringement of copyright, title, slogan or idea.
- 3.4 "Negligent Advice" is incorrect or inadequate advice given in the promotion of the Insured's Products, but without expectation of any other reward.
- 3.5 The "Business" as stated in the Schedule, but also includes all organizations or functions operated for the benefit of the Insured's employees or visitors or for the protection or promotion of the Insured's activities.

- 3.6 "Product" is 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, altered or repaired by or on behalf of the Insured.
- 3.7 "Occupational Illness" is illness or disease (including subsequent disablement or death) sustained by any employee of the Insured which arises out of such person's employment.
- 3.8 "Pollution" means pollution or contamination of the atmosphere or of any water, land or other tangible property.
- 3.9 "North American or Australian Jurisdiction" is any judgment, award or settlement made within countries which operate under the laws of the United States of America, or Canada or Australia, or any order made anywhere in the world to enforce such judgment, award or settlement, either in whole or in part.
- 3.10 "Claims Series Event" is any claim or series of claims arising from one common cause or source.

4. Limit of indemnity

- 4.1 The company's liability during the Period of Insurance to pay the sum of all:
 - a. compensation, damages, claimants' costs, fees and expenses, and
 - b. defence costs incurred in connection with claims under the North American or Australian Jurisdiction, and
 - c. defence costs which are subject to the provisions of Clause 5.7 shall not exceed in the aggregate the Limit of Indemnity shown in the Schedule.
- 4.2 The Limit of Indemnity shall apply separately to:
 - a. the total of all claims arising out of or in connection with Products;
 - b. the total of all claims arising out of or in connection with Occupational Illness;
 - c. the total of all claims which are subject to the provisions of clause 5.6;
 - d. the total of all claims which are subject to the provisions of clause 5.9;
 - e. each and every Claims Series Event not subject to the above provisions.

5. Excess layer protection

In respect of any claim which (during the Period of Insurance) is partially indemnified by any Scheduled Underlying Insurance, this section operates to the extent that the claim is not met by Underlying Insurance because of the inadequacy of the underlying Indemnity limit. The company agrees to follow the interpretation of the Underlying Insurer subject always to the Insuring Clause and the terms, conditions, and exclusions of this section.

- 5.1 Any decision of the Underlying Insurer to accept a claim "ex gratia" or "without prejudice" shall not be binding on the company.
- 5.2 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.
- 5.3 Clause 5 provides indemnity:
 - a. in excess of the Indemnity Limit stated to apply to the Scheduled Underlying Insurance, except where reduced or exhausted by reason of payment, when the Limit of Indemnity of this section will be in excess of the residual limit (if any).
 - b. for defence Costs where not recoverable from an Underlying Insurer. At the maximum these will be in direct proportion to the company's liability to pay compensation, damages, claimant's costs, fees and expenses.
- 5.4 Where the Indemnity Limit of the Scheduled Underlying Insurance is exhausted by reasons of claims thereunder which are also indemnified by this section, the company will continue to follow the interpretation of the Underlying Insurer, subject to clause 4.1 and 4.2.

- 5.5 Where the Indemnity Limit of the Scheduled Underlying Insurance is exhausted by claims thereunder, the company will interpret this section as if the Underlying Insurance was still in force in respect of any claims which would otherwise have been indemnified by such insurance.
- 5.6 Where the Scheduled Underlying Insurance contains an aggregate Indemnity Limit, then similarly the Limit of Indemnity under this section shall be deemed to be in the aggregate.
- 5.7 Where the Scheduled Underlying Insurance Indemnity Limit includes Defence Costs, then similarly the Limit of Indemnity under this section shall be deemed to include Defence Costs.
- 5.8 Where the Insured is indemnified by a policy not listed as a Scheduled Underlying Insurance, then the company may at their sole option deem such policy to be an Underlying Insurance, in which event the provisions of this clause 5 will apply.
- 5.9 Where the Insurers of a Scheduled Underlying Insurance refuse a claim because:
 - a. the loss did not occur, or
 - b. the event did not occur, or
 - c. the claim was not made

during the policy period (as the case may be) but the claim is indemnified by a preceding policy, then such policy shall be treated as a Scheduled Underlying Insurance, subject to the Indemnity Limit of that policy being deemed not less than the Indemnity Limit of the relevant Schedules Underlying Insurance, without allowance for any reduction or exhaustion of such Indemnity Limit. This section will only respond once to the provisions of the clause, that is, only one policy may be deemed to be a Scheduled Underlying Insurance in respect of any Claims Series Event.

6. Difference in cover protection

Where a claim is indemnifiable during the Period of this section by the Insuring Clause of a Scheduled Underlying Insurance, but is excluded by a policy term, condition or exclusion, this section will indemnify the Insured in accordance with this section's Insuring Clause, subject to the terms, conditions and exclusions of this section.

This section will not provide an indemnity where a claim is not indemnifiable by the insuring clause of a Scheduled Underlying Insurance except where:

- a. the Injury or damage was not accidental by nature, or did not arise out of an accident:
- b. the temporary loss of use of property or reduction in value of property did not constitute "damage" within the terms of the operative clause of the Scheduled Underlying Insurance;

subject always to the provisions of exclusion 11.5

Where such a claim arises out of the failure of a Product to perform as specified, warranted or guaranteed or to fulfill its intended purpose, then the provisions of clause 6.5 apply in so far as they can.

- 6.1 Where a claim is not excluded by the insuring clause of a Scheduled Underlying Insurance, but the indemnity limit of such Underlying Insurance has been exhausted by reason of other claims and where, in the opinion of the company such claim would have been excluded by a term, condition or exclusion of the Underlying Insurance, the provision of clause 6 will apply.
- 6.2 To determine the basis of indemnity granted by this section, the company will follow the insuring clause of the appropriate Scheduled Underlying Insurance (to the extent that such underlying insurance grants coverage against the consequences of Injury, Damage, Malice or Negligent Advice) being either:
 - a. injury, Damage or Malice occurring or Negligent Advice given during the Period of Insurance (losses occurring); or
 - b. injury, Damage or Malice resulting from, or Negligent Advice resulting in an event occurring during the Period of Insurance (events occurring); or
 - c. claims made against the Insured during the Period of Insurance following Injury, Malice or Negligent Advice (claims made)

- 6.3 For the purposes of clause 6, the interpretation of the underlying insuring clause will be the decision of the company, not the underlying insurers.
- 6.4 If the underlying insuring clause states that claims resulting from continuous or continual ingestion, inhalation, absorption, or application of any substance or condition are insured on a “losses occurring” basis, for determining whether indemnity is granted by this section, the company will deal with such claims under clause 6 on the following basis:
- a. injury shall be deemed to have occurred when the claimant first obtained medical advice or treatment for the Injury, whether or not the Injury was correctly diagnosed at the time.
 - b. damage shall be deemed to have occurred when the claimant first became aware of the existence of the damage
- 6.5 If the Underlying Insurer repudiates a claim on the basis of an exclusion relating to the failure of a Product to perform as specified, warranted or guaranteed, or to fulfill its intended purpose and such Underlying Insurance is on a “losses occurring” basis and 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 the claim.

7. Additional risks protection

The Insured is indemnified by this clause in accordance with the Insuring Clause, other than for claims which are indemnifiable in whole or in part by clauses 5 or 6 of this section or by any other insurance, subject always to the terms, conditions and exclusions of this section.

- 7.1 The indemnity granted is limited to claims made against the Insured during the period of insurance, or any circumstance or event which the company accepts may give rise to a claim of which the Insured first became aware and notified to the company during the policy Period.
- 7.2 No indemnity is provided by this clause if the insurers of a Scheduled Underlying Insurance decline a claim on the grounds that the Injury, Damage, Malice, Negligent Advice or event did not occur or the claim was not made, during the policy Period (as the case may be).
- 7.3 No indemnity is granted by this clause against liability:
- a. arising out of the ownership, possession or use by or on behalf of the Insured of any motor vehicle or trailer;
 - b. for Injury to any person who is engaged under a contract of employment or apprenticeship.

8. Protection of other parties

The indemnity given to the Insured is also extended to:

- 8.1 Directors, partners or employees of the Insured in their business capacity arising out of the performance of the Business;
- 8.2 Any person or party to the extent that any contract entered into by the Insured requires that such indemnity is given;
- 8.3 The personal representative of any person or party indemnified

These persons or parties are subject to the terms, conditions and exclusions of this section in so far as they apply.

9. Cross liabilities

The Insured and person or parties indemnified by clause 8 are separately indemnified in respect of claims made by one against the other, subject to the company's liability not exceeding the Limit of Indemnity .

10. Clauses 6 and 7 exclusions

No Indemnity is granted by clauses 6 and 7 against liability arising out of:

10.1 North American or Australian jurisdiction

As defined.

10.2 Aircraft or Watercraft

The ownership, hire purchase or leasing of any aircraft, spacecraft, watercraft or hovercraft by or on behalf of the Insured or the activities of the Insured or the Insured's employees as pilot or crew member other than for death or injury of or to employees of the Insured arising out of such employment subject always to exclusion 10.5.

10.3 Ship and aviation repairing and maintenance

The repair, maintenance, refueling or defueling of any aircraft, spacecraft, watercraft or hovercraft undertaken by or on behalf of the Insured other than for death or injury of or to employees of the Insured arising out of such employment subject always to exclusion 10.5

10.4 Directors and officers liability and professional indemnity

Acts, errors or omissions of the directors or officers of the Insured when acting in their capacity as such, or in the conduct by the Insured of professional activities, being those activities normally undertaken by persons qualified in law, medicine, accountancy, banking, financial management and services, engineering, architecture, surveying, construction and project management or supervision, shipping and forwarding, insurance, stock broking, estate agency or property valuation.

This exclusion does not apply to:

- a. death, injury, illness or disease of or to any person or, physical damage to or destruction of property not in the Insured's care, custody or control, consequent upon such acts, error or omissions;
- b. Negligent Advice.

10.5 Occupational illness

As defined

10.6 Property

Damage to property owned, leased, hired or loaned to the Insured or otherwise in the Insured's care, custody or control except for:

- a. premises and their contents temporarily occupied by or in the possession of the Insured for the purpose of work therein or thereon;
- b. premises tenanted by the Insured

10.7 Excess

The amount of the Deductible stated in the Schedule in respect of each and every Claim Series Event where no part of the loss is recoverable in terms of any Underlying Insurance.

11. Exclusions

No indemnity is granted by this section against liability:

11.1 Punitive and exemplary damages

To pay awards or damages of a punitive nature or exemplary nature

11.2 Pollution

Arising out of Pollution, except to the extent that it can be proven that the Pollution:

- a. was the direct result of a sudden specific and identifiable event; and
- b. was not the result of the Insured failing to take reasonable precautions to prevent such Pollution.

provided always that no indemnity is granted against liability arising out of Pollution which is the subject of North American or Australian jurisdiction.

11.3 Retroactive date

For any Injury, Damage, and Malice or for the provisions of Negligent Advice which occurs before the Retroactive Date which is applicable to the underlying insurance or as stated in the Schedule, whichever is the later. For the purpose of this clause, where any Injury or Damage resulting from continuous or continual, ingestion, absorption, or application of any substance or condition and where the Insured and the company cannot mutually agree when the Injury or Damage occurred, then:

- a. injury shall be deemed to have occurred when the claimant first obtained medical advice or treatment for the Injury, whether or not the Injury was correctly diagnosed at the time;
- b. damage shall be deemed to have occurred when the claimant first became aware of the existence of the Damage

11.4 Prior claims

Arising out of any Claims Series Event which has been notified to any preceding insurance policy.

11.5 Deliberate acts

Arising out of any deliberate or intentional failure of the Insured's technical or administrative management to take reasonable precautions to prevent Injury, Damage or Malice occurring or Negligent Advice being given.

11.6 Employee benefits

For any benefits for which the Insured is liable under any:

- a. Workmen's Compensation Act; or
- b. Unemployment Compensation Scheme
- c. Disability Benefit Scheme

unless the Insured has assumed such liability (which would not otherwise have existed) by agreement with a third party.

11.7 Motor

Which is the subject of statutory or similar legislation controlling the use of motor vehicles or trailers and in respect of which liability:

- a. the Insured is compelled to effect insurance or otherwise to furnish security or
- b. the State or other government authority has accepted responsibility

11.8 Product replacement

For the costs necessary to repair, replace, recondition, or modify any Product or part thereof which is or is alleged to be defective.

11.9 Product recall

Arising out of the recall of any product or part thereof.

11.10 Performance guarantees

Arising out of performance warranties or guarantees, or clauses stipulating liquidated damages or penalties, except to the extent that it is proven that such liability would have existed in the absence of any contractual provision.

11.11 War and terrorism

Notwithstanding any provision to the contrary within this section or any endorsement thereto it is agreed that this section excludes liability for loss, damage, costs or expenses of whatever 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;

- a. 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

- b. any act of terrorism,

For the purpose of this clause an act of terrorism means any 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 clause 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 (a) or (b) above.

If the company alleges that by reason of this exclusion, 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 that any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

11.12 Nuclear

Directly and indirectly caused by or contributed to, by or arising from including any consequential loss:

- a. ionizing radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel
- b. the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

For the purposes of this Exclusion, combustion shall include any self-sustained process of nuclear fission.

The indemnity provided by this section shall not apply to nor include any loss destruction damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

12. Conditions

12. a. General conditions

(Conditions 12.1 to 12.8 are precedent to the company's Liability to provide indemnity under this section)

- 12.1 "Premium is payable on or before the inception date or renewal date or installment date as the case may be. The company shall not be obliged to accept premium tendered to them more than 15 days after such date but may do so upon such terms as they in their sole discretion may determine.
- 12.2 Written notice must be given to the company as soon as possible of any event that may give rise to a claim under this section and such further information as the company may reasonably require. Every claim, writ, summons or process and all related documents must be forwarded to the company as soon as possible.

Inadvertent failure to comply with this condition because the Insured could not reasonably have anticipated that the event would give rise to a claim under this section will not be construed as a breach of this condition.
- 12.3 No admission, offer or payment which results in a claim under this section may be made or given by or on behalf of the Insured or the Insurers of any Scheduled Underlying Insurance policy without the written consent of the company. The Insured will take all reasonable steps to ensure that the Underlying Insurers will co-operate with the company in the defence and settlement of any claim which is indemnifiable both by a Scheduled Underlying Insurance and this section, and in the exercise of any subrogation rights. The costs incurred in exercising such rights and any amounts recovered shall be apportioned to each party according to the sums paid or payable under the respective policies.

- 12.4 In respect of any claim not covered at least in part by the Scheduled Underlying Insurances, the company may take over and conduct in the name of the Insured the defence or settlement of any claim or prosecute in the name of the Insured for their own benefit and will have full discretion in the conduct of any proceedings and in the settlement of any claim. The Insured will give all necessary information and assistance.
- 12.5 The Insured must throughout the whole Period of this section advise the company as soon as possible of anything which they reasonably believe will materially change the information in the proposal form and any additional information that was originally presented to the company, including (but not limited to) any alteration in the terms and conditions of the Scheduled Underlying Insurance. Pending agreement by the company hereon to any change in the Scheduled Underlying Insurance, cover by this section shall remain in force as if no such change had occurred.
- 12.6 Indemnity will not be provided under clause 5 until the relevant Underlying Insurers have agreed to pay the underlying indemnity limit as defined in 5.3 (a).
- 12.7 The indemnity granted is conditional on the Scheduled Underlying Insurances remaining in force throughout the Period of this section for the Indemnity Limits shown in the Schedule (other than where exhausted or reduced by claims)
- 12.8 The policy and Schedule will be interpreted in accordance with the laws of the Republic of South Africa. The Insured and the company submit to the exclusive jurisdiction of any court of competent jurisdiction within the Republic of South Africa.
- 12.9 Where the Limit of Indemnity under this section involves the company paying Defence Costs in addition to the Limit of Indemnity, then the company may at any time pay the Limit of Indemnity applying to any Claims Series Event (after deduction of sums already paid), or any lesser amount for which claims can be settled and shall then be under no further liability in connection with such claims except for the company's proportion of Defence Costs incurred prior to the date of payment.
- If the amount required to dispose of any Claim Series Event exceeds the Limit of Indemnity and the excess amount is either wholly or partially insured, the company will be liable for Defence Costs in the same proportion as the amount payable for the Claims Series Event bears to the applicable Scheduled Underlying Insurance Indemnity Limit, including the company's proportion of subsequent Defence Costs incurred with their prior written consent after the company has exercised its rights under this clause subject always to clause 3.
- 12.10 If indemnity is sought by any fraudulent means this section will automatically and without further notice be deemed void.
- 12.11 Where the premium is provisionally based on estimates, the Insured shall keep accurate records and after expiry of each Period of Insurance declare as soon as possible such details as the company requires. The premium will then be adjusted and any difference paid by or allowed to the Insured, subject to any minimum premium that may apply.
- 12.12 This section and the Schedule shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this section or the Schedule shall bear such specific meaning wherever it may appear.
- 12.13 Either the Insured or the company may cancel this section by giving sixty days notice in writing to the registered office of the other party, in which event the premium will be adjusted by the provisions of clause 12.11, except that:
- a. any minimum premium will apply on a proportionate basis to the period the company was actually on risk;
 - b. if the premium is unadjustable a return premium proportionate to the cancelled period will be due to the Insured.
- 12.14 Unless otherwise provided, nothing in this section 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 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 of the company.

12. b. Specific conditions

1. Any claim made in writing against the Insured as a result of a defined event reported in terms of General Condition 12.2 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the company
2. In the event of cancellation or non-renewal of the section;
 - a. any claim resulting from a reported event, first made in writing against the Insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant.
 - b. the Insured may report an event in terms of General Condition 12.2 to the company for up to 30 days after cancellation or non-renewal provided
 - i. such event occurred during the Period of Insurance;
 - ii. any subsequent claim first made in writing against the Insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 month period specified in 2 (a) above.
3. Any series of claims made against the Insured by one or more 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 first been made against the Insured
 - a. on the date that the event was reported by the Insured in terms of General Condition 12.2 or
 - b. if the Insured was not aware of any event which could have given rise to a claim on the date that the first claim of the series was first made in writing against the Insured

13. Special provisions

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

Notice supplied in addition to the Statutory Notice supplied with this Policy

Insurance policies are legal contracts entered into between the Insurance Company (we/us) and the Insured (you/your). The Intermediary (broker) used by you, as your agent and in terms of the Financial Advisers and Intermediary Services Act (FAIS), is obliged to bring to your attention all aspects of the insurance policy that affect the coverage purchased, both the positive and negative aspects.

Definitions

To assist all concerned, and in particular you, we have produced/reproduced various definitions utilised by us that could affect you in your understanding of the cover provided by this Policy in the General Definitions Section of the Policy.

These definitions are not a comprehensive list of all those used in this Policy, but we believe that they are of such a nature that we should bring them to your specific attention.

There are other definitions used in this Policy but we are confident that the broker is fully aware of definitions used in the South African Business insurance market upon which this Policy has been based.

These definitions do not necessarily appear in this Policy in the same order as they are listed.

Should you require any additional information, or explanation, as to the application of these definitions, or any aspect of this Policy, it is recommended that you contact the broker that arranged this Policy on your behalf.

However, we are always available to assist you should the need arise.



Contact

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