



FRANCHISE ADDENDUM

TO AND FORMING PART OF CIB COMMERCIAL POLICY WORDING

This **Addendum** supersedes all previous Policy Wordings and / or **Annexures** to which cover has been agreed in terms of **Our** Franchise Product. All of which are cancelled and replaced with this Franchise **Addendum** and must be read together with:

1. the CIB Commercial **Policy** Wording, and / or
2. **Your** Franchise **Schedule**, and /or
3. **Your** Franchise **Annexure**.

These documents will tell **You** all that **You** need to know about the Cover, Terms, Conditions and Limitations relating to the insurance that **You** have purchased.

Any extension / benefit which do not have a wording assigned within this **Addendum** will have the cover provided as contained in the CIB Commercial **Policy** Wording.

For the purpose of this Franchise Product **Addendum** the following **Sections** which appear in the CIB Commercial **Policy** Wording are deleted

Section 16: Schools Liability

POLICY REFERENCE	COMMENT
PART 2	
GENERAL CONDITIONS	
Silent risk clause	Where any part of the whole of Your premises ceases to be occupied by You for the purpose of the Business as a going concern, the insurance cover is suspended unless We have been notified of this and accepted such in writing.
Change of interest	As soon as Your interests in any item covered in terms of this Policy is terminated there will no longer be any cover in respect of such item.
Flammable liquids storage restriction	It is noted and agreed that unless otherwise agreed to in writing by Us and so stated in the Schedule , that the buildings as reflected in the Schedule are regarded as not being used for the storage of any hazardous or flammable substances.
Welding	It is a condition of this Policy that You warrant that welding will take place in a cordoned off area which is not in close proximity to combustible material and that a Hot works program is implemented.
Spray painting	It is a condition of this Policy that You warrant that spray painting will only take place in a fully concealed fire resistant spray booth and You further



	warrant that whilst spray painting is in process that the spray booth will be fully concealed and will in no way communicate with the remainder of Your premises.
Spray booth	<p>It is a condition of this Policy that You warrant that the warming up and / or operation of spray booths will be supervised at all times by a suitably qualified employee of Yours.</p> <p>You further warrant that the heating system of the spray booth will be serviced on an annual basis and proof thereof will be provided to Us on request.</p>
GENERAL CONDITIONS	
Trauma benefit	<p>The insurance by each Section of this Policy is extended to be inclusive of expenses incurred, which are not otherwise covered whether under this Policy or elsewhere, for trauma treatment by a registered professional counsellor.</p> <p>If You / Your employee or guest requires treatment due to hijacking, theft or fire that occur in Your building or on Your premises.</p> <p>Provided always that Our liability under this extension will not exceed the amount stated in the Schedule / Annexure.</p>

PART 3	
SECTION 1: FIRE AND ALLIED PERILS	
SPECIFIC EXTENSIONS	
Alcohol and beverage extension	We will indemnify You for accidental, sudden and unforeseen physical damage caused by the leakage of beverages from fixed installations inclusive of resultant loss of beverages. Provided that the limit of Our liability in respect of loss or damage will not exceed R15 000 and You will be Responsible for the first R200 of each and every claim.
External signs, blinds and canopies extension	<p>We will pay up to the amount stated in the Schedule / Annexure for accidental, sudden and unforeseen physical damage arising from events in terms of the cover provided to external signs, blinds and canopies at Your premises for which you are Responsible inclusive of signs and signposts advertising Your establishment, being Your property of that for which You are Responsible.</p> <p>Provided that You will be Responsible for the first amount payable of R1 000 each and every claim and We will not pay more than the limit stated in the Schedule / Annexure for any one event in any one Annual Period.</p> <p>For the purpose of this Specific Extension the term damage does not include liability costs and / expenses howsoever arising.</p>
Damage to contents by wild animals extension	This Section extends to be inclusive of loss of or damage to contents as a result of the acts of wild animals provided that the limit of Our liability in respect of

	loss or damage will not exceed R15 000 and You will be Responsible for the first R500 of each and every claim.
Discharge of weapons	We will indemnify You for damage to contents and stocks caused by the discharge of weapons during an armed robbery. Provided that the limit of Our liability in respect of damage will not exceed R10 000 any one event, limited to R20 000 in the Annual Period .
SECTION 2: BUILDINGS COMBINED	
SPECIFIC EXTENSIONS	
Contamination and pollution of fish stocks extension	<p>We will pay for death of fish kept for aesthetic purposes only (not incidental to Your Business) directly resulting from the cover provided up to the limit stated in the Schedule / Annexure. This Specific Extension excludes death of fish following water pollution or contamination from chemicals or waste which is not caused by sudden and unforeseen circumstances. Provided that You will be Responsible for the first amount payable of R1 000 each and every claim and We will not pay more than the limit stated in the Schedule / Annexure for any one event in any one Annual Period.</p> <p>We will not be responsible for any claim, cost, expense where the death of fish arises as a result of disease or sickness howsoever arising.</p>
External signs, blinds and canopies extension	<p>We will pay up to the amount stated in the Schedule / Annexure for accidental, sudden and unforeseen physical damage arising from events in terms of the cover provided to external signs, blinds and canopies at Your premises for which you are Responsible inclusive of signs and signposts advertising Your establishment, being Your property of that for which You are Responsible. Provided that You will be Responsible for the first amount payable of R1 000 each and every claim and We will not pay more than the limit stated in the Schedule / Annexure for any one event in any one Annual Period.</p> <p>For the purpose of this Specific Extension the term damage does not include liability costs and / expenses howsoever arising.</p>
Discharge of weapons	We will indemnify You for damage to contents and stocks caused by the discharge of weapons during an armed robbery. Provided that the limit of Our liability in respect of damage will not exceed R10 000 any one event, limited to R20 000 in the Annual Period .
Damage to contents by wild animals extension	This Section extends to be inclusive of loss of or damage to contents as a result of the acts of wild animals provided that the limit of Our liability in respect of loss or damage will not exceed R15 000 and You will be Responsible for the first R500 of each and every claim.

SECTION 4: BUSINESS INTERRUPTION	
SPECIFIC EXTENSIONS	
Franchise fees and royalties payable to the franchisor extension	<p>We will indemnify You in respect of Franchise Fees and Royalties payable to the Franchisor subject to the underlying Terms, Conditions and Definitions contained under items 1: Gross Profit (Difference and Additions basis) it is specifically noted that:</p> <ol style="list-style-type: none"> 1. any usual Franchise fees calculated on a flat or fixed amount and which regardless of the interruption of or interference with the Business remains payable by You to the Franchisor, will be deemed to be included as Standing Charges for the purposes of calculating the Gross Profit and for the application of the rate of Gross Profit, 2. any usual franchise fees calculated on a percentage of Turnover, Gross Profit or Net Profit and which, regardless of the interruption of or interference with the Business remains payable by You to the Franchisor, will be deemed to be included as Standing Charges for the purposes of calculating the Gross Profit and for the application of the rate of Gross Profit.
Contingent business interruption extension	<p>We will indemnify You up to a maximum of 25% of the Business Interruption Sum Insured or R150 000 (whichever is the lesser) where the direct cause of Your loss and the sole reason for the reduction in profit is in respect of:</p> <ol style="list-style-type: none"> 1. murder, rape and suicide at the premises, 2. closure of Your premises due to defective sanitation, vermin or pests on order of the local authorities provided such closure does not emanate from Your lack of duty to comply with the requirements of such authorities, 3. chemical or oil pollution of beaches, rivers or waterways within 10 kilometres of the premises, 4. shark attack or attack by wild game (within a 10-kilometre radius of the premises), 5. Business interruption due to bomb scare in the 1 kilometre vicinity of Your premises, 6. summons for You to appear in court as a witness or any of Your directors, partners or employees, 7. loss of attraction resulting from the reduction in passing trade following the loss of attraction as a result of Damage to the attraction, 8. loss resulting from the reduction in passing trade as a result of Damage to the premises of Your anchor tenant.

<p>Bush fire / loss of game extension</p>	<p>We will indemnify You for loss resulting in interruption or interference with the Business due to prevention of access to Your insured Premises as a result of a bush fire or the death by such fire of hippopotamus, rhinoceros, lion, leopard, cheetah, crocodile, buffalo and elephant provided that such loss is limited to a maximum of 10% of the Business Interruption Sum Insured or R150 000 (whichever is the lesser).</p>
<p>Loss of liquor licence extension</p>	<p>Definitions</p> <p>For the purpose of this Specific Extension and wherever these appear the below mentioned definitions bear reference and apply:</p> <p>Licence means the licence granted for the retail sale of excisable liquors at the Premises.</p> <p>You / Your or the Purpose of this Specific Extension only is inclusive of the Licence holder.</p> <p>COVER PROVIDED</p> <p>We will indemnify You for loss in respect of:</p> <ol style="list-style-type: none"> 1. the cost and expenses incurred by You with Our written consent in connection with any appeal against the forfeiture of or refusal to renew such Licence, 2. the reduction in Turnover as a direct result of such forfeiture. <p>In the event of the Licence being:</p> <ol style="list-style-type: none"> 1. forfeited under the provisions of the legislation governing such licences in consequence of Damage or, 2. refused renewal by the appropriate licensing authority after due application for such renewal during the Period of Insurance from causes beyond Your control in consequence of Damage. <p>Provided that such loss is limited to a maximum of 15% of the Business Interruption Sum Insured or R150 000 (whichever is the lesser).</p> <p>SPECIAL CONDITIONS</p> <ol style="list-style-type: none"> 1. You will give notice to Us in writing immediately upon becoming aware of any: <ol style="list-style-type: none"> 1.1. complaint against the control of the Business, 1.2. proceeding against or conviction of the Licence Holder, Manager, Tenant or Occupier of the Business for any breach of the licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to their honesty, moral standing or sobriety, 1.3. change in the tenancy or management of the Business, 1.4. transfer or proposed transfer of the Licence,

	<p>1.5. alteration in the purpose for which the Business premises are used,</p> <p>1.6. objection to renewal or other circumstances which may endanger the Licence or renewal thereof.</p> <p>Subject to such notice You will be deemed to have reaffirmed at the date of each renewal of this Section the statements made in the Proposal and / or any other information upon which this insurance is based.</p> <p>2. In the event of forfeiture or refusal of renewal of the Licence You will notify Us immediately after the order by the authorities and will state so far as You are able the grounds upon which such order has been made.</p> <p>3. In the event of death, bankruptcy, incapacity, desertion of the premises or conviction for any offence where such conviction affects Your character or reputation of a convicted person with respect to their honesty, moral standing or sobriety You will where practicable and at Our request procure a suitable person to replace them and one to whom the justice will transfer the Licence or grant the Licence by way of renewal.</p> <p>SPECIFIC EXCLUSIONS We will not be liable for any claim, cost or expense if:</p> <ol style="list-style-type: none"> 1. You are entitled to obtain the payment of compensation under the provisions of any Act of Parliament or legislation in respect of the refusal to renew such Licence, 2. the forfeiture of or refusal to renew the Licence arises directly or indirectly from any scheme of town or country planning, improvement, redevelopment or compulsory purchase or the surrender, reduction or redistribution of licences in connection therewith, or from any alteration in the law affecting the granting, surrender, refusal to renew or forfeiture of Licences, 3. the forfeiture of or refusal to renew such Licence be occasioned wholly or partly by or through Your misconduct or procurement or connivance or neglect or Your omission or by Your omission to take any steps necessary for keeping the Licence in force. <p>No claim will arise under this Section unless You or any other claimant hereunder can prove to Our reasonable satisfaction that such matter was beyond their power or control.</p>
<p>Loss of aesthetic appeal</p>	<p>We will indemnify You in respect of loss resulting from interruption of or interference with the Business in consequence of Damage to property forming part of, or contained within, the complex of which the premises forms part and which results in a cessation or diminution of trade due to temporary falling away of potential customers whether Your premises or property contained therein is Damaged or not. Provided that:</p> <ol style="list-style-type: none"> 1. Our indemnity will not exceed 10% of the Business Interruption Sum Insured or R150 000 (whichever is the lesser) and

	<p>2. regardless of the Indemnity Period reflected in the Schedule, the Indemnity Period in respect of this Specific Extension will not exceed 3 months.</p>
<p>Bomb evacuation extension</p>	<p>The cover provided referred to in this Section is amended to be inclusive of loss following interruption of or interference with the Business during the Period Of Insurance in consequence of use of or access to the premises being prevented by Bomb-Scare provided that:</p> <ol style="list-style-type: none"> 1. such use of or access to the premises is prevented on the order of the South African Police Services 2. the maximum amount payable by Us will not exceed 10% of the Business Interruption Sum Insured or R150 000 (whichever is the lesser). <p>You will be Responsible for the first R5 000 in respect of this Specific Extension.</p>
<p>OPTIONAL EXTENSIONS</p>	
<p>Loss of specified tourist attraction extension (if stated to be included in the schedule)</p>	<p>We will indemnify You for loss of tourist attraction specified in the Schedule resulting in interruption or interference with the Business due to prevention of access to or Damage to the tourist attraction stated in the Schedule. Provided that regardless of the Indemnity Period reflected in the Schedule, the Indemnity Period in respect of this Specific Extension will not exceed 3 months.</p>
<p>Cancellation of bookings (if stated to be included in the schedule)</p>	<p>We will indemnify You for loss of the value of deposits up to the limit stated in the Schedule up to a maximum of 25% of the Business Interruption Sum Insured for any one event received for the reservation (booking) of accommodation as a result of returning such deposits following cancellation or curtailment of the relevant bookings due to a cause listed below. Provided that such deposits cannot be recovered from any other source by or on behalf of the person cancelling or curtailing the booking and where such cancellation is received within a period not exceeding 1 week:</p> <ol style="list-style-type: none"> 1. Accidental injury, illness or death of: <ol style="list-style-type: none"> 1.1. the guest who booked the accommodation or any person with whom the guest has arranged to travel, 1.2. a close relative, fiancé or close business colleague of the guest 1.3. pregnancy of the guest spouse, 1.4. compulsory quarantine or jury duty or witness in a court of law applying to the guest or any person with whom the guest has arranged to travel, 1.5. the residential property of the guest being burgled or damaged by fire, water or the elements requiring the guest to return home,

	<p>1.6. any official requirement for the guest to attend emergency duty in the military, medical service or public service.</p> <p>SPECIFIC EXCLUSIONS We will not be liable for any claims rising directly or indirectly:</p> <ol style="list-style-type: none"> 1. where at the time of booking the guest was aware of any medical condition or set of circumstances which could reasonably be expected to cause the booking to be cancelled or curtailed, 2. by any person who is receiving treatment for an existing condition or is on a waiting list for medical treatment or has knowledge of the fact that they will require treatment at a hospital or nursing home, 3. by any person whose condition gives rise to a claim when travelling against the advice of a medical doctor or for the purpose of obtaining medical treatment abroad, 4. by any person whose condition gives rise to a claim was during the 12 months preceding such claim suffering from any chronic or recurring illness of a serious nature which required consultation or treatment unless such condition was declared to us and accepted by Us, 5. from winter sports, mountaineering, underwater activities such as diving snorkelling or any other activity that requires the use of artificial breathing apparatus, 6. from pot-holing or any other underground activity inclusive of mining, 7. from riding or driving in any kind of race, 8. from wilful exposure to risk other than an attempt to save human life (manual work in connection with a profession, business or trade, or flying, except as a passenger in a fully licensed passenger carrying aircraft) provided that this exclusion will apply to indemnified person only. 9. any instruction issued by any authority whether local, national or international or promulgated by law, inclusive of any fear or threat thereof, whether actual or perceived.
<p>SECTION 7: MONEY</p>	
<p>SPECIFIC EXTENSIONS</p>	
<p>Bilking extension</p>	<p>We will indemnify You for accidental, sudden and unforeseen loss of Money as a result of customers absconding before payment of their account for accommodation or other services provided by You before it can be collected from them, provided that Our maximum liability in respect of any one occurrence or event will not exceed the amount stated in the Schedule /</p>

	<p>Annexure and Our liability during any Annual Period will not exceed the amount stated in the Schedule / Annexure in the aggregate.</p>
<p>Fraudulent use of credit cards</p>	<p>We will indemnify You for accidental, sudden and unforeseen loss of Money arising as a result of transactions being made by customers with fraudulent or stolen credit cards, provided that Our maximum liability in respect of any one occurrence or event will not exceed the amount stated in the Schedule / Annexure and You will bear the first amount stated in the Schedule / Annexure of each and every occurrence or event giving rise to a claim and Our liability during any Annual Period will not exceed the amount stated in the Schedule / Annexure in the aggregate.</p>
<p>SECTION 13: PUBLIC LIABILITY BROAD FORM</p>	
<p>For the purpose of this product - all exclusions and conditions remain operative unless cover has specifically been superseded in terms of this Addendum.</p>	
<p>SPECIFIC EXTENTIONS</p>	
<p>Food and drink extension</p>	<p>Regardless of anything contained to the contrary in the Policy it is hereby noted and agreed that We will indemnify You in respect of the cover provided caused by any Product (excluding wrongful delivery and delivery of incorrect Products) caused by the nature or condition of food and drink sold and supplied by You in connection with Your Business provided that:</p> <ol style="list-style-type: none"> 1. You comply with all statutory laws and regulations pertaining to the sale and / or supply of food and drink; and 2. You take all reasonable precautions to ensure that food and drink sold and supplied is free from contamination and is fit for human consumption. 3. Our maximum liability in respect of any one Occurrence will not exceed the amount stated in the Schedule / Annexure, any additional cover must be purchased under the Optional Extension headed Products Liability. 4. You will bear the first amount payable stated in the Schedule / Annexure